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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form 10-Q

☑ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2018

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from____ to ____

Commission file number **001-32876**

Wyndham Worldwide Corporation

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**20-0052541**
(State or Other Jurisdiction of Incorporation or Organization)	*(I.R.S. Employer Identification No.)*
22 Sylvan Way **Parsippany, New Jersey** *(Address of Principal Executive Offices)*	**07054** *(Zip Code)*

(973) 753-6000
(Registrant's Telephone Number, Including Area Code)

None
(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☑	Accelerated filer	☐
Non-accelerated filer	☐	(Do not check if a smaller reporting company)	
		Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the last practicable date:
99,782,991 shares of common stock outstanding as of March 31, 2018.

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PART I — FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements (Unaudited).

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Wyndham Worldwide Corporation

Results of Review of Interim Financial Statements

We have reviewed the accompanying condensed consolidated balance sheet of Wyndham Worldwide Corporation and subsidiaries (the "Company") as of March 31, 2018, the related condensed consolidated statements of income, comprehensive income, cash flows and equity, for the three-month periods ended March 31, 2018 and 2017, and the related notes (collectively referred to as the "interim financial statements"). Based on our reviews, we are not aware of any material modifications that should be made to the accompanying interim financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheet of the Company as of December 31, 2017, and the related consolidated statements of income, comprehensive income, cash flows and equity for the year then ended prior to retrospective adjustment for a change in the Company's method of accounting for revenue from contracts with customers under Financial Accounting Standards Board Accounting Standards Codification 606, *Revenues from Contracts with Customers* (not presented herein); and in our report dated February 16, 2018, we expressed an unqualified opinion on those consolidated financial statements. We also audited the adjustments described in Note 1 that were applied to retrospectively adjust the December 31, 2017, consolidated balance sheet of the Company (not presented herein). In our opinion, such adjustments are appropriate and have been properly applied to the previously issued consolidated balance sheet in deriving the accompanying retrospectively adjusted condensed consolidated balance sheet as of December 31, 2017.

Basis for Review Results

The interim financial statements are the responsibility of the Company's management. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our reviews in accordance with standards of the PCAOB. A review of interim financial statements consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ Deloitte & Touche LLP
Parsippany, New Jersey
May 2, 2018

WYNDHAM WORLDWIDE CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In millions, except per share amounts)
(Unaudited)

	Three Months Ended March 31,	
	2018	**2017**
Net revenues		
Service and membership fees	$ 487	$ 476
Vacation ownership interest sales	358	350
Franchise fees	151	140
Consumer financing	118	111
Other	76	77
Net revenues	1,190	1,154
Expenses		
Operating	513	506
Cost of vacation ownership interests	31	36
Consumer financing interest	19	18
Marketing and reservation	188	174
General and administrative	173	172
Separation-related	51	—
Impairment	—	5
Restructuring	—	7
Depreciation and amortization	56	51
Total expenses	1,031	969
Operating income	159	185
Other income, net	(6)	(1)
Interest expense	45	34
Interest income	(1)	(1)
Income before income taxes	121	153
Provision for income taxes	40	26
Income from continuing operations	81	127
Loss from discontinued operations, net of income taxes	(47)	(37)
Net income	$ 34	$ 90
Basic earnings per share		
Continuing operations	$ 0.81	$ 1.21
Discontinued operations	(0.47)	(0.35)
	$ 0.34	$ 0.86
Diluted earnings per share		
Continuing operations	$ 0.80	$ 1.20
Discontinued operations	(0.46)	(0.35)
	$ 0.34	$ 0.85
Cash dividends declared per share	$ 0.66	$ 0.58

See Notes to Condensed Consolidated Financial Statements.

WYNDHAM WORLDWIDE CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions)
(Unaudited)

	Three Months Ended March 31,	
	2018	**2017**
Net income	$ 34	$ 90
Other comprehensive income, net of tax		
Foreign currency translation adjustments	14	29
Unrealized losses on cash flow hedges	(1)	—
Defined benefit pension plans	1	—
Other comprehensive income, net of tax	14	29
Comprehensive income	$ 48	$ 119

See Notes to Condensed Consolidated Financial Statements.

WYNDHAM WORLDWIDE CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions, except share data)
(Unaudited)

	March 31, 2018	December 31, 2017
Assets		
Current assets:		
Cash and cash equivalents	$ 291	$ 100
Trade receivables, net	450	389
Vacation ownership contract receivables, net	268	252
Inventory	337	340
Prepaid expenses	186	145
Other current assets	424	321
Assets held for sale	1,726	1,448
Total current assets	3,682	2,995
Long-term vacation ownership contract receivables, net	2,608	2,649
Non-current inventory	888	909
Property and equipment, net	1,112	1,081
Goodwill	1,330	1,336
Trademarks, net	741	736
Franchise agreements and other intangibles, net	344	348
Other non-current assets	394	396
Total assets	$ 11,099	$ 10,450
Liabilities and Equity		
Current liabilities:		
Securitized vacation ownership debt	$ 198	$ 217
Current portion of long-term debt	91	104
Accounts payable	245	256
Deferred income	566	524
Accrued expenses and other current liabilities	753	748
Liabilities held for sale	1,246	780
Total current liabilities	3,099	2,629
Long-term securitized vacation ownership debt	1,779	1,881
Long-term debt	4,193	3,805
Deferred income taxes	802	774
Deferred income	283	283
Other non-current liabilities	293	304
Total liabilities	10,449	9,676
Commitments and contingencies (Note 13)		
Stockholders' equity:		
Preferred stock, $.01 par value, authorized 6,000,000 shares, none issued and outstanding	—	—
Common stock, $.01 par value, authorized 600,000,000 shares, 219,249,183 issued as of 2018 and 218,796,817 issued as of 2017	2	2
Treasury stock, at cost – 119,536,306 shares as of 2018 and 118,887,441 shares as of 2017	(5,795)	(5,719)
Additional paid-in capital	3,986	3,996
Retained earnings	2,449	2,501
Accumulated other comprehensive income/(loss)	3	(11)
Total stockholders' equity	645	769
Noncontrolling interest	5	5
Total equity	650	774
Total liabilities and equity	$ 11,099	$ 10,450

See Notes to Condensed Consolidated Financial Statements.

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WYNDHAM WORLDWIDE CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Three Months Ended March 31,	
	2018	**2017**
Operating Activities		
Net income	$ 34	$ 90
Loss from discontinued operations, net of tax	47	37
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	56	51
Provision for loan losses	92	85
Deferred income taxes	24	79
Stock-based compensation	21	15
Impairment	—	5
Non-cash interest	5	6
Net change in assets and liabilities, excluding the impact of acquisitions:		
Trade receivables	(63)	(49)
Vacation ownership contract receivables	(71)	(55)
Inventory	(39)	(32)
Prepaid expenses	(41)	(32)
Other current assets	(76)	(97)
Accounts payable, accrued expenses and other current liabilities	1	(8)
Deferred income	38	32
Payments of development advance notes	(8)	(3)
Proceeds from development advance notes	8	2
Other, net	(27)	(3)
Cash provided by operating activities - continuing operations	1	123
Cash provided by operating activities - discontinued operations	132	115
Net cash provided by operating activities	133	238
Investing Activities		
Property and equipment additions	(28)	(28)
Net assets acquired, net of cash acquired	(5)	—
Equity investments and loans	—	(2)
Other, net	11	—
Cash used in investing activities - continuing operations	(22)	(30)
Cash (used in)/provided by investing activities - discontinued operations	(8)	9
Net cash used in investing activities	(30)	(21)
Financing Activities		
Proceeds from securitized borrowings	261	593
Principal payments on securitized borrowings	(384)	(596)
Proceeds from long-term debt	1,436	544
Principal payments on long-term debt	(576)	(575)
Repayments of commercial paper, net	(11)	(206)
Proceeds from notes issued and term loan	—	694
Repayment/repurchase of notes	(464)	(300)
Repayments of vacation ownership inventory arrangements	(7)	(22)
Dividends to shareholders	(70)	(64)
Repurchase of common stock	(76)	(147)
Debt issuance costs	—	(6)
Net share settlement of incentive equity awards	(32)	(30)
Other, net	(2)	1
Cash provided by/(used in) financing activities - continuing operations	75	(114)
Cash used in financing activities - discontinued operations	(6)	(9)
Net cash provided by/(used in) financing activities	69	(123)
Effect of changes in exchange rates on cash, cash equivalents and restricted cash	1	3
Net increase in cash, cash equivalents and restricted cash	173	97
Cash, cash equivalents and restricted cash, beginning of period	416	333
Cash, cash equivalents and restricted cash, end of period	589	430
Less cash, cash equivalents and restricted cash of discontinued operations, end of period	102	157
Cash, cash equivalents and restricted cash of continuing operations, end of period	$ 487	$ 273

See Notes to Condensed Consolidated Financial Statements.

WYNDHAM WORLDWIDE CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(In millions)
(Unaudited)

	Common Shares Outstanding	Common Stock	Treasury Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss)/ Income	Non-controlling Interest	Total Equity
Balance as of December 31, 2017	100	$ 2	$ (5,719)	$ 3,996	$ 2,501	$ (11)	$ 5	$ 774
Net income	—	—	—	—	34	—	—	34
Other comprehensive income	—	—	—	—	—	14	—	14
Issuance of shares for RSU vesting	1	—	—	—	—	—	—	—
Net share settlement of incentive equity awards	—	—	—	(32)	—	—	—	(32)
Change in deferred compensation	—	—	—	21	—	—	—	21
Change in deferred compensation for Board of Directors	—	—	—	1	—	—	—	1
Repurchase of common stock	(1)	—	(76)	—	—	—	—	(76)
Dividends	—	—	—	—	(67)	—	—	(67)
Cumulative-effect of change in accounting standard	—	—	—	—	(19)	—	—	(19)
Balance as of March 31, 2018	100	$ 2	$ (5,795)	$ 3,986	$ 2,449	$ 3	$ 5	$ 650

	Common Shares Outstanding	Common Stock	Treasury Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss)/Income	Non-controlling Interest	Total Equity
Balance as of December 31, 2016	106	$ 2	$ (5,118)	$ 3,966	$ 1,886	$ (106)	$ 4	$ 634
Net income	—	—	—	—	90	—	—	90
Other comprehensive income	—	—	—	—	—	29	—	29
Net share settlement of incentive equity awards	—	—	—	(30)	—	—	—	(30)
Change in deferred compensation	—	—	—	15	—	—	—	15
Change in deferred compensation for Board of Directors	—	—	—	1	—	—	—	1
Repurchase of common stock	(2)	—	(150)	—	—	—	—	(150)
Dividends	—	—	—	—	(58)	—	—	(58)
Balance as of March 31, 2017	104	$ 2	$ (5,268)	$ 3,952	$ 1,918	$ (77)	$ 4	$ 531

See Notes to Condensed Consolidated Financial Statements.

WYNDHAM WORLDWIDE CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unless otherwise noted, all amounts are in millions, except share and per share amounts)
(Unaudited)

1. Basis of Presentation

Wyndham Worldwide Corporation ("Wyndham" or the "Company") is a global provider of hospitality services and products. The accompanying Condensed Consolidated Financial Statements include the accounts and transactions of Wyndham, as well as the entities in which Wyndham directly or indirectly has a controlling financial interest. The accompanying Condensed Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States of America. All intercompany balances and transactions have been eliminated in the Condensed Consolidated Financial Statements.

In presenting the Condensed Consolidated Financial Statements, management makes estimates and assumptions that affect the amounts reported and related disclosures. Estimates, by their nature, are based on judgment and available information. Accordingly, actual results could differ from those estimates. In management's opinion, the Condensed Consolidated Financial Statements contain all normal recurring adjustments necessary for a fair presentation of interim results reported. The results of operations reported for interim periods are not necessarily indicative of the results of operations for the entire year or any subsequent interim period. These Condensed Consolidated Financial Statements should be read in conjunction with the Company's 2017 Consolidated Financial Statements included in its Annual Report filed on Form 10-K with the Securities and Exchange Commission on February 16, 2018.

Business Description

The Company operates in the following business segments:

- **Hotel Group**—primarily franchises hotels in the upscale, upper midscale, midscale, economy and extended stay segments and provides hotel management services for full-service and select limited-service hotels.
- **Destination Network**—provides vacation exchange services and products to owners of vacation ownership interests ("VOIs") and manages and markets vacation rental properties primarily on behalf of independent owners.
- **Vacation Ownership**—develops, markets and sells VOIs to individual consumers, provides consumer financing in connection with the sale of VOIs and provides property management services at resorts.

In 2017, the Company announced its intent to spin-off the hotel group business, which will result in its operations being held by two separate, publicly traded companies. The two public companies intend to enter into long-term exclusive license agreements to retain their affiliation with the Company's Wyndham Rewards loyalty program, as well as to continue to collaborate on inventory-sharing and customer cross-sell initiatives. The transaction is expected to result in enhanced strategic and management focus on the core business and growth of each company; more efficient capital allocation, direct access to capital and expanded growth opportunities for each company; the ability to implement a tailored approach to recruiting and retaining employees at each company; improved investor understanding of the business strategy and operating results of each company; and enhanced investor choice by offering investment opportunities in separate entities. The transaction will be effected through a pro rata distribution of the new hotel company's stock to Wyndham's shareholders and is expected to be completed in the second quarter of 2018. The new hotel company will be named Wyndham Hotels & Resorts, Inc.

In January 2018, the Company entered into an agreement with La Quinta Holdings Inc. to acquire its hotel franchising and management businesses for $1.95 billion in cash. The acquisition is expected to close in the second quarter of 2018. Upon completion of an internal reorganization and the spin-off, La Quinta will be a wholly-owned subsidiary of Wyndham Hotels & Resorts, Inc. At the time that the Company entered into the agreement to purchase the La Quinta hotel franchising and management businesses, it obtained financing commitments of $2.0 billion in the form of a 364-day senior unsecured bridge term loan facility (the ''bridge term loan facility'') to fund the La Quinta acquisition. The Company paid $8.5 million to obtain such financing commitments.

In addition, during the third quarter of 2017, the Company decided to explore strategic alternatives for its European vacation rentals business, which was previously part of the Destination Network segment, and in the fourth quarter of 2017, the Company commenced activities to facilitate the sale of this business. As a result, for all periods presented, the Company has classified the results of operations for the European vacation rentals business as discontinued operations in the Condensed Consolidated Statements of Income and classified the related assets and liabilities associated with this

business as held for sale in the Condensed Consolidated Balance Sheets. All results and information presented exclude the European vacation rentals business unless otherwise noted (see Note 5 - Discontinued Operations in the Notes to Condensed Consolidated Financial Statements). During the first quarter of 2018, the Company accepted a binding offer to sell its European vacation rentals business, subject to certain conditions.

2. New Accounting Pronouncements

Recently Issued Accounting Pronouncements

Leases. In February 2016, the Financial Accounting Standards Board ("FASB") issued guidance which requires companies generally to recognize on the balance sheet operating and financing lease liabilities and corresponding right-of-use assets. This guidance is effective for fiscal years beginning after December 15, 2018 and for interim periods within those fiscal years, with early adoption permitted. The Company is currently evaluating the impact of the adoption of this guidance on its financial statements and related disclosures.

Financial Instruments - Credit Losses. In June 2016, the FASB issued guidance which amends the guidance on measuring credit losses on financial assets held at amortized cost. The guidance requires the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. This guidance is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. The Company is currently evaluating the impact of the adoption of this guidance on its financial statements and related disclosures.

Simplifying the Test for Goodwill Impairment. In January 2017, the FASB issued guidance which simplifies the current two-step goodwill impairment test by eliminating Step 2 of the test. The guidance requires a one-step impairment test in which an entity compares the fair value of a reporting unit with its carrying amount and recognizes an impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value, if any. This guidance is effective for fiscal years beginning after December 15, 2019 and interim periods within those fiscal years, and should be applied on a prospective basis. Early adoption is permitted for the interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. The Company is currently evaluating the impact of the adoption of this guidance on its financial statements and related disclosures.

Derivatives and Hedging - Targeted Improvements to Accounting for Hedging Activities. In August 2017, the FASB issued guidance intended to better align an entity's risk management activities and financial reporting for hedging relationships through changes to both the designation and measurement guidance for qualifying hedging relationships and the presentation of hedge results. The guidance will expand and refine hedge accounting for both nonfinancial and financial risk components and align the recognition and presentation of the effects of the hedging instrument and the hedged item in the financial statements. This guidance is effective for fiscal years beginning after December 15, 2018 and for interim periods within those fiscal years, with early adoption permitted. The Company is currently evaluating the impact of the adoption of this guidance on its financial statements and related disclosures.

Recently Adopted Accounting Pronouncements

Revenue from Contracts with Customers. In May 2014, the FASB issued guidance on revenue from contracts with customers. The guidance outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The guidance also requires disclosures regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. Entities have the option to apply the new guidance under a retrospective approach to each prior reporting period presented or a modified retrospective approach with the cumulative effect of initially applying the new guidance recognized at the date of initial application within the statement of financial position. The Company adopted the guidance on January 1, 2018 utilizing the full retrospective transition method.

This adoption primarily affected the accounting for initial fees, upfront costs and marketing and reservation expenses. Specifically, under the new guidance, initial fees are recognized ratably over the life of the noncancelable period of the franchise agreement and incremental upfront contract costs are deferred and expensed over the life of the noncancelable period of the franchise agreement. Loyalty revenues are deferred and primarily recognized over the loyalty points' redemption pattern. Additionally, the Company no longer accrues a liability for future marketing and reservation costs when marketing and reservation revenues earned exceed costs incurred. Marketing and reservation costs incurred in excess of revenues earned will continue to be expensed as incurred.

The tables below summarize the impact of the adoption of the new revenue standard on the Company's Condensed Consolidated Income Statements:

	Three Months Ended March 31, 2017			
Net revenues	**Previously Reported Balance**	**Discontinued Operations** *	**New Revenue Standard Adjustment**	**Adjusted Balance**
Service and membership fees	$ 636	$ (151)	$ (9)	$ 476
Vacation ownership interest sales	351	—	(1)	350
Franchise fees	141	—	(1)	140
Other	80	—	(3)	77
Net revenues	1,319	(151)	(14)	1,154
Expenses				
Operating	601	(72)	(23)	506
Marketing and reservation	195	(31)	10	174
General and administrative	193	(23)	2	172
Total expenses	1,118	(138)	(11)	969
Income/(loss) before income taxes	172	(16)	(3)	153
Income/(loss) from discontinued operations, net of income taxes	—	12	(49)	(37)
Net income/(loss)	141	(12)	(39)	90
Basic earnings per share				
Continuing operations	$ 1.34	$ (0.11)	$ (0.02)	$ 1.21
Discontinued operations	—	0.11	(0.46)	(0.35)
	$ 1.34	$ —	$ (0.48)	$ 0.86
Diluted earnings per share				
Continuing operations	$ 1.33	$ (0.11)	$ (0.02)	$ 1.20
Discontinued operations	—	0.11	(0.46)	(0.35)
	$ 1.33	$ —	$ (0.48)	$ 0.85

* Excluding the impact of the new revenue standard.

	Year Ended December 31, 2017		
Net revenues	**Previously Reported Balance**	**New Revenue Standard Adjustment**	**Adjusted Balance**
Service and membership fees	$ 1,895	$ (27)	$ 1,868
Vacation ownership interest sales	1,689	(5)	1,684
Franchise fees	695	(11)	684
Other	334	(28)	306
Net revenues	5,076	(72)	5,004
Expenses			
Operating	2,194	(101)	2,093
Marketing and reservation	773	30	803
General and administrative	648	10	658
Total expenses	4,364	(61)	4,303
Income before income taxes	590	(11)	579
(Benefit)/provision for income taxes	(229)	5 *	(224)
Income/(loss) from continuing operations	819	(16)	803
Income/(loss) from discontinued operations, net of income taxes	53	(1)	52
Net income/(loss)	872	(17)	855
Net income/(loss) attributable to Wyndham shareholders	871	(17)	854
Basic earnings per share			
Continuing operations	$ 7.94	$ (0.14)	$ 7.80
Discontinued operations	0.52	(0.02)	0.50
	$ 8.46	$ (0.16)	$ 8.30
Diluted earnings per share			
Continuing operations	$ 7.89	$ (0.15)	$ 7.74
Discontinued operations	0.51	(0.01)	0.50
	$ 8.40	$ (0.16)	$ 8.24

* Includes an $8 million deferred tax provision resulting from a reduction in deferred tax assets recorded in connection with the retrospective adoption of the new revenue standard and the impact of the lower U.S. corporate income tax rate from the enactment of the U.S. Tax Cuts and Jobs Act.

The table below summarizes the impact of the adoption of the new revenue standard on the Company's Condensed Consolidated Balance Sheet:

	At December 31, 2017		
Assets	**Previously Reported Balance**	**New Revenue Standard Adjustment**	**Adjusted Balance**
Trade receivables, net	$ 385	$ 4	$ 389
Prepaid expenses	144	1	145
Other current assets	314	7	321
Assets held for sale	1,429	19	1,448
Total current assets	2,964	31	2,995
Other non-current assets	380	16	396
Total assets	10,403	47	10,450
Liabilities and Equity			
Deferred income	493	31	524
Accrued expenses and other current liabilities	753	(5)	748
Liabilities held for sale	716	64	780
Total current liabilities	2,539	90	2,629
Deferred income taxes	790	(16)	774
Deferred income	164	119	283
Other non-current liabilities	341	(37)	304
Total liabilities	9,520	156	9,676
Retained earnings	2,609	(108)	2,501
Accumulated other comprehensive loss	(10)	(1)	(11)
Total liabilities and equity	10,403	47	10,450

In addition, the cumulative impact to the Company's retained earnings at January 1, 2016, was a decrease of $90 million.

Intra-Entity Transfers of Assets Other Than Inventory. In October 2016, the FASB issued guidance which requires companies to recognize the income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. This guidance requires the modified retrospective approach and is effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years, with early adoption permitted. The Company adopted the guidance on January 1, 2018, as required, which resulted in a cumulative-effect benefit to retained earnings of $19 million.

Clarifying the Definition of a Business. In January 2017, the FASB issued guidance clarifying the definition of a business, which assists entities when evaluating whether transactions should be accounted for as acquisitions of businesses or assets. This guidance is effective on a prospective basis for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. The Company adopted the guidance on January 1, 2018, as required. There was no material impact on its Condensed Consolidated Financial Statements and related disclosures.

Compensation - Stock Compensation. In May 2017, the FASB issued guidance which provides clarification on when modification accounting should be used for changes to the terms or conditions of a share-based payment award. This guidance is effective for fiscal years beginning after December 15, 2017 and for interim periods within those fiscal years, with early adoption permitted. The Company adopted the guidance on January 1, 2018, as required. There was no material impact on its Condensed Consolidated Financial Statements and related disclosures.

Statement of Cash Flows. In August 2016, the FASB issued guidance intended to reduce diversity in practice in how certain transactions are classified in the statement of cash flows. This guidance requires the retrospective transition method and is effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years, with early adoption permitted. The Company adopted the guidance on January 1, 2018, as required. The impact of this new guidance resulted in payments of, and proceeds from, development advance notes being recorded within operating activities on its Condensed Consolidated Statements of Cash Flows.

Restricted Cash. In November 2016, the FASB issued guidance which requires amounts generally described as restricted cash be included with cash and cash equivalents when reconciling the total beginning and ending amounts for the periods shown on the statement of cash flows. This guidance is effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years, with early adoption permitted. The Company adopted the guidance on January 1, 2018, as required, using a retrospective transition method. The impact of this guidance resulted in escrow deposits and restricted cash being included with cash, cash equivalents and restricted cash on the Condensed Consolidated Statements of Cash Flows.

The table below summarizes the effects of the new statement of cash flows and restricted cash guidance on the Company's Condensed Consolidated Statements of Cash Flows:

	Three Months Ended March 31, 2017			
Increase/(decrease):	**Previously Reported Balance**	**Discontinued Operations**	**New Restricted Cash Standard Adjustment**	**Adjusted Balance**
Operating Activities	$ 238	$ (115)	$ —	$ 123
Investing Activities	(79)	9	40	(30)

	At March 31, 2017			
	Previously Reported Balance	**Discontinued Operations**	**New Restricted Cash Standard Adjustment**	**Adjusted Balance**
Cash, cash equivalents and restricted cash, beginning of period	$ 185	$ —	$ 148	$ 333
Cash, cash equivalents and restricted cash, end of period	222	20	188	430

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the Condensed Consolidated Balance Sheets that comprise the total of the cash, cash equivalents and restricted cash shown within the Condensed Consolidated Statements of Cash Flows:

	March 31, 2018
Cash and cash equivalents	$ 291
Restricted cash included in other current assets	161
Restricted cash included in other non-current assets	35
Cash, cash equivalents and restricted cash included in assets held for sale	102
Total cash, cash equivalents and restricted cash	$ 589

	December 31, 2017
Cash and cash equivalents	$ 100
Restricted cash included in other current assets	142
Restricted cash included in other non-current assets	31
Cash, cash equivalents and restricted cash included in assets held for sale	143
Total cash, cash equivalents and restricted cash	$ 416

3. Revenue Recognition

Hotel Group

The principal source of revenues from franchising hotels is ongoing royalty fees, which are typically a percentage of gross room revenues of each franchised hotel. The Company recognizes royalty fee revenues as and when the underlying sales occur. The Company also receives non-refundable initial franchise fees, which are recognized as revenues over the initial non-cancellable period of the franchise agreement, and commences when all material services or conditions have been substantially performed. This occurs when a franchised hotel opens for business or when a franchise agreement is terminated after it has been determined that the franchised hotel will not open.

The Company's franchise agreements also require the payment of marketing and reservation fees, which are intended to reimburse the Company for expenses associated with operating an international, centralized reservation system, e-commerce channels such as the Company's brand.com websites, as well as access to third-party distribution channels, such as online travel agents, advertising and marketing programs, global sales efforts, operations support, training and other related services. Marketing and reservation fees are recognized as revenue when the underlying sales occur. Although the Company is generally contractually obligated to spend the marketing and reservation fees it collects from franchisees in accordance with the franchise agreements, marketing and reservations costs are expensed as incurred.

The Company provides management services for hotels under management contracts, which offer hotel owners all the benefits of a global brand and a full range of management, marketing and reservation services. In addition to the standard franchise services described above, the Company's hotel management business provides hotel owners with professional oversight and comprehensive operations support services. The Company's standard management agreement typically has a term of up to 25 years. The Company's management fees are comprised of base fees, which are typically a specified percentage of gross revenues from hotel operations, and incentive fees, which are typically a specified percentage of a hotel's gross operating profit. The base fees are recognized when the underlying sales occur and the management services are performed. Incentive fees are recognized when determinable, which is when the Company has met hotel operating performance metrics and the Company has determined that a significant reversal of revenues recognized will not occur.

The Company earns revenues from its Wyndham Rewards loyalty program when a member stays at a participating hotel. These revenues are derived from a fee the Company charges a franchised or managed hotel based upon a percentage of room revenues generated from a Wyndham Rewards member's stay. These fees are to reimburse the Company for expenses associated with member redemptions and activities that are related to the overall administering and marketing of the program. Revenues related to the loyalty program represent variable consideration and are recognized net of redemptions over time based upon loyalty point redemption patterns, which include an estimate of loyalty points that will expire or will never be redeemed.

The Company earns revenue from its Wyndham Rewards co-branded credit card program, which is primarily generated by cardholder spending and the enrollment of new cardholders. The advance payments received under the program are recognized as a contract liability. The program primarily contains two performance obligations: (i) brand performance services, for which revenue is recognized over the contract term on a straight-line basis, and (ii) issuance and redemption of loyalty points, for which revenue is recognized over time based upon the redemption patterns of the loyalty points earned under the program including an estimate of loyalty points that will expire or never be redeemed.

The Company recognizes reimbursable payroll costs for operational employees at certain of the Company's managed hotels as revenue. Although these costs are funded by hotel owners, accounting guidance requires the Company to report these fees on a gross basis as both revenues and expenses.

The Company also earns revenues from its hotel ownership portfolio, which is limited totwo hotels. Revenues earned from the Company's owned hotels consist primarily of (i) gross room night rentals, (ii) food and beverage services and (iii) on-site spa, casino, golf and shop revenues. These revenues are recognized upon the completion of services.

Destination Network

As a provider of vacation exchange services, the Company enters into affiliation agreements with developers of vacation ownership properties to allow owners of VOIs to trade their intervals for intervals at other properties affiliated with the Company's vacation exchange brands and, for some members, for other leisure-related services and products. Additionally, as a marketer of vacation rental properties, generally the Company enters into contracts for exclusive periods of time with property owners to market the rental of such properties to rental customers.

The Company's vacation exchange brands derive a majority of its revenues from membership dues and fees for facilitating members trading of their intervals. Revenues from membership dues represent the fees paid by members or affiliated clubs on their behalf. The Company recognizes revenues from membership dues paid by the member on a straight-line basis over the membership period as the performance obligations are fulfilled through delivery of publications, if applicable, and by providing access to other travel-related products and services. Consideration paid by affiliated clubs for memberships are recognized as revenue over the term of the contract with the affiliated club in proportion to the estimated average monthly member count. Such estimates are adjusted periodically for changes in the actual and forecasted member activity. For additional fees, members have the right to exchange their intervals for intervals at other properties affiliated with the Company's vacation exchange networks and, for certain members, for other leisure-related services and products. Fees for facilitating exchanges are recognized as revenue, net of expected cancellations, when these transactions have been confirmed to the member.

The Company's vacation exchange brands also derive revenues from: (i) additional services, programs with affiliated resorts, club servicing and loyalty programs and (ii) additional exchange-related products that provide members with the ability to protect trading power or points, extend the life of deposits, and combine two or more deposits for the opportunity to exchange into intervals with higher trading power. Other vacation exchange related product fees are deferred and recognized as revenue upon the occurrence of a future exchange or other related transaction or events.

The Company earns revenue from its RCI Elite Rewards co–branded credit card program which is primarily generated by cardholder spending and the enrollment of new cardholders. The advance payments received under the program are recognized as a contract liability. The program primarily contains two performance obligations: (i) brand performance services, for which revenue is recognized over the contract term on a straight-line basis, and (ii) issuance and redemption of loyalty points, for which revenue is recognized over time based upon the redemption pattern of the loyalty points earned under the program including an estimate of loyalty points that will expire or never be redeemed.

The Company's vacation rental brands derive revenue from fees associated with the rental of vacation rental properties on behalf of independent owners. The Company remits the rental fee received from the renter to the independent owner, net of the Company's agreed-upon fee. The related revenue from such fees, net of expected refunds, is recognized over the renter's stay. The Company's vacation rental brands also derive revenues from additional services delivered to independent owners, vacation rental guests, and property owners' associations that are generally recognized when the service is delivered.

Vacation Ownership

The Company develops, markets and sells VOIs to individual consumers, provides property management services at resorts and provides consumer financing in connection with the sale of VOIs. The Company's sales of VOIs are either cash sales or developer-financed sales. Developer financed sales are typically collateralized by the underlying VOI. Revenue is recognized on VOI sales upon transfer of control, which is defined as the point in time when a binding sales contract has been executed, the financing contract has been executed for the remainder of the transaction price has occurred, the statutory rescission period has expired and the transaction price has been deemed to be collectible.

For developer-financed sales, the Company reduces the VOI sales transaction price by an estimate of uncollectible consideration at the time of the sale. The Company's estimates of uncollectible amounts are based largely on the results of the Company's static pool analysis which relies on historical payment data by customer class.

In connection with entering into a VOI sale, the Company may provide its customers with certain non-cash incentives, such as credits for future stays at its resorts. For those VOI sales, the Company bifurcates the sale and allocates a portion of the sales price to the VOI sale and the non-cash incentive. Non-cash incentives generally have expiration periods of 18 months or less and are recognized at a point in time upon transfer of control.

The Company provides day-to-day property management services including oversight of housekeeping services, maintenance and certain accounting and administrative services for property owners' associations and clubs. These services may also include reservation and resort renovation activities. Such agreements are generally for terms of one year or less, and are renewed automatically on an annual basis. The Company's management agreements contain cancellation clauses, which allow for either party to cancel the agreement, by either a majority board vote or a majority vote of non-developer interests. The Company receives fees for such property management services which are collected monthly in advance and are based upon total costs to operate such resorts (or as services are provided in the case of resort renovation activities). Fees for property management services typically approximate 10% of budgeted operating expenses. The Company is entitled to consideration for reimbursement of costs incurred on behalf of the property owners' association in providing the

management services ("reimbursable revenue"). The Company reduces its management fees for amounts it has paid to the property owners' association that reflect maintenance fees for VOIs for which it retains ownership, as the Company has concluded that such payments are consideration payable to a customer.

Contract Liabilities

Contract liabilities generally represent payments or consideration received in advance for goods or services that the Company has not yet transferred to the customer. Contract liabilities as of March 31, 2018 and December 31, 2017 are as follows:

Contract Liabilities	March 31, 2018	December 31, 2017
Deferred subscription revenue	$ 242	$ 229
Deferred VOI trial package revenue	115	108
Deferred VOI incentive revenue	98	102
Deferred initial franchise fee revenue	98	98
Deferred exchange-related revenue	64	63
Deferred rental revenue	60	38
Deferred loyalty program revenue	53	54
Deferred co-branded credit card programs revenue	40	50
Deferred other revenue	19	11
Total	$ 789	$ 753

In the Company's hotel business, deferred initial franchise fees represent payments received in advance from prospective franchisees upon the signing of a franchise agreement and are generally recognized to revenue within 12 years. Deferred co-branded credit card program revenue represents payments received in advance from the Company's co-branded credit card partners primarily for card member activity, which is typically recognized within one year. Deferred loyalty revenues represent the portion of loyalty program fees charged to franchisees net of redemption costs that have been deferred and will be recognized over time based upon the loyalty point redemption patterns.

In the Company's vacation exchange business, deferred subscription revenue represents billings and payments received in advance or deposits from members and affiliated clubs for memberships in the Company's vacation exchange programs which are generally recognized as revenues within one year. Deferred exchange-related revenues primarily represents payments received in advance from members for the right to exchange their intervals for intervals at other properties affiliated with the Company's vacation exchange networks and for other leisure-related services and products which are generally recognized as revenue within one year. In the Company's vacation rentals business, deferred rental revenue represents billings and payments received in advance of a customer's rental stay which are generally recognized as revenue within one year.

Within the Company's vacation ownership business, deferred VOI trial package revenue represents consideration received in advance for a trial VOI, which allows customers to utilize a vacation package typically within one year of purchase. Deferred VOI incentive revenue represents payments received in advance for additional travel-related services and products at the time of a VOI sale. Revenue is recognized when a customer utilizes the additional services and products, which is typically within one year of the VOI sale.

Capitalized Contract Costs

The Company's hotel business incurs certain direct and incremental sales commissions costs in order to obtain hotel franchise and management contracts. Such costs are capitalized and subsequently amortized upon hotel opening over the first non-cancellable period of the agreement. In the event that an agreement is terminated prior to the end of the first non-cancellable period, any unamortized cost is immediately expensed. As of March 31, 2018 and December 31, 2017, these capitalized costs were $25 million and $26 million, respectively.

The Company's vacation exchange and vacation rentals businesses incur certain direct and incremental selling costs to obtain contracts with customers in connection with subscription revenues, exchange–related revenues, and vacation rental revenues. Such costs, which are primarily comprised of commissions paid to internal and external parties and credit card

processing fees, are deferred at the inception of the contract and recognized when the benefit is transferred to the customer. As of March 31, 2018 and December 31, 2017, these capitalized costs were $13 million and $9 million, respectively.

The Company's vacation ownership business incurs certain direct and incremental selling costs in connection with VOI trial package and incentive revenues. Such costs are capitalized and subsequently amortized over the utilization period, which is typically within one year of the sale. As of March 31, 2018 and December 31, 2017, these capitalized costs were $46 million and $44 million, respectively.

Practical Expedients

The Company has not adjusted the consideration for the effects of a significant financing component if it expected, at contract inception, that the period between when the Company satisfied the performance obligation and when the customer paid for that good or service was one year or less.

For contracts with customers that were modified before the beginning of the earliest reporting period presented, the Company did not retrospectively restate the revenue associated with the contract for those modifications. Instead, it reflected the aggregate effect of all prior modifications in determining (i) the performance obligations and transaction prices and (ii) the allocation of such transaction prices to the performance obligations.

Performance Obligations

A performance obligation is a promise in a contract with a customer to transfer a distinct good or service to the customer. The consideration received from a customer is allocated to each distinct performance obligation and recognized as revenue when, or as, each performance obligation is satisfied. The following table summarizes the Company's remaining performance obligations for the twelve month periods set forth below:

	4/1/2018-3/31/2019	4/1/2019-3/31/2020	4/1/2020-3/31/2021	Thereafter	Total
Subscription revenue	$ 135	$ 55	$ 29	$ 23	$ 242
VOI trial package revenue	115	—	—	—	115
VOI incentive revenue	98	—	—	—	98
Initial franchise fee revenue	11	10	8	69	98
Exchange-related revenue	58	4	1	1	64
Rental revenue	60	—	—	—	60
Loyalty program revenue	34	13	5	1	53
Co-branded credit card programs revenue	27	7	4	2	40
Other revenue	13	1	1	4	19
Total	$ 551	$ 90	$ 48	$ 100	$ 789

Disaggregation of Net Revenues

The table below presents a disaggregation of the Company's net revenues from contracts with customers by major services and products for each of the Company's segments:

	Three Months Ended March 31,	
	2018	**2017**
Hotel Group		
Royalties and franchise fees	$ 84	$ 78
Marketing, reservation and Wyndham Rewards revenues	83	77
Hotel management reimbursable revenues	66	66
Owned hotel revenues	23	23
Intersegment trademark fees	13	13
Ancillary revenues	33	32
Total Hotel Group	302	289
Destination Network		
Exchange revenues	188	187
North America rental revenues	38	38
Ancillary revenues	20	18
Total Destination Network	246	243
Vacation Ownership		
Vacation ownership interest sales	358	350
Property management fees and reimbursable revenues	164	163
Consumer financing	118	111
WAAM fee-for-service commissions	10	2
Ancillary revenues	11	13
Total Vacation Ownership	661	639
Corporate and Other		
Eliminations	(19)	(17)
Net Revenues	$ 1,190	$ 1,154

4. Earnings Per Share

The computation of basic and diluted earnings per share ("EPS") is based on net income divided by the basic weighted average number of common shares and diluted weighted average number of common shares, respectively.

The following table sets forth the computation of basic and diluted EPS (in millions, except per share data):

	Three Months Ended March 31,	
	2018	2017
Income from continuing operations	$ 81	$ 127
Loss from discontinued operations, net of income taxes	(47)	(37)
Net income	$ 34	$ 90
Basic earnings per share		
Continuing operations	$ 0.81	$ 1.21
Discontinued operations	(0.47)	(0.35)
	$ 0.34	$ 0.86
Diluted earnings per share		
Continuing operations	$ 0.80	$ 1.20
Discontinued operations	(0.46)	(0.35)
	$ 0.34	$ 0.85
Basic weighted average shares outstanding	100.1	105.2
Stock-settled appreciation rights ("SSARs"), RSUs [(a)] and PSUs [(b)]	0.7	0.8
Diluted weighted average shares outstanding	100.8	106.0
Dividends:		
Aggregate dividends paid to shareholders	$ 70	$ 64

(a) Excludes 0.5 million restricted stock units ("RSUs") for the three months ended March 31, 2017 that would have been anti-dilutive to EPS. Includes unvested dilutive RSUs which are subject to future forfeiture.

(b) Excludes 0.5 million and 0.4 million performance-vested restricted stock units ("PSUs") for the three months ended March 31, 2018 and 2017, respectively, as the Company has not met the required performance metrics.

Stock Repurchase Program

The following table summarizes stock repurchase activity under the current stock repurchase program (in millions, except per share data):

	Shares Repurchased	Cost	Average Price Per Share
As of December 31, 2017	94.4	$ 4,938	$ 52.32
During the three months ended March 31, 2018	0.6	76	115.91
As of March 31, 2018	95.0	$ 5,014	52.75

The Company had $1.1 billion of remaining availability under its program as of March 31, 2018.

5. Discontinued Operations

During the third quarter of 2017, the Company decided to explore strategic alternatives for its European vacation rentals business, which was previously part of the Destination Network segment, and in the fourth quarter of 2017, the Company commenced activities to facilitate the sale of this business. For all periods presented, the Company has classified the results of operations for its European vacation rentals business as discontinued operations in the Condensed Consolidated Statements of Income and classified the related assets and liabilities associated with this business as held for sale in the

Condensed Consolidated Balance Sheets. All results and information presented exclude the European vacation rentals business unless otherwise noted. Discontinued operations includes direct expenses incurred by the European vacation rentals business and excludes the allocation of corporate overhead and interest. In the first quarter of 2018, the Company accepted a binding offer to sell its European vacation rentals business, subject to certain conditions. The Company will continue to have three reporting segments: Hotel Group, Destination Network and Vacation Ownership (see Note 16 - Segment Information, for more information on the Company's operating segments).

The following table presents the aggregate carrying amounts of the classes of assets and liabilities held for sale as of March 31, 2018 and December 31, 2017:

	March 31, 2018	December 31, 2017
Assets		
Cash and cash equivalents	$ 84	$ 133
Trade receivables, net	505	299
Other current assets	146	78
Property and equipment, net	374	350
Goodwill	444	430
Trademarks, net	59	58
Franchise agreements and other intangibles, net	59	60
Other non-current assets	55	40
Total assets held for sale	$ 1,726	$ 1,448
Liabilities		
Current portion of long-term debt	$ 12	$ 11
Accounts payable	584	334
Deferred income	363	184
Accrued expenses and other current liabilities	146	126
Long-term debt	76	57
Other non-current liabilities	65	68
Total liabilities held for sale	$ 1,246	$ 780

Under the new revenue recognition standard, the European vacation rentals business recognizes revenue over the renter's stay, which is the period over which the service is rendered. As a result of the adoption, revenues from rentals are generally higher in the second and third quarters and lower in the first and fourth quarters, due to the seasonality of vacation arrivals. The following table below presents information regarding certain components of income from discontinued operations, net of income taxes:

	Three Months Ended March 31,	
	2018	2017
Net revenues	$ 107	$ 79
Expenses:		
Operating	78	61
Marketing and reservation	40	33
General and administrative	36	21
Depreciation and amortization	15	12
Total expenses	169	127
Other income, net	(1)	(2)
Benefit from income taxes	(14)	(9)
Loss from discontinued operations, net of income taxes	$ (47)	$ (37)

The following table presents information regarding certain components of cash flows from discontinued operations:

	Three Months Ended March 31,	
	2018	2017
Cash provided by operating activities	$ 132	$ 115
Cash (used in)/provided by investing activities	(8)	9
Cash used in financing activities	(6)	(9)
Property and equipment additions	(6)	(7)
Net assets acquired, net of cash acquired	—	(2)

6. Vacation Ownership Contract Receivables

The Company generates vacation ownership contract receivables by extending financing to the purchasers of its VOIs. Current and long-term vacation ownership contract receivables, net consisted of:

	March 31, 2018	December 31, 2017
Current vacation ownership contract receivables:		
Securitized	$ 224	$ 227
Non-securitized	109	88
Current vacation ownership contract receivables, gross	333	315
Less: Allowance for loan losses	65	63
Current vacation ownership contract receivables, net	$ 268	$ 252
Long-term vacation ownership contract receivables:		
Securitized	$ 2,289	$ 2,326
Non-securitized	939	951
Long-term vacation ownership contract receivables, gross	3,228	3,277
Less: Allowance for loan losses	620	628
Long-term vacation ownership contract receivables, net	$ 2,608	$ 2,649

The Company's securitized vacation ownership contract receivables generated interest income of $87 million and $82 million during the three months ended March 31, 2018 and March 31, 2017, respectively. Such interest income is included within consumer financing revenue on the Condensed Consolidated Statements of Income.

Principal payments that are contractually due on the Company's vacation ownership contract receivables during the next twelve months are classified as current on the Condensed Consolidated Balance Sheets. During the three months ended March 31, 2018 and 2017, the Company originated vacation ownership contract receivables of $297 million and $280 million, respectively, and received principal collections of $226 million and $225 million, respectively. The weighted average interest rate on outstanding vacation ownership contract receivables was 14.0% and 13.9% as of March 31, 2018 and December 31, 2017, respectively.

The activity in the allowance for loan losses on vacation ownership contract receivables was as follows:

	Amount
Allowance for loan losses as of December 31, 2017	$ 691
Provision for loan losses	92
Contract receivables write-offs, net	(98)
Allowance for loan losses as of March 31, 2018	$ 685

	Amount
Allowance for loan losses as of December 31, 2016	$ 621
Provision for loan losses	85
Contract receivables write-offs, net	(87)
Allowance for loan losses as of March 31, 2017	$ 619

In accordance with the guidance for accounting for real estate time-sharing transactions, the Company recorded a provision for loan losses of $92 million and $85 million as a reduction of net revenues during the three months ended March 31, 2018 and 2017, respectively.

Credit Quality for Financed Receivables and the Allowance for Credit Losses

The basis of the differentiation within the identified class of financed VOI contract receivables is the consumer's FICO score. A FICO score is a branded version of a consumer credit score widely used in the United States by the largest banks and lending institutions. FICO scores range from 300 to 850 and are calculated based on information obtained from one or more of the three major U.S. credit reporting agencies that compile and report on a consumer's credit history. The Company updates its records for all active VOI contract receivables with a balance due on a rolling monthly basis to ensure that all VOI contract receivables are scored at least every six months. The Company groups all VOI contract receivables into five different categories: FICO scores ranging from 700 to 850, ranging from 600 to 699, Below 600, No Score (primarily comprised of consumers for whom a score is not readily available, including consumers declining access to FICO scores and non-U.S. residents) and Asia Pacific (comprised of receivables in the Company's Wyndham Vacation Resort Asia Pacific business for which scores are not readily available).

The following table details an aging analysis of financing receivables using the most recently updated FICO scores (based on the policy described above):

	As of March 31, 2018					
	700+	600-699	<600	No Score	Asia Pacific	Total
Current	$ 1,821	$ 1,009	$ 176	$ 138	$ 262	$ 3,406
31 - 60 days	17	27	15	5	3	67
61 - 90 days	13	18	11	3	1	46
91 - 120 days	9	16	15	2	—	42
Total	$ 1,860	$ 1,070	$ 217	$ 148	$ 266	$ 3,561

	As of December 31, 2017					
	700+	600-699	<600	No Score	Asia Pacific	Total
Current	$ 1,849	$ 1,021	$ 166	$ 133	$ 262	$ 3,431
31 - 60 days	19	32	17	5	2	75
61 - 90 days	9	18	13	3	1	44
91 - 120 days	9	16	15	2	—	42
Total	$ 1,886	$ 1,087	$ 211	$ 143	$ 265	$ 3,592

The Company ceases to accrue interest on VOI contract receivables once the contract has remained delinquent for greater than 90 days. At greater than 120 days, the VOI contract receivable is written off to the allowance for loan losses. In accordance with its policy, the Company assesses the allowance for loan losses using a static pool methodology and thus does not assess individual loans for impairment separate from the pool.

7. Inventory

Inventory consisted of:

	March 31, 2018	December 31, 2017
Land held for VOI development	$ 4	$ 4
VOI construction in process	31	25
Inventory sold subject to conditional repurchase	43	43
Completed VOI inventory	812	841
Estimated VOI recoveries	277	279
Destination Network vacation credits and other	58	57
Total inventory	1,225	1,249
Less: Current portion (*)	337	340
Non-current inventory	$ 888	$ 909

(*) Represents inventory that the Company expects to sell within the next 12 months.

During the three months ended March 31, 2018 and 2017, the Company transferred $48 million and $17 million, respectively, of VOI inventory to property and equipment. In addition to the inventory obligations listed below, the Company had $7 million and $6 million of inventory accruals included within accounts payable on the Condensed Consolidated Balance Sheets as of March 31, 2018 and December 31, 2017, respectively.

Inventory Sale Transactions

During 2013, the Company sold real property located in Las Vegas, Nevada and Avon, Colorado to a third-party developer, consisting of vacation ownership inventory and property and equipment. During 2015, the Company sold real property located in Saint Thomas, U.S. Virgin Islands to a third-party developer, consisting of $80 million of vacation ownership inventory, in exchange for $80 million in cash consideration.

The Company recognized no gain or loss on these sales transactions. In accordance with the agreements with the third-party developers, the Company has conditional rights and conditional obligations to repurchase the completed properties from the developers subject to the properties conforming to the Company's vacation ownership resort standards and provided that the third-party developers have not sold the properties to another party. Under the sale of real estate accounting guidance, the conditional rights and obligations of the Company constitute continuing involvement and thus the Company did not account for these transactions as a sale.

During 2017, the Company acquired property located in Austin, Texas from a third-party developer for vacation ownership inventory and property and equipment.

The following table summarizes the activity related to the Company's inventory obligations:

	Avon	Las Vegas	Saint Thomas (*)	Austin	Total
December 31, 2016	$ 32	$ 68	$ 98	$ —	$ 198
Purchases	—	1	1	—	2
Payments	(11)	(15)	(40)	—	(66)
March 31, 2017	$ 21	$ 54	$ 59	$ —	$ 134
December 31, 2017	$ 22	$ 60	$ —	$ 62	$ 144
Purchases	—	—	—	—	—
Payments	(11)	(16)	—	—	(27)
March 31, 2018	$ 11	$ 44	$ —	$ 62	$ 117
Reported in December 2017:					
Accrued expenses and other current liabilities	$ 11	$ 22	$ —	$ 31	$ 64
Other non-current liabilities	11	38	—	31	80
Total inventory obligations	$ 22	$ 60	$ —	$ 62	$ 144
Reported in March 2018:					
Accrued expenses and other current liabilities	$ 11	$ 10	$ —	$ 31	$ 52
Other non-current liabilities	—	34	—	31	65
Total inventory obligations	$ 11	$ 44	$ —	$ 62	$ 117

(*) As a result of consolidating the Saint Thomas special purpose entity ("SPE") in the fourth quarter of 2017, the inventory obligation is presented within long-term debt on the Condensed Consolidated Balance Sheet.

The Company has committed to repurchase the completed property located in Las Vegas, Nevada from a third-party developer subject to the property meeting the Company's vacation ownership resort standards and provided that the third-party developer has not sold the property to another party. The maximum potential future payments that the Company may be required to make under these commitments was $133 million as of March 31, 2018.

8. Long-Term Debt and Borrowing Arrangements

The Company's indebtedness consisted of:

	March 31, 2018	December 31, 2017
Securitized vacation ownership debt: [a]		
Term notes [b]	$ 1,028	$ 1,219
$650 million bank conduit facility (due August 2018) [c]	418	333
$750 million bank conduit facility (due January 2019) [d]	531	546
Total securitized vacation ownership debt	1,977	2,098
Less: Current portion of securitized vacation ownership debt	198	217
Long-term securitized vacation ownership debt	$ 1,779	$ 1,881
Long-term debt: [e]		
$400 million revolving credit facility (due November 2018) [f]	$ 400	$ —
$1.5 billion revolving credit facility (due July 2020) [g]	902	395
Commercial paper	136	147
Term loan (due March 2021)	324	324
$450 million 2.50% senior unsecured notes (due March 2018)	—	450
$40 million 7.375% senior unsecured notes (due March 2020)	40	40
$250 million 5.625% senior unsecured notes (due March 2021)	248	248
$650 million 4.25% senior unsecured notes (due March 2022) [h]	649	648
$400 million 3.90% senior unsecured notes (due March 2023) [i]	405	406
$300 million 4.15% senior unsecured notes (due April 2024)	297	297
$350 million 5.10% senior unsecured notes (due October 2025) [j]	340	340
$400 million 4.50% senior unsecured notes (due April 2027) [k]	385	396
Capital leases	74	73
Other	84	145
Total long-term debt	4,284	3,909
Less: Current portion of long-term debt	91	104
Long-term debt	$ 4,193	$ 3,805

(a) Represents non-recourse debt that is securitized through bankruptcy-remote SPEs, the creditors of which have no recourse to the Company for principal and interest. These outstanding borrowings (which legally are not liabilities of the Company) are collateralized by $2,650 million and $2,680 million of underlying gross vacation ownership contract receivables and related assets (which legally are not assets of the Company) as of March 31, 2018 and December 31, 2017, respectively.

(b) The carrying amounts of the term notes are net of debt issuance costs aggregating $13 million and $15 million as of March 31, 2018 and December 31, 2017, respectively.

(c) The Company has borrowing capability under this bank conduit facility through August 2018. Borrowings under this facility are required to be repaid as the collateralized receivables amortize but no later than September 2019.

(d) The Company has borrowing capability under this bank conduit facility through January 2019. Outstanding borrowings under this facility as of January 2019 are required to be repaid as the collateralized receivables amortize but not later than January 2020.

(e) The carrying amounts of the senior unsecured notes and term loan are net of unamortized discounts of $13 million and $14 million as of March 31, 2018 and December 31, 2017, respectively. The carrying amounts of the senior unsecured notes and term loan are net of debt issuance costs of $4 million and $5 million as of March 31, 2018 and December 31, 2017, respectively.

(f) As of March 31, 2018, the weighted average interest rate on borrowings from this facility was 3.10%

(g) As of March 31, 2018, the weighted average interest rate on borrowings from this facility was 3.01%

(h) Includes $2 million of unamortized gains from the settlement of a derivative as of both March 31, 2018 and December 31, 2017.

(i) Includes $7 million and $8 million of unamortized gains from the settlement of a derivative as of March 31, 2018 and December 31, 2017, respectively.

(j) Includes $8 million of unamortized losses from the settlement of a derivative as of both March 31, 2018 and December 31, 2017.

(k) Includes a $10 million decrease and $1 million increase in the carrying value resulting from a fair value hedge derivative as of March 31, 2018 and December 31, 2017, respectively.

Commercial Paper

The Company maintains a U.S. commercial paper program with a total capacity of $750 million. As of March 31, 2018, the Company had outstanding borrowings of $136 million at a weighted average interest rate of 2.65% under this program. During the first quarter of 2018, the Company terminated its European commercial paper program. As of December 31, 2017, the Company had outstanding borrowings of $147 million at a weighted average interest rate of 2.34%, under its U.S. commercial paper program. The Company considers outstanding borrowings under its commercial paper program to be a reduction of available capacity on its revolving credit facility.

Fair Value Hedges

During the first quarter of 2017, the Company entered into pay-variable/receive-fixed interest rate swap agreements on its 4.50% senior unsecured notes with notional amounts of $400 million. The fixed interest rate on these notes was effectively modified to a variable LIBOR-based index. As of March 31, 2018, the variable interest rate on the notional portion of the 4.50% senior unsecured notes was 3.85%. The aggregate fair value of the swap agreements resulted in $12 million of liabilities as of March 31, 2018, which were included within other non-current liabilities on the Condensed Consolidated Balance Sheet.

During 2013, the Company entered into pay-variable/receive-fixed interest rate swap agreements on its 3.90% and 4.25% senior unsecured notes with notional amounts of $400 million and $100 million, respectively. The fixed interest rates on these notes were effectively modified to a variable LIBOR-based index. During May 2015, the Company terminated the swap agreements resulting in a gain of $17 million, which is being amortized over the remaining life of the senior unsecured notes as a reduction to interest expense on the Condensed Consolidated Statements of Income. The Company has $9 million of deferred gains as of both March 31, 2018 and December 31, 2017, which are included within long-term debt on the Condensed Consolidated Balance Sheets.

Maturities and Capacity

The Company's outstanding debt as of March 31, 2018 matures as follows:

	Securitized Vacation Ownership Debt	Long-Term Debt	Total
Within 1 year	$ 198	$ 91	$ 289
Between 1 and 2 years	965	46	1,011
Between 2 and 3 years	126	2,015	2,141
Between 3 and 4 years	127	654	781
Between 4 and 5 years	140	411	551
Thereafter	421	1,067	1,488
	$ 1,977	$ 4,284	$ 6,261

Required principal payments on the securitized vacation ownership debt are based on the contractual repayment terms of the underlying vacation ownership contract receivables. Actual maturities may differ as a result of prepayments by the vacation ownership contract receivable obligors.

As of March 31, 2018, available capacity under the Company's borrowing arrangements was as follows:

	Securitized Bank Conduit Facilities [a]	Revolving Credit Facilities [b]	
Total capacity	$ 1,400	$ 1,900	
Less: Outstanding borrowings	949	1,302	
Commercial paper borrowings	—	136	[c]
Available capacity	$ 451	$ 462	

(a) Consists of the Company's Sierra Receivable Funding Conduit II 2008-A and Sierra Receivable Funding Conduit III 2017-A facilities. The capacity of these facilities is subject to the Company's ability to provide additional assets to collateralize additional securitized borrowings.

(b) Consists of the Company's $1.5 billion and $400 million revolving credit facilities.

(c) The Company considers outstanding borrowings under its commercial paper program to be a reduction of the available capacity of its revolving credit facilities.

Interest Expense

During the three months ended March 31, 2018, the Company incurred non-securitized interest expense of $45 million, consisting primarily of interest on long-term debt, partially offset by less than $1 million of capitalized interest. Such amounts are included within interest expense on the Condensed Consolidated Statements of Income. Cash paid related to interest on the Company's non-securitized debt was $50 million during the three months ended March 31, 2018.

During the three months ended March 31, 2017, the Company incurred non-securitized interest expense of $34 million, consisting primarily of interest on long-term debt, partially offset by $1 million of capitalized interest. Such amounts are included within interest expense on the Condensed Consolidated Statements of Income. Cash paid related to interest on the Company's non-securitized debt was $52 million during the three months ended March 31, 2017.

Interest expense incurred in connection with the Company's securitized vacation ownership debt during the three months ended March 31, 2018 and 2017 was $19 million and $18 million, respectively, and is recorded within consumer financing interest on the Condensed Consolidated Statements of Income. Cash paid related to such interest was $11 million and $12 million for the three months ended March 31, 2018 and 2017, respectively.

9. Variable Interest Entities

In accordance with the applicable accounting guidance for the consolidation of a variable interest entity ("VIE"), the Company analyzes its variable interests, including loans, guarantees, SPEs and equity investments, to determine if an entity in which the Company has a variable interest is a VIE. If the entity is considered to be a VIE, the Company determines whether it would be considered the entity's primary beneficiary. The Company consolidates into its financial statements those VIEs for which it has determined that it is the primary beneficiary.

Vacation Ownership Contract Receivables Securitizations

The Company pools qualifying vacation ownership contract receivables and sells them to bankruptcy-remote entities. Vacation ownership contract receivables qualify for securitization based primarily on the credit strength of the VOI purchaser to whom financing has been extended. Vacation ownership contract receivables are securitized through bankruptcy-remote SPEs that are consolidated within the Company's financial statements. As a result, the Company does not recognize gains or losses resulting from these securitizations at the time of sale to the SPEs. Interest income is recognized when earned over the contractual life of the vacation ownership contract receivables. The Company services the securitized vacation ownership contract receivables pursuant to servicing agreements negotiated on an arm's-length basis based on market conditions. The activities of these SPEs are limited to (i) purchasing vacation ownership contract receivables from the Company's vacation ownership subsidiaries, (ii) issuing debt securities and/or borrowing under a conduit facility to fund such purchases and (iii) entering into derivatives to hedge interest rate exposure. The bankruptcy-remote SPEs are legally separate from the Company. The receivables held by the bankruptcy-remote SPEs are not available to creditors of the Company and legally are not assets of the Company. Additionally, the non-recourse debt that is securitized through the SPEs is legally not a liability of the Company and thus, the creditors have no recourse to the Company for principal and interest.

The assets and liabilities of these vacation ownership SPEs are as follows:

	March 31, 2018	December 31, 2017
Securitized contract receivables, gross [a]	$ 2,513	$ 2,553
Securitized restricted cash [b]	116	106
Interest receivables on securitized contract receivables [c]	21	22
Other assets [d]	4	4
Total SPE assets	2,654	2,685
Securitized term notes [e] [f]	1,028	1,219
Securitized conduit facilities [e]	949	879
Other liabilities [g]	2	2
Total SPE liabilities	1,979	2,100
SPE assets in excess of SPE liabilities	$ 675	$ 585

(a) Included in current ($224 million and $227 million as of March 31, 2018 and December 31, 2017, respectively) and non-current ($2,289 million and $2,326 million as of March 31, 2018 and December 31, 2017, respectively) vacation ownership contract receivables on the Condensed Consolidated Balance Sheets.

(b) Included in other current assets ($81 million and $75 million as of March 31, 2018 and December 31, 2017, respectively) and other non-current assets ($35 million and $31 million as of March 31, 2018 and December 31, 2017, respectively) on the Condensed Consolidated Balance Sheets.

(c) Included in trade receivables, net on the Condensed Consolidated Balance Sheets.

(d) Primarily includes deferred financing costs for the bank conduit facility and a security investment asset, which are included in other non-current assets on the Condensed Consolidated Balance Sheets.

(e) Included in current ($198 million and $217 million as of March 31, 2018 and December 31, 2017, respectively) and long-term ($1,779 million and $1,881 million as of March 31, 2018 and December 31, 2017, respectively) securitized vacation ownership debt on the Condensed Consolidated Balance Sheets.

(f) Includes deferred financing costs of $13 million and $15 million as of March 31, 2018 and December 31, 2017, respectively, related to securitized debt.

(g) Primarily includes accrued interest on securitized debt, which is included in accrued expenses and other current liabilities on the Condensed Consolidated Balance Sheets.

In addition, the Company has vacation ownership contract receivables that have not been securitized through bankruptcy-remote SPEs. Such gross receivables were $1,048 million and $1,039 million as of March 31, 2018 and December 31, 2017, respectively.

A summary of total vacation ownership contract receivables and other securitized assets, net of securitized liabilities and the allowance for loan losses, is as follows:

	March 31, 2018	December 31, 2017
SPE assets in excess of SPE liabilities	$ 675	$ 585
Non-securitized contract receivables	1,048	1,039
Less: Allowance for loan losses	685	691
Total, net	$ 1,038	$ 933

In addition to restricted cash related to securitizations, the Company had $80 million and $67 million of restricted cash related to escrow deposits as of March 31, 2018 and December 31, 2017, respectively, which are recorded within other current assets on the Condensed Consolidated Balance Sheets.

Clearwater, FL Property

During 2015, the Company entered into an agreement with a third-party partner whereby the partner would develop and construct VOI inventory through an SPE. During the first quarter of 2017, the third-party partner met certain conditions of the agreement, which resulted in the Company committing to purchase $51 million of VOI inventory from the SPE over a two-year period. Such proceeds from the purchase will be used by the SPE to repay its mortgage notes related to the property. The Company is considered to be the primary beneficiary for specified assets and liabilities of the SPE and,

therefore, the Company consolidated $51 million of both property and equipment and long-term debt on its Condensed Consolidated Balance Sheet.

Saint Thomas, U.S. Virgin Islands Property

During 2015, the Company sold real property located in Saint Thomas, U.S. Virgin Islands to a third-party developer to construct VOI inventory through an SPE. In accordance with the agreements with the third-party developer, the Company has conditional rights and conditional obligations to repurchase the completed property from the developer subject to the property conforming to the Company's vacation ownership resort standards and provided that the third-party developer has not sold the property to another party.

During the fourth quarter of 2017, the Company became the primary beneficiary for specified assets and liabilities of the SPE, and therefore consolidated $64 million of property and equipment and $104 million of long-term debt on its Condensed Consolidated Balance Sheet. As a result of this consolidation, the Company incurred a non-cash $37 million loss due to a write-down of property and equipment to fair value.

The assets and liabilities of the Clearwater, FL Property and Saint Thomas Property SPEs are as follows:

	March 31, 2018	December 31, 2017
Property and equipment, net	$ 62	$ 90
Total SPE assets	62	90
Long-term debt (*)	83	131
Total SPE liabilities	83	131
SPE deficit	$ (21)	$ (41)

(*) As of March 31, 2018, included $83 million relating to mortgage notes, which were included in current portion of long-term debt on the Condensed Consolidated Balance Sheet. As of December 31, 2017, included $131 million relating to mortgage notes, of which, $98 million was included in current portion of long-term debt on the Condensed Consolidated Balance Sheet.

During the three months ended March 31, 2018 and 2017, the SPE conveyed $8 million and $22 million, respectively, of property and equipment to the Company.

10. Fair Value

The Company measures its financial assets and liabilities at fair value on a recurring basis and utilizes the fair value hierarchy to determine such fair values. Financial assets and liabilities carried at fair value are classified and disclosed in one of the following three categories:

Level 1: Quoted prices for identical instruments in active markets.

Level 2: Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value driver is observable.

Level 3: Unobservable inputs used when little or no market data is available. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement falls has been determined based on the lowest level input (closest to Level 3) that is significant to the fair value measurement. The Company’s assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

As of March 31, 2018, the Company had interest rate swap contracts resulting in $12 million of liabilities which are included within other non-current liabilities and foreign exchange contracts resulting in $4 million of assets which are included within other current assets and $1 million of liabilities which are included within accrued expenses and other current liabilities on the Condensed Consolidated Balance Sheet. On a recurring basis, such assets and liabilities are remeasured at estimated fair value (all of which are Level 2) and thus are equal to the carrying value.

The Company's derivative instruments primarily consist of pay-fixed/receive-variable interest rate swaps, pay-variable/receive-fixed interest rate swaps, interest rate caps, foreign exchange forward contracts and foreign exchange average rate forward contracts. For assets and liabilities that are measured using quoted prices in active markets, the fair value is the published market price per unit multiplied by the number of units held without consideration of transaction costs. Assets and liabilities that are measured using other significant observable inputs are valued by reference to similar assets and liabilities. For these items, a significant portion of fair value is derived by reference to quoted prices of similar assets and liabilities in active markets. For assets and liabilities that are measured using significant unobservable inputs, fair value is primarily derived using a fair value model, such as a discounted cash flow model.

The fair value of financial instruments is generally determined by reference to market values resulting from trading on a national securities exchange or in an over-the-counter market. In cases where quoted market prices are not available, fair value is based on estimates using present value or other valuation techniques, as appropriate. The carrying amounts of cash and cash equivalents, restricted cash, trade receivables, accounts payable and accrued expenses and other current liabilities approximate fair value due to the short-term maturities of these assets and liabilities. The carrying amounts and estimated fair values of all other financial instruments are as follows:

	March 31, 2018		December 31, 2017	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Assets				
Vacation ownership contract receivables, net	$ 2,876	$ 3,463	$ 2,901	$ 3,489
Debt				
Total debt	6,261	6,303	6,007	6,085

The Company estimates the fair value of its vacation ownership contract receivables using a discounted cash flow model which it believes is comparable to the model that an independent third-party would use in the current market. The model uses Level 3 inputs consisting of default rates, prepayment rates, coupon rates and loan terms for the contract receivables portfolio as key drivers of risk and relative value that, when applied in combination with pricing parameters, determines the fair value of the underlying contract receivables.

The Company estimates the fair value of its securitized vacation ownership debt by obtaining Level 2 inputs comprised of indicative bids from investment banks that actively issue and facilitate the secondary market for timeshare securities. The Company estimates the fair value of its other long-term debt, excluding capital leases, using Level 2 inputs based on indicative bids from investment banks and determines the fair value of its senior notes using quoted market prices (such senior notes are not actively traded).

11. Derivative Instruments and Hedging Activities

Foreign Currency Risk

The Company has foreign currency rate exposure to exchange rate fluctuations worldwide with particular exposure to the British pound, the Euro and the Canadian and Australian dollars. The Company uses freestanding foreign currency forward contracts to manage a portion of its exposure to changes in foreign currency exchange rates associated with its foreign currency denominated receivables, payables, forecasted earnings of foreign subsidiaries and intercompany borrowings that are denominated in currencies other than the Company's underlying functional currency. During the first quarter of 2017, the Company undertook an internal restructuring to realign the capital structure of certain subsidiaries to reduce its exposure to changes in foreign currency exchange on certain intercompany borrowings.

Additionally, the Company uses foreign currency forward contracts designated as cash flow hedges to manage a portion of its exposure to changes in forecasted foreign currency denominated vendor payments. Gains and losses relating to freestanding foreign currency contracts are included in operating expenses on the Company's Condensed Consolidated Statements of Income and are substantially offset by the earnings effect from the underlying items that were economically hedged. The freestanding foreign currency contracts resulted in $7 million of losses and $2 million of gains during the three months endedMarch 31, 2018 and 2017, respectively. The amount of gains or losses relating to contracts designated as cash flow hedges that the Company expects to reclassify from accumulated other comprehensive income ("AOCI") to earnings over the next 12 months is not material.

Interest Rate Risk

A portion of the debt used to finance the Company's operations is exposed to interest rate fluctuations. The Company uses various hedging strategies and derivative financial instruments to create a desired mix of fixed and floating rate assets and liabilities. Derivative instruments currently used in these hedging strategies include swaps and interest rate caps. The derivatives used to manage the risk associated with the Company's floating rate debt include freestanding derivatives and derivatives designated as cash flow hedges. The Company also uses swaps to convert specific fixed-rate debt into variable-rate debt (i.e., fair value hedges) to manage the overall interest cost. For relationships designated as fair value hedges, changes in the fair value of the derivatives are recorded in income with offsetting adjustments to the carrying amount of the hedged debt. The amount of gains or losses that the Company expects to reclassify from AOCI to earnings during the next 12 months is not material.

Gains or losses recognized in AOCI for the three months ended March 31, 2018 and 2017 were not material.

12. Income Taxes

The Company files income tax returns in the U.S. federal and state jurisdictions, as well as in foreign jurisdictions. The Company is no longer subject to U.S. federal income tax examinations for years prior to 2014. In addition, with few exceptions, the Company is no longer subject to state, local or foreign income tax examinations for years prior to 2009.

The Company's effective tax rates were 33.1% and 17.0% during the three months ended March 31, 2018 and 2017, respectively. The increase was principally due to (i) the absence of a one-time tax benefit on foreign currency losses recognized from an internal restructuring undertaken to realign the organizational and capital structure of certain foreign operations during 2017 and (ii) one-time non-cash tax charges from certain internal restructurings associated with the sale of its European vacation rentals business during 2018, partially offset by the tax benefit from the corporate income tax rate reduction resulting from the enactment of the U.S. Tax Cuts and Jobs Act.

The Company made cash income tax payments, net of refunds, of $72 million and $75 million during the three months ended March 31, 2018 and 2017, respectively. In addition, the Company made cash income tax payments, net of refunds, of $3 million and $2 million during the three months ended March 31, 2018 and 2017, respectively, related to discontinued operations.

The Company has not made any additional measurement-period adjustments related to the impact from the U.S. Tax Cuts and Jobs Act recorded for 2017 during this quarter, because none of its estimates have changed from year-end. However, the Company is continuing to gather additional information to complete its accounting by December 31, 2018.

13. Commitments and Contingencies

The Company is involved in claims, legal and regulatory proceedings, and governmental inquiries related to the Company's business.

Wyndham Worldwide Corporation Litigation

The Company is involved in claims, legal and regulatory proceedings, and governmental inquiries arising in the ordinary course of its business including but not limited to: for its hotel group business–breach of contract, fraud and bad faith claims between franchisors and franchisees in connection with franchise agreements and with owners in connection with management contracts, negligence, breach of contract, fraud, employment, consumer protection and other statutory claims asserted in connection with alleged acts or occurrences at owned, franchised or managed properties or in relation to guest reservations and bookings; for its destination network business–breach of contract, fraud and bad faith claims by affiliates and customers in connection with their respective agreements, negligence, breach of contract, fraud, consumer protection and other statutory claims asserted by members, guests and other consumers for alleged injuries sustained at or acts or occurrences related to affiliated resorts and vacation rental properties, or in relation to guest reservations and bookings; for its vacation ownership business–breach of contract, bad faith, conflict of interest, fraud, consumer protection and other statutory claims by property owners' associations, owners and prospective owners in connection with the sale or use of VOIs or land, or the management of vacation ownership resorts, construction defect claims relating to vacation ownership units or resorts or in relation to guest reservations and bookings; and negligence, breach of contract, fraud, consumer protection and other statutory claims by guests and other consumers for alleged injuries sustained at or acts or occurrences related to vacation ownership units or resorts or in relation to guest reservations and bookings; and for each of its businesses, bankruptcy proceedings involving efforts to collect receivables from a debtor in bankruptcy, employment matters including but not limited to, claims of wrongful termination, retaliation, discrimination, harassment and wage and hour claims, claims of infringement upon third parties' intellectual property rights, claims relating to information security,

privacy and consumer protection, fiduciary duty/trust claims, tax claims, environmental claims and landlord/tenant disputes.

The Company records an accrual for legal contingencies when it determines, after consultation with outside counsel, that it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. In making such determinations, the Company evaluates, among other things, the degree of probability of an unfavorable outcome and, when it is probable that a liability has been incurred, the Company's ability to make a reasonable estimate of loss. The Company reviews these accruals each reporting period and makes revisions based on changes in facts and circumstances including changes to its strategy in dealing with these matters.

The Company believes that it has adequately accrued for such matters with reserves of $22 million and $28 million as of March 31, 2018 and December 31, 2017, respectively. Such reserves are exclusive of matters relating to the Company's separation from Cendant. For matters not requiring accrual, the Company believes that such matters will not have a material effect on its results of operations, financial position or cash flows based on information currently available. However, litigation is inherently unpredictable and, although the Company believes that its accruals are adequate and/or that it has valid defenses in these matters, unfavorable results could occur. As such, an adverse outcome from such proceedings for which claims are awarded in excess of the amounts accrued, if any, could be material to the Company with respect to earnings and/or cash flows in any given reporting period. The Company had receivables of $1 million as of March 31, 2018, for certain matters which are covered by insurance and were included in other current assets on its Condensed Consolidated Balance Sheet. As of March 31, 2018, the potential exposure resulting from adverse outcomes of such legal proceedings could, in the aggregate, range up to $64 million in excess of recorded accruals. However, the Company does not believe that the impact of such litigation should result in a material liability to the Company in relation to its consolidated financial position and/or liquidity.

Other Guarantees/Indemnifications

Hotel Group

The Company has entered into hotel management agreements that provide the hotel owner with a guarantee of a certain level of profitability based upon various metrics. Under such agreements, the Company would be required to compensate the hotel owner for any profitability shortfall over the life of the management agreement up to a specified aggregate amount. For certain agreements, the Company may be able to recapture all or a portion of the shortfall payments in the event that future operating results exceed targets. The original terms of the Company's existing guarantees range from 8 to 10 years. As of March 31, 2018, the maximum potential amount of future payments that may be made under these guarantees was $110 million with a combined annual cap of $27 million. These guarantees have a remaining life of approximately 5 to 7 years with a weighted average life of approximately 5 years.

In connection with such performance guarantees, as of March 31, 2018, the Company maintained a liability of $21 million, of which $16 million was included in other non-current liabilities and $5 million was included in accrued expenses and other current liabilities on its Condensed Consolidated Balance Sheet. As of March 31, 2018, the Company also had a corresponding $11 million asset related to these guarantees, of which $10 million was included in other non-current assets and $1 million was included in other current assets on its Condensed Consolidated Balance Sheet. As of December 31, 2017, the Company maintained a liability of $23 million, of which $16 million was included in other non-current liabilities and $7 million was included in accrued expenses and other current liabilities on its Condensed Consolidated Balance Sheet. As of December 31, 2017, the Company also had a corresponding $12 million asset related to the guarantees, of which $1 million was included in other non-current assets and $11 million was included in other current assets on its Condensed Consolidated Balance Sheet. Such assets are being amortized on a straight-line basis over the life of the agreements. The amortization expense for the performance guarantees noted above was less than $1 million and $1 million for the three months ended March 31, 2018 and 2017, respectively.

For guarantees subject to recapture provisions, the Company had a receivable of $46 million as of March 31, 2018, of which $43 million was included in other non-current assets and $3 million was included in other current assets on its Condensed Consolidated Balance Sheet. As of December 31, 2017, the Company had a receivable of $41 million which was included in other non-current assets on its Condensed Consolidated Balance Sheet. Such receivables were the result of payments made to date that are subject to recapture and which the Company believes will be recoverable from future operating performance.

Vacation Ownership

The Company has committed to repurchase completed properties located in Las Vegas, Nevada and St. Thomas from third-party developers subject to such properties meeting the Company's vacation ownership resort standards and provided that the third-party developers have not sold such properties to another party (see Note 7 - Inventory).

In connection with the Company's vacation ownership inventory sale transactions, for which it has conditional rights and conditional obligations to repurchase the completed properties, the Company was required to maintain an investment-grade credit rating from at least one rating agency. If at any time the Company failed to maintain such rating, it would have been required to post collateral in favor of the development partner in an amount equal to the remaining obligation under the agreements. In January 2018, the Company amended the agreement to remove the requirement to post collateral for failure to maintain an investment-grade credit rating.

Cendant Litigation

Under the Cendant separation agreement, the Company agreed to be responsible for37.5% of certain of Cendant's contingent and other corporate liabilities and associated costs, including certain contingent litigation. Since Cendant's separation, Cendant settled the majority of the lawsuits pending on the date of the separation. See Note 19 - Cendant Separation and Transactions with Former Parent and Subsidiaries regarding contingent litigation liabilities resulting from the separation.

14. Accumulated Other Comprehensive (Loss)/Income

The components of Accumulated Other Comprehensive (Loss)/Income are as follows:

Pretax	Foreign Currency Translation Adjustments	Unrealized Gains /(Losses) on Cash Flow Hedges	Defined Benefit Pension Plans	Accumulated Other Comprehensive (Loss)/Income
Balance, December 31, 2017	$ (96)	$ (1)	$ (6)	$ (103)
Period change	14	(1)	—	13
Balance, March 31, 2018	$ (82)	$ (2)	$ (6)	$ (90)
Tax				
Balance, December 31, 2017	$ 89	$ 1	$ 2	$ 92
Period change	—	—	1	1
Balance, March 31, 2018	$ 89	$ 1	$ 3	$ 93
Net of Tax				
Balance, December 31, 2017	$ (7)	$ —	$ (4)	$ (11)
Period change	14	(1)	1	14
Balance, March 31, 2018	$ 7	$ (1)	$ (3)	$ 3

Pretax	Foreign Currency Translation Adjustments	Unrealized Gains /(Losses) on Cash Flow Hedges	Defined Benefit Pension Plans	Accumulated Other Comprehensive (Loss)/Income
Balance, December 31, 2016	$ (218)	$ —	$ (7)	$ (225)
Period change	32	—	—	32
Balance, March 31, 2017	$ (186)	$ —	$ (7)	$ (193)
Tax				
Balance, December 31, 2016	$ 116	$ 1	$ 2	$ 119
Period change	(3)	—	—	(3)
Balance, March 31, 2017	$ 113	$ 1	$ 2	$ 116
Net of Tax				
Balance, December 31, 2016	$ (102)	$ 1	$ (5)	$ (106)
Period change	29	—	—	29
Balance, March 31, 2017	$ (73)	$ 1	$ (5)	$ (77)

Currency translation adjustments exclude income taxes related to investments in foreign subsidiaries where the Company intends to reinvest the undistributed earnings indefinitely in those foreign operations.

15. Stock-Based Compensation

The Company has a stock-based compensation plan available to grant RSUs, PSUs, SSARs and other stock-based awards to key employees, non-employee directors, advisors and consultants. Under the Wyndham Worldwide Corporation 2006 Equity and Incentive Plan, as amended, a maximum of 36.7 million shares of common stock may be awarded. As of March 31, 2018, 15.7 million shares remained available.

Incentive Equity Awards Granted by the Company

During the three months ended March 31, 2018, the Company granted incentive equity awards totaling $22 million to key employees and senior officers in the form of RSUs. These awards will vest ratably over a period of 16 months.

The activity related to incentive equity awards granted by the Company for the three months ended March 31, 2018 consisted of the following:

	RSUs		PSUs		SSARs	
	Number of RSUs	Weighted Average Grant Price	Number of PSUs	Weighted Average Grant Price	Number of SSARs	Weighted Average Exercise Price
Balance as of December 31, 2017	1.6	$ 81.18	0.7	$ 81.77	0.2	$ 77.40
Granted [a]	0.2	115.61	—		—	
Vested / exercised	(0.6)	79.22	(0.2)	91.81	—	
Balance as of March 31, 2018	1.2 [b] [c]	87.46	0.5 [d]	78.34	0.2 [e] [f]	77.40

(a) Primarily represents awards granted by the Company on March 1, 2018.

(b) Aggregate unrecognized compensation expense related to RSUs was $96 million as of March 31, 2018, which is expected to be recognized over a weighted average period of 2.2 years.

(c) Approximately 1.2 million RSUs outstanding as of March 31, 2018 are expected to vest over time.

(d) Maximum aggregate unrecognized compensation expense was $23 million as of March 31, 2018, which is expected to be recognized over a weighted average period of 1.7 years.

(e) Aggregate unrecognized compensation expense related to SSARs was $1 million as of March 31, 2018, which is expected to be recognized over a weighted average period of 1.6 years.

(f) Approximately 0.1 million SSARs were exercisable as of March 31, 2018. The Company assumes that all unvested SSARs are expected to vest over time. SSARs outstanding as of March 31, 2018 had an intrinsic value of $7 million and a weighted average remaining contractual life of 3.3 years.

In August 2017, in conjunction with the proposed spin-off of the hotel group business, the Board of Directors approved certain modifications to the incentive equity awards granted by the Company which are contingent upon the completion of the proposed spin-off.

Stock-Based Compensation Expense

The Company recorded stock-based compensation expense of $21 million and $15 million during the three months ended March 31, 2018 and 2017, respectively, related to incentive equity awards granted to key employees and senior officers. The Company also recorded stock-based compensation expense for non-employee directors of $1 million and less than $1 million during the three months ended March 31, 2018 and 2017, respectively.

The Company paid $32 million and $30 million of taxes for the net share settlement of incentive equity awards that vested during the three months ended March 31, 2018 and 2017, respectively. Such amounts are included within financing activities on the Condensed Consolidated Statements of Cash Flows.

16. Segment Information

The reportable segments presented below represent the Company's operating segments for which separate financial information is available and which is utilized on a regular basis by its chief operating decision maker to assess performance and to allocate resources. In identifying its reportable segments, the Company also considers the nature of services provided by its operating segments. Management evaluates the operating results of each of its reportable segments based upon net revenues and "EBITDA", which is defined as net income before depreciation and amortization, interest expense (excluding consumer financing interest), early extinguishment of debt, interest income (excluding consumer financing revenues) and income taxes, each of which is presented on the Condensed Consolidated Statements of Income. The Company believes that EBITDA is a useful measure of performance for its industry segments which, when considered with GAAP measures, the Company believes gives a more complete understanding of its operating performance. The Company's presentation of EBITDA may not be comparable to similarly-titled measures used by other companies.

	Three Months Ended March 31,			
	2018		2017	
	Net Revenues	EBITDA	Net Revenues	EBITDA
Hotel Group	$ 302 [b]	$ 83	$ 289 [d]	$ 83
Destination Network	246 [c]	66	243 [c]	75
Vacation Ownership	661	124	639	117
Total Reportable Segments	1,209	273	1,171	275
Corporate and Other [a]	(19)	(52)	(17)	(38)
Total Company	$ 1,190	$ 221	$ 1,154	$ 237

Reconciliation of Net income to EBITDA

	Three Months Ended March 31,	
	2018	2017
Net income	$ 34	$ 90
Loss from discontinued operations, net of tax	47	37
Provision for income taxes	40	26
Depreciation and amortization	56	51
Interest expense	45	34
Interest income	(1)	(1)
EBITDA	$ 221	$ 237

[a] Includes the elimination of transactions between segments.

(b) Includes $18 million of intersegment revenues comprised of $13 million of licensing fees for use of the Wyndham trade name and $5 million of other fees primarily associated with the Wyndham Rewards program. Such revenues are offset in expenses primarily at the Company's Vacation Ownership segment.

(c) Includes $2 million of intersegment revenues during the three months ended March 31, 2018 and 2017, primarily comprised of call center operations and support services provided to the Company's Hotel Group segment. Such revenues are offset in expenses primarily at the Company's Hotel Group segment.

(d) Includes $16 million of intersegment revenues comprised of (i) $13 million of licensing fees for use of the Wyndham trade name and (ii) $3 million of other fees primarily associated with the Wyndham Rewards program.

17. Separation-Related and Transaction-Related Costs

In 2017, the Company announced plans to spin-off its hotel group business, which will result in its operations being held by two separate, publicly traded companies (see Note 1 - Basis of Presentation for further details).

During the first quarter of 2018, the Company incurred $51 million of expenses associated with the planned spin-off of its hotel group business. In addition, the Company incurred $11 million of expenses in connection with the sale of its European vacation rentals business which is reflected within discontinued operations. These costs include legal, consulting and auditing fees, severance and other employee-related costs.

During the first quarter of 2018, the Company also incurred $7 million of transaction-related and integration costs primarily associated with the planned acquisition of La Quinta's hotel franchising and management businesses. These costs are included in operating expenses on the Condensed Consolidated Statement of Income.

18. Restructuring and Impairments

2017 Restructuring Plans

During 2017, the Company recorded $15 million of restructuring charges, all of which were personnel-related and consisted of (i) $8 million at its Destination Network segment which primarily focused on enhancing organizational efficiency and rationalizing its operations, (ii) $6 million at its corporate operations which focused on rationalizing its sourcing function and outsourcing certain information technology functions and (iii) $1 million at its Hotel Group segment which primarily focused on realigning its brand operations. During 2018, the Company reduced its restructuring liability with $1 million of cash payments. The remaining liability of $3 million, as of March 31, 2018, is expected to be paid by the end of 2018.

The Company has additional restructuring plans which were implemented prior to 2017. The remaining liabilities of $1 million as of March 31, 2018, all of which is related to leased facilities, are expected to be paid in 2020.

The activity associated with all of the Company's restructuring plans is summarized by category as follows:

	Liability as of December 31, 2017	Cash Payments	Liability as of March 31, 2018
Personnel-related	$ 4	$ (1)	$ 3
Facility-related	1	—	1
	$ 5	$ (1)	$ 4

Impairments

During the first quarter of 2017, the Company incurred a $5 million non-cash impairment charge related to the write-down of assets resulting from the decision to abandon a new product initiative at the Company's vacation ownership business. Such charge is recorded within impairment expense on the Condensed Consolidated Statement of Income.

19. Cendant Separation and Transactions with Former Parent and Subsidiaries

Transfer of Cendant Corporate Liabilities and Issuance of Guarantees to Cendant and Affiliates

Pursuant to the Separation and Distribution Agreement, upon the distribution of the Company's common stock to Cendant shareholders, the Company entered into certain guarantee commitments with Cendant (pursuant to the assumption of certain liabilities and the obligation to indemnify Cendant and certain of its former subsidiaries for such liabilities) and guarantee commitments related to deferred compensation arrangements with each of Cendant and Realogy. These guarantee arrangements primarily relate to certain contingent litigation liabilities, contingent tax liabilities, and Cendant contingent and other corporate liabilities, of which the Company assumed and is responsible for 37.5% while Cendant's former subsidiary Realogy is responsible for the remaining 62.5%.

As of March 31, 2018, the Cendant separation-related liabilities of $16 million are comprised of $13 million for tax liabilities, $1 million for other contingent and corporate liabilities and $2 million of liabilities where the calculated guarantee amount exceeded the contingent liability assumed at the separation date. In connection with these liabilities, as of March 31, 2018, $3 million was recorded within accrued expenses and other current liabilities and $13 million was recorded within other non-current liabilities on the Condensed Consolidated Balance Sheet. As of December 31, 2017, the Company had $16 million of Cendant separation-related liabilities, of which $3 million was recorded within accrued expenses and other current liabilities and $13 million was recorded within other non-current liabilities on the Condensed Consolidated Balance Sheet.

20. Subsequent Events

Sierra Timeshare Conduit Renewal

On April 6, 2018, the Company renewed its securitized timeshare receivables conduit facility for a two-year period through April 2020 and increased the capacity to $800 million. Borrowings under this facility are required to be repaid as the collateralized receivables amortize but no later than May 2021.

Senior Unsecured Notes

On April 13, 2018, Wyndham Hotels & Resorts, Inc. issued $500 million senior unsecured notes through a private placement transaction, which mature in April 2026 and bear interest at a rate of 5.375% per year. The notes are guaranteed by the Company on a senior unsecured basis and, immediately prior to the consummation of the spin-off, the Company's guarantee of the notes will be released. The Company replaced a portion of the bridge term loan facility with the net cash proceeds of the notes, reducing its outstanding bridge term loan facility commitments to approximately $1.5 billion.

Sierra Timeshare 2018-1 Receivables Funding, LLC

On April 18, 2018, the Company closed on a private placement of a series of term notes payable, issued by Sierra Timeshare 2018-1 Receivables Fundings, LLC, with an initial principal amount of $350 million, which are secured by vacation ownership contract receivables and bear interest at a weighted average coupon rate of 3.73%. The advance rate for this transaction was 90%.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

FORWARD-LOOKING STATEMENTS

This report includes "forward-looking statements" as that term is defined by the Securities and Exchange Commission ("SEC"). Forward-looking statements are any statements other than statements of historical fact, including statements regarding our expectations, beliefs, hopes, intentions or strategies regarding the future. In some cases, forward-looking statements can be identified by the use of words such as "may," "will," "expects," "should," "believes," "plans," "anticipates," "estimates," "predicts," "potential," "continue," "future" or other words of similar meaning. Forward-looking statements are subject to risks and uncertainties that could cause actual results of Wyndham Worldwide to differ materially from those discussed in, or implied by, the forward-looking statements. Factors that might cause such a difference include, but are not limited to, general economic conditions, the performance of the financial and credit markets, the economic environment for the hospitality industry, the impact of war, terrorist activity or political strife, operating risks associated with the hotel, vacation exchange and rentals and vacation ownership businesses, uncertainties that may delay or negatively impact the planned spin-off of our hotel business, the acquisition of La Quinta's hotel franchising and management business and the divestiture of our European vacation rentals business or cause the spin-off, the La Quinta acquisition or the divestiture of our European vacation rentals business to be delayed or not occur at all, uncertainties related to our ability to realize the anticipated benefits of the spin-off, the La Quinta acquisition or the divestiture of our European vacation rentals business, uncertainties related to our ability to successfully complete the spin-off on a tax-free basis within the expected time frame or at all, uncertainties related to our ability to obtain financing or the terms of such financing, including in connection with the spin-off and the La Quinta acquisition, unanticipated developments related to the impact of the spin-off, the La Quinta acquisition, the divestiture of our European vacation rentals business and related transactions on our relationships with our customers, suppliers, employees and others with whom we have relationships, unanticipated developments resulting from possible disruption to our operations resulting from the proposed spin-off, the La Quinta acquisition and the divestiture of our European vacation rentals business, the potential negative impact of the spin-off, the La Quinta acquisition, the divestiture of our European vacation rentals business and related transactions on our credit rating, uncertainties related to the successful integration of our business with La Quinta's hotel franchising and management businesses and our ability to realize the anticipated benefits of the combination, uncertainties related to La Quinta's ability to complete the spin-off of its owned real estate assets, the timing and amount of future dividends and share repurchases and those disclosed as risks under "Risk Factors" in documents we have filed with the SEC, including in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2017, filed with the SEC on February 16, 2018. We caution readers that any such statements are based on currently available operational, financial and competitive information, and they should not place undue reliance on these forward-looking statements, which reflect management's opinion only as of the date on which they were made. We undertake no obligation to review or update these forward-looking statements to reflect events or circumstances as they occur.

BUSINESS AND OVERVIEW

We are a global provider of hospitality services and products and operate our business in the following three segments:

- **Hotel Group**—primarily franchises hotels in the upscale, upper midscale, midscale, economy and extended stay segments and provides hotel management services for full-service and select limited-service hotels.
- **Destination Network**—provides vacation exchange services and products to owners of vacation ownership interests ("VOIs") and manages and markets vacation rental properties primarily on behalf of independent owners.
- **Vacation Ownership**—develops, markets and sells VOIs to individual consumers, provides consumer financing in connection with the sale of VOIs and provides property management services at resorts.

Hotel Business Spin-off

During the third quarter of 2017, we announced our intent to spin-off our hotel business, which will result in our operations being held by two separate, publicly traded companies. The two public companies intend to enter into long-term exclusive license agreements to retain their affiliations with one of the industry's top-rated loyalty programs, Wyndham Rewards, as well as to continue to collaborate on inventory-sharing and customer cross-sell initiatives. The transaction is expected to result in enhanced strategic and management focus on the core business and growth of each company; more efficient capital allocation, direct access to capital and expanded growth opportunities for each company; the ability to implement a tailored approach to recruiting and retaining employees at each company; improved investor understanding of the business strategy and operating results of each company; and enhanced investor choice by offering investment opportunities in separate entities. The transaction will be effected through a pro rata distribution of the new hotel entity's stock to existing Wyndham Worldwide shareholders and

is expected to be completed in the second quarter of 2018. The new hotel company will be named Wyndham Hotels & Resorts, Inc.

La Quinta Acquisition

In January 2018, we entered into an agreement with La Quinta Holdings Inc. to acquire its hotel franchising and management businesses for $1.95 billion in cash. The acquisition is expected to close in the second quarter of 2018. Upon completion of an internal reorganization and the spin-off, La Quinta will be a wholly-owned subsidiary of Wyndham Hotels & Resorts, Inc. At the time that we entered into the agreement to purchase the La Quinta hotel franchising and management businesses, we obtained financing commitments of $2.0 billion in the form of a 364-day senior unsecured bridge term loan facility (the ‘‘bridge term loan facility’’) to fund the La Quinta acquisition. We replaced a portion of the bridge term loan facility with the net cash proceeds of the from the issuance of $500 million unsecured notes, reducing our outstanding bridge term loan facility commitments to approximately $1.5 billion, and we anticipate replacing the remaining bridge term loan facility with a seven-year $1.6 billion senior secured term loan credit facility and a five-year $750 million revolving credit facility.

European Vacation Rentals Business

During 2017, we decided to explore strategic alternatives for our European vacation rentals business, and in late 2017, we commenced activities to facilitate the sale of this business. As a result, we have classified the results of operations of our European vacation rentals business as discontinued operations in the Condensed Consolidated Statements of Income for all periods presented and classified the related assets and liabilities associated with the discontinued operations as held for sale in the Condensed Consolidated Balance Sheets. All results and information presented exclude our European vacation rentals business unless otherwise noted (see Note 5 - Discontinued Operations to the Condensed Consolidated Financial Statements).

In February 2018, we entered into an agreement for the sale of our European vacation rentals business for approximately $1.3 billion. In conjunction with the sale, the European vacation rentals business will also enter into a 20-year agreement under which it will pay a royalty fee of 1% of net revenue to Wyndham’s hotel business for the right to use the “by Wyndham Vacation Rentals” endorser brand. In addition, the European vacation rentals business will also participate as a redemption partner in the Wyndham Rewards loyalty program. We have also agreed to provide certain post-closing credit support in order to ensure that the buyer meets the requirements of certain service providers and regulatory authorities. The transaction is subject to certain closing conditions and regulatory approval and is expected to be completed in the second quarter of 2018.

RESULTS OF OPERATIONS

Discussed below are our key operating statistics, consolidated results of operations and the results of operations for each of our reportable segments. The reportable segments presented below represent our operating segments for which discrete financial information is available and which is utilized on a regular basis by our chief operating decision maker to assess performance and to allocate resources. In identifying our reportable segments, we also consider the nature of services provided by our operating segments. Management evaluates the operating results of each of our reportable segments and corporate and other based upon net revenues and “EBITDA”, which is defined as net income before depreciation and amortization, interest expense (excluding consumer financing interest), early extinguishment of debt, interest income (excluding consumer financing revenues) and income taxes, each of which is presented on the Condensed Consolidated Statements of Income. We believe that EBITDA is a useful measure of performance for our industry segments and, when considered with GAAP measures, gives a more complete understanding of our operating performance. Our presentation of EBITDA may not be comparable to similarly-titled measures used by other companies.

OPERATING STATISTICS

The table below presents our operating statistics for the three months endedMarch 31, 2018 and 2017. These operating statistics are the drivers of our revenues and therefore provide an enhanced understanding of our businesses. Refer to the Results of Operations section for a discussion as to how these operating statistics affected our business for the periods presented.

	Three Months Ended March 31,		
	2018	2017	% Change
Hotel Group[a]			
Number of rooms [b]	723,000	699,800	3.3
RevPAR [c]	$ 33.95	$ 31.73	7.0
Destination Network			
Average number of members (in 000s) [a] [d]	3,852	3,817	0.9
Exchange revenue per member [a] [e]	$ 194.70	$ 195.84	(0.6)
Vacation Ownership			
Gross VOI sales (in 000s)[g] [i]	$ 465,000	$ 438,000	6.2
Tours (in 000s) [h]	190	176	8.0
Volume Per Guest ("VPG") [g]	$ 2,303	$ 2,354	(2.2)

(a) Includes the impact from acquisitions from the acquisition dates forward.

(b) Represents the number of rooms at Hotel Group properties at the end of the period which are under franchise and/or management agreements, or are Company-owned.

(c) Represents revenue per available room and is calculated by multiplying the percentage of available rooms occupied during the period by the average rate charged for renting a hotel room for one day.

(d) Represents members in our vacation exchange programs who paid annual membership dues as of the end of the period or who are within the allowed grace period.

(e) Represents total annualized revenues generated from fees associated with memberships, exchange transactions, member-related rentals and other servicing for the period divided by the average number of vacation exchange members during the period.

(f) Represents total sales of VOIs, including sales under the Wyndham Asset Affiliation Model ("WAAM") Fee-for-Service program before the effect of loan loss provisions. We believe that Gross VOI sales provide an enhanced understanding of the performance of our vacation ownership business because it directly measures the sales volume of this business during a given reporting period.

(g) The following table provides a reconciliation of Gross VOI sales to vacation ownership interest sales for the three months ended March 31 (in millions):

	2018	2017
Gross VOI sales	$ 465	$ 438
Less: WAAM Fee-for-Service sales [1]	(15)	(3)
Gross VOI sales, net of WAAM Fee-for-Service sales	450	435
Less: Loan loss provision	(92)	(85)
Vacation ownership interest sales	$ 358	$ 350

(1) Represents total sales of VOIs through our WAAM Fee-for-Service program designed to offer turn-key solutions for developers or banks in possession of newly developed inventory, which we will sell for a commission fee through our extensive sales and marketing channels. WAAM Fee-for-Service commission revenues were $10 million and $2 million for the three months ended March 31, 2018 and 2017, respectively.

(h) Represents the number of tours taken by guests in our efforts to sell VOIs.

(i) VPG is calculated by dividing Gross VOI sales (excluding tele-sales upgrades, which are non-tour upgrade sales) by the number of tours. Tele-sales upgrades were $28 million and $24 million during the three months ended March 31, 2018 and 2017, respectively. We have excluded tele-sales upgrades in the calculation of VPG because tele-sales upgrades are generated by a different marketing channel. We believe that VPG provides an enhanced understanding of the performance of our vacation ownership business because it directly measures the efficiency of this business's tour selling efforts during a given reporting period.

THREE MONTHS ENDED MARCH 31, 2018 VS. THREE MONTHS ENDED MARCH 31, 2017

Our consolidated results are as follows:

	Three Months Ended March 31,		
	2018	2017	Favorable/(Unfavorable)
Net revenues	$ 1,190	$ 1,154	$ 36
Expenses	1,031	969	(62)
Operating income	159	185	(26)
Other income, net	(6)	(1)	(5)
Interest expense	45	34	(11)
Interest income	(1)	(1)	—
Income before income taxes	121	153	(32)
Provision for income taxes	40	26	(14)
Income from continuing operations	81	127	(46)
Loss from discontinued operations, net of income taxes	(47)	(37)	(10)
Net income	$ 34	$ 90	$ (56)

Net revenues increased $36 million (3%) for the three months ended March 31, 2018 compared with the same period last year. Foreign currency translation favorably impacted net revenues by $6 million. Excluding foreign currency translation, the increase in net revenues was primarily the result of:

- $20 million of higher revenues at our vacation ownership business primarily resulting from an increase in net VOI sales and consumer financing revenues;
- $9 million of higher revenues resulting from acquisitions at our hotel group and destination network businesses;
- $7 million of higher revenues (excluding intersegment revenues) at our hotel group business primarily from higher royalty, marketing and reservations (inclusive of Wyndham Rewards) revenues.

Expenses increased $62 million (6%) for the three months ended March 31, 2018 compared with the same period last year. Foreign currency unfavorably impacted expenses by $2 million. Excluding foreign currency, the increase in expenses was primarily the result of:

- $51 million of expenses associated with our planned spin-off of our hotel group business;
- $13 million of higher expenses from operations primarily related to the revenue increases;
- $8 million of incremental expenses related to acquisitions at our hotel group and destination network businesses; and
- a $5 million increase in depreciation and amortization resulting from the impact of property and equipment additions that were placed in service over the last twelve months.

Such increases were partially offset by the absence of $12 million of restructuring and impairment expenses incurred in 2017 and a $5 million benefit resulting from the reversal of an acquisition–related contingency accrual associated with our Rio Mar property in 2018.

Other income, net increased by $5 million for the three months ended March 31, 2018 compared with the same period last year, primarily due to proceeds received from business interruption insurance claims.

Interest expense increased $11 million for the three months ended March 31, 2018 compared with the same period last year due to higher debt balances and higher interest rates.

Our effective tax rates were 33.1% and 17.0% for the three months ended March 31, 2018 and 2017, respectively. The increase was principally due to (i) the absence of a one-time tax benefit on foreign currency losses recognized from an internal restructuring undertaken to realign the organizational and capital structure of certain foreign operations during 2017 and (ii) one-time non-cash tax charges from certain internal restructurings associated with the sale of our European vacation rentals business during 2018, partially offset by the tax benefit from the corporate income tax rate reduction resulting from the enactment of the U.S. Tax Cuts and Jobs Act.

Loss from discontinued operations, net of income taxes increased $10 million for the three months ended March 31, 2018 and 2017, primarily from transaction-related costs associated with the sale of our European vacation rentals business.

As a result of these items, net income decreased $56 million compared with the three months ended March 31, 2017.

Following is a discussion of the results of each of our segments and Corporate and Other for the three months ended March 31, 2018 compared to March 31, 2017 (in millions):

	Net Revenues			EBITDA		
	2018	2017	% Change	2018	2017	% Change
Hotel Group	$ 302	$ 289	4.5	$ 83 (b)	$ 83 (f)	—
Destination Network	246	243	1.2	66 (c)	75	(12.0)
Vacation Ownership	661	639	3.4	124 (d)	117 (g)	6.0
Total Reportable Segments	1,209	1,171	3.2	273	275	(0.7)
Corporate and Other (a)	(19)	(17)	NM	(52) (e)	(38) (h)	NM
Total Company	$ 1,190	$ 1,154	3.1	$ 221	$ 237	(6.8)

Reconciliation of Net income to EBITDA

	2018	2017
Net income	$ 34	$ 90
Loss from discontinued operations, net of income taxes	47	37
Provision for income taxes	40	26
Depreciation and amortization	56	51
Interest expense	45	34
Interest income	(1)	(1)
EBITDA	$ 221	$ 237

(a) Includes the elimination of transactions between segments.

(b) Includes (i) $12 million of costs associated with the planned spin-off of our hotel group business, (ii) $7 million of costs incurred primarily in connection with the planned acquisition of La Quinta Holding's hotel franchising and hotel management business and (iii) a $5 million reversal of an accrued acquisition-related contingency associated with our Rio Mar property.

(c) Includes $11 million of costs associated with the planned spin-off of our hotel group business.

(d) Includes $5 million of costs associated with the planned spin-off of our hotel group business.

(e) Includes $23 million of costs associated with the planned spin-off of our hotel group business.

(f) Includes $1 million of restructuring costs primarily focused on realigning its brand operations.

(g) Includes a $5 million non-cash impairment charge related to the write-down of assets resulting from the decision to abandon a new product initiative.

(h) Includes $6 million of restructuring costs focused on rationalizing its sourcing function and outsourcing certain information technology functions.

Hotel Group

Net revenues increased $13 million (4.5%) and EBITDA was unchanged during the three months ended March 31, 2018 compared with the same period during 2017. Foreign currency translation favorably impacted both revenues and EBITDA by $1 million. Our October 2017 acquisition of AmericInn contributed $4 million and $2 million of revenues and EBITDA, respectively, during the three months ended March 31, 2018.

Excluding the impact of the AmericInn acquisition, royalty revenues increased $4 million and marketing, reservation and Wyndham Rewards revenues increased $4 million, primarily due to a 6.7% increase in global RevPAR (4.7% in constant currency) and a 1.6% increase in global system size. The growth in global RevPAR reflected a 5.3% increase in U.S. RevPAR and a 10.2% increase in international RevPAR (3.6% in constant currency). The growth in U.S. RevPAR reflected a 3.5% increase in average daily rates and 1.7% increase in occupancy rates. The increase in international RevPAR was principally the result of a 6.7% increase in average daily rates (0.4% in constant currency) and a 3.3% increase in occupancy rates.

Net revenues from our owned hotels was flat versus the prior year. EBITDA increased $7 million primarily due to proceeds received from insurance claims related to the hurricanes in the third quarter of 2017.

In addition to the items discussed above, EBITDA was impacted by:

- $12 million of separation-related costs;
- $7 million of acquisition-related costs primarily related to the planned acquisition of La Quinta's hotel franchising and hotel management business, offset by
- a $5 million benefit resulting from the reversal of an acquisition-related contingency accrual associated with our Rio Mar property.

As of March 31, 2018, we had over 8,300 properties and approximately 723,000 rooms in our system. Additionally, our hotel development pipeline included over 1,100 hotels and approximately 147,700 rooms, of which 58% were international and 67% were new construction.

Destination Network

Net revenues increased $3 million (1.2%) and EBITDA decreased $9 million (12.0%) during the three months ended March 31, 2018 compared with the same period during 2017. Foreign currency translation favorably impacted net revenues and EBITDA by $2 million and $1 million, respectively. Our acquisitions contributed $5 million of incremental revenues and $1 million of EBITDA loss during the first quarter of 2018. EBITDA also reflected $11 million of separation-related costs.

Exchange and related service revenues increased $1 million, and net revenues generated from vacation rental transactions and related services were unchanged. Ancillary revenues increased $2 million.

In addition, EBITDA was favorably impacted by a benefit associated with proceeds received from business interruption insurance claims and cost savings.

Vacation Ownership

Net revenues increased $22 million (3.4%) and EBITDA increased $7 million (6.0%) during the three months ended March 31, 2018 compared with the same period of 2017. Foreign currency translation favorably impacted net revenues and EBITDA by $2 million and $1 million, respectively.

Net VOI sales increased $8 million compared to the same period last year primarily due to a 6.2% increase in gross VOI sales, partially offset by a $7 million increase in our provision for loan losses. The increase in the provision for loan losses was due to higher gross VOI sales and the impact of higher defaults. Gross VOI sales increased primarily due to an 8.0% increase in tours, reflecting our continued focus on new owner generation, partially offset by a 2.2% decrease in VPG. The decrease in VPG was primarily the result of tour mix, as we continue to increase our emphasis on new-owner sales. Commission revenues and expenses increased $8 million and $7 million, respectively, compared to the same period last year as a result of higher WAAM Fee-for-Service VOI sales.

Consumer financing revenues increased $7 million compared to the same period last year. This increase was due to a higher weighted average interest rate earned on a larger average portfolio balance. Consumer financing interest expense increased by $1 million resulting from an increase in the weighted average interest rate on our securitized debt. As a result, our net interest income margin increased to 84.2% compared with 83.5% during the first quarter of 2017.

In addition, EBITDA was impacted by:

- a $7 million reduction in the cost of VOIs sold driven by lower average product costs;
- the absence of a $5 million non-cash impairment charge related the write-down of assets resulting from the abandonment of a new product initiative in 2017; offset by
- a $13 million increase in marketing costs due to our emphasis on adding new owners, which typically carry a higher cost per tour;
- $8 million of higher sales and commission expenses primarily due to higher gross VOI sales; and
- $5 million of separation-related costs.

Corporate and Other

Corporate and Other revenues, which primarily represent the elimination of intersegment revenues charged between our businesses, decreased $2 million during the three months ended March 31, 2018 compared to 2017.

Corporate expenses (excluding intercompany expense eliminations) increased $15 million during the three months ended March 31, 2018 compared to 2017. Excluding $23 million of costs associated with the planned spin-off of our hotel group business, corporate expenses decreased $9 million primarily due to the absence of restructuring costs incurred during the first quarter of 2017 and lower employee-related costs.

RESTRUCTURING PLANS

During 2017, we recorded $15 million of restructuring charges, all of which were personnel-related and consisted of (i) $8 million at our Destination Network segment which primarily focused on enhancing organizational efficiency and rationalizing its operations, (ii) $6 million at our corporate operations which focused on rationalizing its sourcing function and outsourcing certain information technology functions and (iii) $1 million at our Hotel Group segment which primarily focused on realigning its brand operations. During the three months ended March 31, 2018, we reduced our restructuring-charge liability with $1 million of cash payments. The remaining liability of $3 million, as of March 31, 2018, is expected to be paid by the end of 2018.

We have additional restructuring plans which were implemented prior to 2017. The remaining liabilities of $1 million as of March 31, 2018, all of which is related to leased facilities, is expected to be paid in 2020.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

FINANCIAL CONDITION

	March 31, 2018	December 31, 2017	Change
Total assets	$ 11,099	$ 10,450	$ 649
Total liabilities	10,449	9,676	773
Total equity	650	774	(124)

Total assets increased $649 million from December 31, 2017 to March 31, 2018 primarily due to:

- a $191 million increase in cash;
- a $103 million increase in other current assets primarily due to a higher income tax receivable related to assumptions used in our estimated tax payment calculation resulting from the U.S. Tax Cuts and Jobs Act and an increase in escrow deposits related to the seasonality of advanced vacation rental bookings at our destination network business;
- a $61 million increase in accounts receivable primarily due to seasonality of vacation rental bookings; and
- a $278 million increase in assets held for sale related to discontinued operations primarily due to the seasonality of vacation rental bookings.

Total liabilities increased $773 million from December 31, 2017 to March 31, 2018 primarily due to a $375 million increase in long-term debt and a $466 million increase in liabilities held for sale related to discontinued operations resulting from the seasonality of vacation rental bookings. Such increases were partially offset by a $121 million reduction in securitized debt.

Total equity decreased $124 million from December 31, 2017 to March 31, 2018 primarily due to $76 million of stock repurchases and $67 million of dividends, partially offset by $34 million of net income attributable to Wyndham shareholders.

LIQUIDITY AND CAPITAL RESOURCES

Currently, our financing needs are supported by cash generated from operations and borrowings under our revolving credit facility as well as issuance of long-term unsecured debt. In addition, we use our two bank conduit facilities and securitized debt borrowings to finance our vacation ownership contract receivables. We believe that our net cash from operations, cash and cash equivalents, access to our revolving credit facilities, our bank conduit facilities and continued access to the debt markets provide us with sufficient liquidity to meet our ongoing needs.

Our five-year revolving credit facility, which expires in July 2020, has a total capacity of $1.5 billion. As of March 31, 2018, we had $462 million of available capacity, net of letters of credit and commercial paper borrowings. We consider outstanding borrowings under our commercial paper program to be a reduction of the available capacity under our revolving credit facilities.

Our 364-day, $400 million revolving credit facility, which expires in November 2018, was fully utilized as of March 31, 2018.

We maintain a U.S. commercial paper program under which we could have issued unsecured commercial paper up to a maximum amount of $750 million. During the first quarter of 2018, we terminated our European commercial paper program. As of March 31, 2018, we had $136 million of outstanding commercial paper borrowings, under the U.S. program.

Our two-year securitized vacation ownership receivables bank conduit facility, with borrowing capability through August 2018, has a total capacity of $650 million and available capacity of $232 million as of March 31, 2018. During April 2018, we renewed this facility for a two-year period through April 2020 and increased its capacity to $800 million. Borrowings under this facility are required to be repaid as the collateralized receivables amortize but be no later than May 2021.

Our fifteen-month, $750 million securitized vacation ownership receivables bank conduit facility has borrowing capability through January 2019 and available capacity of $219 million as of March 31, 2018. Borrowings under this facility are required to be repaid as the collateralized receivables amortize but no later than January 2020.

In January 2018, we entered into an agreement with La Quinta Holdings Inc. to acquire its hotel franchising and management business for $1.95 billion in cash. In connection with the La Quinta acquisition, we obtained $2.0 billion of funding commitments which expire in January 2019. During April 2018, we replaced a portion of the bridge term loan facility with the net cash proceeds from our issuance of $500 million of unsecured notes, reducing our outstanding bridge term loan facility commitments to approximately $1.5 billion, and we anticipate replacing the remaining bridge term loan facility with a seven-year $1.6 billion senior secured term loan credit facility. We also anticipate that Wyndham Hotels & Resorts, Inc. will enter into a five-year $750 million revolving credit facility.

We may, from time to time, depending on market conditions and other factors, repurchase our outstanding indebtedness, whether or not such indebtedness trades above or below its face amount, for cash and/or in exchange for other securities or other consideration, in each case in open market purchases and/or privately negotiated transactions.

CASH FLOW

The following table summarizes the changes in cash and cash equivalents during the three months endedMarch 31, 2018 and 2017:

	Three Months Ended March 31,		
	2018	**2017**	**Change**
Cash provided by/(used in)			
Operating activities:			
Continuing operations	$ 1	$ 123	$ (122)
Discontinued operations	132	115	17
Investing activities:			
Continuing operations	(22)	(30)	8
Discontinued operations	(8)	9	(17)
Financing activities:			
Continuing operations	75	(114)	189
Discontinued operations	(6)	(9)	3
Effects of changes in exchange rates on cash and cash equivalents	1	3	(2)
Net change in cash and cash equivalents	$ 173	$ 97	$ 76

Operating Activities

Net cash provided by operating activities from continuing operations decreased by $122 million compared to first quarter of 2017. Such decrease was a result of an $89 million decline in net income adjusted for non-cash items and a $33 million increase in cash utilized for working capital (net change in assets and liabilities).

Net cash provided by operating activities from discontinued operations increased $17 million compared to 2017.

Investing Activities

Net cash used in investing activities for continuing operations decreased $8 million, and net cash used in investing activities for discontinued operations increased by $17 million compared to 2017.

Financing Activities

Net cash provided by financing activities from continuing operations increased $189 million primarily due to $228 million of higher net proceeds from non-securitized debt borrowings and $71 million lower share repurchases. Such decreases were partially offset by $120 million of higher net payments on securitized vacation ownership debt.

Net cash used in financing activities for discontinued operations decreased $3 million compared to 2017.

Capital Deployment

We focus on optimizing cash flow and seek to deploy capital for the highest possible returns. Ultimately, our business objective is to grow our business while transforming our cash and earnings profile by managing our cash streams to derive a greater proportion of EBITDA from our fee-for-service businesses. We intend to continue to invest in select capital and technological improvements across our business. We may also seek to acquire additional franchise agreements, hotel/property management contracts and exclusive agreements for vacation rental properties on a strategic and selective basis as well as grow the business through merger and acquisition activities. In addition, we intend to return cash to shareholders through the repurchase of common stock and payment of dividends.

During the three months ended March 31, 2018, we spent $67 million on vacation ownership development projects (inventory). We believe that our vacation ownership business currently has adequate finished inventory on our balance sheet to support vacation ownership sales for at least the next year. During 2018, we anticipate spending between $220 million and $250 million on vacation ownership development projects. The average inventory spend on vacation ownership development projects for the five-year period 2018 through 2022 is expected to be approximately $250 million annually. After factoring in the anticipated additional average annual spending, we expect to have adequate inventory to support vacation ownership sales through at least the next four to five years.

During the three months ended March 31, 2018, we spent $28 million on capital expenditures primarily for information technology enhancement projects and renovations at our Rio Mar property. During 2018, we anticipate spending between $150 million and $170 million on capital expenditures.

In addition, during the three months ended March 31, 2018, we spent $8 million on loans and development advance notes, primarily at our hotel group business to acquire new franchise and management agreements. In an effort to support growth in our hotel group business, we will continue to provide development advance notes and loans, which may include agreements with multi-unit owners. We will also continue to provide other forms of financial support.

In connection with our focus on optimizing cash flow, we are continuing our asset-light efforts in vacation ownership by seeking opportunities with financial partners whereby they make strategic investments to develop assets on our behalf. We refer to this as WAAM Just-in-Time. The partner may invest in new ground-up development projects or purchase from us, for cash, existing in-process inventory which currently resides on our balance sheet. The partner will complete the development of the project and we may purchase finished inventory at a future date as needed or as obligated under the agreement.

We expect that the majority of the expenditures that will be required to pursue our capital spending programs, strategic investments and vacation ownership development projects will be financed with cash flow generated through operations. Additional expenditures are financed with general unsecured corporate borrowings, including through the use of available capacity under our revolving credit facility and commercial paper programs.

Stock Repurchase Program

On August 20, 2007, our Board of Directors authorized a stock repurchase program that enables us to purchase our common stock. The Board of Directors has since increased the capacity of the program eight times, most recently in October 2017 by $1.0 billion, bringing the total authorization under the current program to $6.0 billion. Proceeds received from stock option exercises have increased repurchase capacity by $78 million since the inception of this program.

Under our current stock repurchase program, we repurchased 0.6 million shares at an average price of $115.91 for a cost of $76 million during the three months ended March 31, 2018. From August 20, 2007 through March 31, 2018, we repurchased 95 million shares at an average price of $52.75 for a cost of $5.0 billion.

As of March 31, 2018, we have repurchased under our current and prior stock repurchase programs, a total of 120 million shares at an average price of $48.47 for a cost of $5.8 billion since our separation from Cendant.

During the period from April 1, 2018 through May 1, 2018, we repurchased an additional 0.2 million shares at an average price of $113.38 for a cost of $22 million. We currently have $1.0 billion of remaining availability in our current program. The amount and timing of specific repurchases are subject to market conditions, applicable legal requirements and other factors. Repurchases may be conducted in the open market or in privately negotiated transactions.

Dividend Policy

During the quarterly period ended March 31, 2018 we paid cash dividends of $0.66 per share ($70 million in aggregate). During the quarterly period ended March 31, 2017 we paid cash dividends of $0.58 per share ($64 million in aggregate).

Our ongoing dividend policy for the future is to grow our dividend at least at the rate of growth of our earnings. However, we intend to reduce our quarterly dividends following the spin-off of our hotel group business. The declaration and payment of future dividends to holders of our common stock are at the discretion of our Board and depend upon many factors, including our financial condition, earnings, capital requirements of our business, covenants associated with certain debt obligations, legal requirements, regulatory constraints, industry practice and other factors that our Board deems relevant. There is no assurance that a payment of a dividend will occur in the future.

Financial Obligations

Long-Term Debt Covenants

The revolving credit facilities and term loan are subject to covenants including the maintenance of specific financial ratios. The financial ratio covenants consist of a minimum consolidated interest coverage ratio of at least 2.5 to 1.0 as of the measurement date and a maximum consolidated leverage ratio not to exceed 4.25 to 1.0 as of the measurement date (provided that the consolidated leverage ratio may be increased for a limited period to 5.0 to 1.0 in connection with a material acquisition). The consolidated interest coverage ratio is calculated by dividing consolidated EBITDA (as defined in the credit agreements) by consolidated interest expense (as defined in the credit agreements), both as measured on a trailing 12-month basis preceding the measurement date. As of March 31, 2018, our consolidated interest coverage ratio was 8.6 times. Consolidated interest expense excludes, among other things, interest expense on any securitization indebtedness (as defined in the credit agreements). The consolidated leverage ratio is calculated by dividing consolidated total indebtedness (as defined in the credit agreement and which excludes, among other things, securitization indebtedness) as of the measurement date by consolidated EBITDA as measured on a trailing 12-month basis preceding the measurement date. As of March 31, 2018, our consolidated leverage ratio was 3.0 times. Covenants in the credit facilities and term loan also include limitations on indebtedness of material subsidiaries; liens; mergers, consolidations, liquidations and dissolutions; and the sale of all or substantially all of our assets. Events of default in these credit facilities include failure to pay interest, principal and fees when due; breach of a covenant or warranty; acceleration of or failure to pay other debt in excess of $50 million (excluding securitization indebtedness); insolvency matters; and a change of control.

All of our senior unsecured notes contain various covenants including limitations on liens, limitations on potential sale and leaseback transactions and change of control restrictions. In addition, there are limitations on mergers, consolidations and potential sale of all or substantially all of our assets. Events of default in the notes include failure to pay interest and principal when due, breach of a covenant or warranty, acceleration of other debt in excess of $50 million and insolvency matters.

As of March 31, 2018, we were in compliance with all of the financial covenants described above.

Each of our non-recourse, securitized term notes and bank conduit facilities contain various triggers relating to the performance of the applicable loan pools. If the vacation ownership contract receivables pool that collateralizes one of our securitization notes fails to perform within the parameters established by the contractual triggers (such as higher default or delinquency rates), there are provisions pursuant to which the cash flows for that pool will be maintained in the securitization as extra collateral for the note holders or applied to accelerate the repayment of outstanding principal to the note holders. As of March 31, 2018, all of our securitized loan pools were in compliance with applicable contractual triggers.

LIQUIDITY

Our vacation ownership business finances certain of its receivables through (i) asset-backed bank conduit facilities and (ii) periodically accessing the capital markets by issuing asset-backed securities. None of the currently outstanding asset-backed securities contain any recourse provisions to us.

We believe that our $650 million bank conduit facility with a term through August 2018 and our $750 million bank conduit facility with a term through January 2019, combined with our ability to issue term asset-backed securities, should provide sufficient liquidity for our expected sales pace, and we expect to have available liquidity to finance the sale of VOIs. As of March 31, 2018, we had $451 million of availability under these asset-backed bank conduit facilities. Any disruption to the asset-backed securities market could adversely impact our future ability to obtain asset-backed financings.

We primarily utilize surety bonds at our vacation ownership business for sales and development transactions in order to meet regulatory requirements of certain states. In the ordinary course of our business, we have assembled commitments from twelve surety providers in the amount of $1.3 billion, of which we had $413 million outstanding as of March 31, 2018. The availability, terms and conditions and pricing of such bonding capacity are dependent on, among other things, continued financial strength and stability of the insurance company affiliates providing the bonding capacity, general availability of such capacity and our corporate credit rating. If bonding capacity is unavailable, or alternatively, if the terms and conditions and pricing of such bonding capacity are unacceptable to us, our vacation ownership business could be negatively impacted.

Our liquidity position may also be negatively affected by unfavorable conditions in the capital markets in which we operate or if our vacation ownership contract receivables portfolios do not meet specified portfolio credit parameters. Our liquidity as it relates to our vacation ownership contract receivables securitization program could be adversely affected if we were to fail to renew or replace our conduit facility on its expiration date, or if a particular receivables pool were to fail to meet certain ratios, which could occur in certain instances if the default rates or other credit metrics of the underlying vacation ownership contract receivables deteriorate. Our ability to sell securities backed by our vacation ownership contract receivables depends on the continued ability and willingness of capital market participants to invest in such securities.

Our senior unsecured debt is rated Baa3 with a “negative watch” by Moody’s Investors Service and BBB- with a “negative watch” by both Standard and Poor’s and Fitch Rating Agency. A security rating is not a recommendation to buy, sell or hold securities and is subject to revision or withdrawal by the assigning rating organization. Reference in this report to any such credit rating is intended for the limited purpose of discussing or referring to aspects of our liquidity and of our costs of funds. Any reference to a credit rating is not intended to be any guarantee or assurance of, nor should there be any undue reliance upon, any credit rating or change in credit rating, nor is any such reference intended as any inference concerning future performance, future liquidity or any future credit rating.

Our credit ratings could be affected by the spin-off transaction, our planned sale of our European vacation rentals business, our planned acquisition of La Quinta’s hotel franchising and hotel management business or other factors.

SEASONALITY

We experience seasonal fluctuations in our net revenues and net income from our franchise and management fees, exchange fees, commission income earned from renting vacation properties and sales of VOIs. Revenues from franchise and management fees are generally higher in the second and third quarters than in the first or fourth quarters due to increased leisure travel during the spring and summer months. Revenues from vacation exchange fees are generally highest in the first quarter, which is generally when members of our vacation exchange business plan and book their vacations for the year. Revenues from vacation rentals are generally highest in the third quarter, when vacation arrivals are highest. Revenues from sales of VOIs are generally higher in the third quarter than in other quarters due to increased leisure travel. The seasonality of our business may cause fluctuations in our quarterly operating results. As we expand into new markets and geographical locations, we may experience increased or different seasonality dynamics that create fluctuations in operating results different from the fluctuations we have experienced in the past.

COMMITMENTS AND CONTINGENCIES

We are involved in claims, legal and regulatory proceedings and governmental inquiries related to our businessLitigation is inherently unpredictable and, although we believe that our accruals are adequate and/or that we have valid defenses in these matters, unfavorable results could occur. As such, an adverse outcome from such proceedings for which claims are awarded in excess of the amounts accrued, if any, could be material to us with respect to earnings and/or cash flows in any given reporting period. As of March 31, 2018, the potential exposure resulting from adverse outcomes of such legal proceedings could, in the aggregate, range up to$64 million in excess of recorded accruals. However, we do not believe that the impact of such litigation should result in a material liability to us in relation to our consolidated financial position or liquidity.

CONTRACTUAL OBLIGATIONS

The following table summarizes our future contractual obligations for the twelve month periods set forth below:

	4/1/18-3/31/19	4/1/19-3/31/20	4/1/20-3/31/21	4/1/21-3/31/22	4/1/22-3/31/23	Thereafter	Total
Securitized debt [a]	$ 198	$ 965	$ 126	$ 127	$ 140	$ 421	$ 1,977
Long-term debt	91	46	2,015	654	411	1,067	4,284
Interest on debt [b]	237	229	164	109	79	140	958
Operating leases	49	42	33	29	24	114	291
Purchase commitments [c]	218	120	108	35	18	27	526
Inventory sold subject to conditional repurchase [d]	34	37	47	59	—	—	177
Separation liabilities [e]	3	13	—	—	—	—	16
Total [f] [g]	$ 830	$ 1,452	$ 2,493	$ 1,013	$ 672	$ 1,769	$ 8,229

(a) Represents debt that is securitized through bankruptcy-remote special purpose entities the creditors to which have no recourse to us for principal and interest.

(b) Includes interest on both securitized and long-term debt; estimated using the stated interest rates on our long-term debt and the swapped interest rates on our securitized debt.

(c) Includes (i) $208 million relating to the development of vacation ownership properties, of which $73 million was included within total liabilities on the Condensed Consolidated Balance Sheet, (ii) $157 million for information technology activities and (iii) $83 million for marketing-related activities.

(d) Represents obligations to repurchase completed vacation ownership properties from third-party developers (See Note 7 – Inventory for further detail) of which $44 million was included within total liabilities on the Condensed Consolidated Balance Sheet.

(e) Represents liabilities which we assumed and are responsible for pursuant to the Cendant Separation (See Note 19 – Cendant Separation and Transactions with Former Parent and Subsidiaries for further details).

(f) Excludes a $48 million liability for unrecognized tax benefits associated with the accounting guidance for uncertainty in income taxes since it is not reasonably estimable to determine the periods in which such liability would be settled with the respective tax authorities.

(g) Excludes other guarantees at our hotel group business as it is not reasonably estimable to determine the periods in which such commitments would be settled (See Note 13– Commitments and Contingencies for further details).

In addition to amounts shown in the table above, we have $305 million of contractual obligations related to our discontinued operations, of which $75 million is due within one year. Such obligations primarily relate to operating and capital leases.

CRITICAL ACCOUNTING POLICIES

In presenting our financial statements in conformity with generally accepted accounting principles, we are required to make estimates and assumptions that affect the amounts reported therein. Several of the estimates and assumptions we are required to make relate to matters that are inherently uncertain as they pertain to future events. However, events that are outside of our control cannot be predicted and, as such, they cannot be contemplated in evaluating such estimates and assumptions. If there is a significant unfavorable change to current conditions, it could result in a material impact to our consolidated results of operations, financial position and liquidity. We believe that the estimates and assumptions we used when preparing our financial statements were the most appropriate at that time. These Condensed Consolidated Financial Statements should be read in conjunction with the audited Consolidated Financial Statements included in the Annual Report filed on Form 10-K with the SEC filed on February 16, 2018 which includes a description of our critical accounting policies that involve subjective and complex judgments that could potentially affect reported results. For additional information see Note 3 - Revenue Recognition to the condensed consolidated financial statements contained in Part I, Item 1 of this report for a discussion of our updated accounting policies on Revenue Recognition.

Item 3. Quantitative and Qualitative Disclosures About Market Risks.

We assess our market risks based on changes in interest and foreign currency exchange rates utilizing a sensitivity analysis that measures the potential impact in earnings, fair values and cash flows based on a hypothetical 10% change (increase and decrease) in interest and foreign currency exchange rates. We used March 31, 2018 market rates to perform a sensitivity analysis separately for each of our market risk exposures. The estimates assume instantaneous, parallel shifts in interest rate yield curves and exchange rates. We have determined, through such analyses, that a hypothetical 10% change in foreign currency exchange rates would have resulted in approximately a $13 million increase or decrease to the fair value of our outstanding forward foreign currency exchange contracts, which would generally be offset by an opposite effect on the underlying exposure being economically hedged.

Our variable rate borrowings, which include our commercial paper, term loan, senior unsecured notes synthetically converted to variable rate debt via interest rate swaps, bank conduit facility and revolving credit facility, expose us to risks caused by fluctuations in the applicable interest rates. The total outstanding balance of such variable rate borrowings at March 31, 2018 was approximately $950 million in securitized debt and $2.1 billion long-term debt. A 100 basis point change in the underlying interest rates would result in an approximately a $9 million increase or decrease in annual consumer financing interest expense and a $22 million increase or decrease in our annual long-term interest expense.

As such, we believe that a 10% change in interest and foreign currency exchange rates would not have a material effect on our prices, earnings, fair values and cash flows.

Item 4. Controls and Procedures.

(a) *Disclosure Controls and Procedures.* As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our management, including our principal executive and principal financial officers, of the effectiveness of the design and operation of our disclosure controls and procedures (as such term is defined in Rule 13(a)-15(e) of the Securities Exchange Act of 1934 (the "Exchange Act")). Based on such evaluation, our principal executive and principal financial officers concluded that our disclosure controls and procedures were effective and operating to provide reasonable assurance that information required to be disclosed by us in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and to provide reasonable assurance that such information is accumulated and communicated to our management, including our principal executive and principal financial officers, as appropriate, to allow timely decisions regarding required disclosure.

(b) *Internal Control Over Financial Reporting.* There have been no changes in our internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the Exchange Act) during the period to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. As of March 31, 2018, we utilized the criteria established in *Internal Control-Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

We are involved in various claims and lawsuits arising in the ordinary course of business, none of which, in the opinion of management, is expected to have a material adverse effect on our results of operations or financial condition. See Note 13- Commitments and Contingencies to the Condensed Consolidated Financial Statements for a description of claims and legal actions arising in the ordinary course of our business and Note 19 - Cendant Separation and Transactions with Former Parent and Subsidiaries to the Condensed Consolidated Financial Statements for a description of our obligations regarding Cendant contingent litigation.

Item 1A. Risk Factors.

The discussion of our business and operations should be read together with the risk factors contained in Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2017, filed with the Securities and Exchange Commission, which describe various risks and uncertainties to which we are or may become subject. These risks and uncertainties have the potential to affect our business, financial condition, results of operations, cash flows, strategies or prospects in a material and adverse manner. As of March 31, 2018, there have been no material changes to the risk factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2017.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

(c) Below is a summary of our Wyndham common stock repurchases by month for the quarter ended March 31, 2018:

ISSUER PURCHASES OF EQUITY SECURITIES

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plan	Approximate Dollar Value of Shares that May Yet Be Purchased Under Plan
January 2018	185,900	$ 115.34	185,900	$ 1,118,483,723
February 2018	17,089	$ 117.03	17,089	$ 1,116,483,799
March 2018	445,876	$ 116.11	445,876	$ 1,064,713,470
Total	648,865	$ 115.91	648,865	$ 1,064,713,470

(*) Includes 70,114 shares purchased for which the trade date occurred during March 2018 while settlement occurred during April 2018.

On August 20, 2007, our Board of Directors authorized a stock repurchase program that enables us to purchase our common stock. The Board has since increased the program eight times, most recently on October 23, 2017 for $1.0 billion, bringing the total authorization under the current program to $6.0 billion. Under our current and prior stock repurchase plans, the total authorization is $6.8 billion.

During the period April 1, 2018 through May 1, 2018, we repurchased an additional 0.2 million shares at an average price of $113.38. We currently have $1.0 billion of remaining availability in our current program. The amount and timing of specific repurchases are subject to market conditions, applicable legal requirements and other factors. Repurchases may be conducted in the open market or in privately negotiated transactions.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

The exhibit index appears on the page immediately following the signature page of this report.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

WYNDHAM WORLDWIDE CORPORATION

Date: May 2, 2018

By: /s/ David B. Wyshner
David B. Wyshner
Chief Financial Officer

Date: May 2, 2018

By: /s/ Nicola Rossi
Nicola Rossi
Chief Accounting Officer

Exhibit Index

Exhibit No.	Description
10.1*	Share Sale Agreement, dated as of March 27, 2018, by and among Wyndham Destination Network, LLC, certain subsidiaries of Wyndham Worldwide Corporation and Compass IV Limited
10.2*	First Amendment, dated March 28, 2018, to Credit Agreement, dated as of November 21, 2017, among Wyndham Worldwide Corporation, the several lenders and letter of credit issuers from time to time party thereto, Bank of America, N.A., as administrative agent, and the other parties thereto
10.3*	Second Amendment, dated March 28, 2018, to Credit Agreement, dated as of March 24, 2016, among Wyndham Worldwide Corporation, the several lenders from time to time party thereto, JPMorgan Chase Bank, N.A., as administrative agent, and the other parties thereto
10.4*	Fourth Amendment, dated March 28, 2018, to Credit Agreement, dated as of March 26, 2015, among Wyndham Worldwide Corporation, the several lenders and letter of credit issuers from time to time party thereto, Bank of America, N.A., as administrative agent, and the other parties thereto
10.5*	Eighth Amendment, dated as of April 6, 2018, to the Amended and Restated Indenture and Servicing Agreement, dated as of October 1, 2010, by and among Sierra Timeshare Conduit Receivables Funding II, LLC, Wyndham Consumer Finance, Inc., as Servicer, Wells Fargo Bank, National Association, as Trustee and U.S. Bank National Association, as Collateral Agent
12*	Computation of Ratio of Earnings to Fixed Charges
15*	Letter re: Unaudited Interim Financial Information
31.1*	Certification of Chairman and Chief Executive Officer Pursuant to Rule 13a-14(a) Under the Securities Exchange Act of 1934
31.2*	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a) Under the Securities Exchange Act of 1934
32**	Certification of Chairman and Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

* Filed with this report

** Furnished with this report

Exhibit 10.1

Date: 27, March 2018

SHARE SALE AGREEMENT

relating to
the companies and businesses comprising the "Wyndham Vacation Rentals UK", "Landal Green Parks" and "Novasol" business divisions of the Wyndham Group

SELLER AND OTHERS

And

PURCHASER

Table of Contents

Date: 27, March 2018

This Agreement is made on **27 March 2018**

- Wyndham Destination Network, LLC, of 14 Sylvan Way, Parsippany, New Jersey 07054, USA, a limited liability company organized and existing under the laws of the State of Delaware, USA and registered with the Division of Corporations of the State of Delaware under register number 2772989 (the "**Seller**");

(2) Each of the Share Sellers whose names are set out in Schedule 1 (the " **Relevant Sellers**"); and

(3) Compass IV Limited a company incorporated in England & Wales with registered number 11184954 whose registered office is at 100 New Bridge Street, London United Kingdom EC4V 6JA (the "**Purchaser**").

Whereas:

(A) The Relevant Sellers have agreed to sell the Shares (as defined below) and to assume the obligations imposed on the Relevant Sellers under this Agreement;

(B) The Purchaser has agreed to purchase the Shares and to assume the obligations imposed on the Purchaser under this Agreement.

It is agreed as follows:

1 Interpretation

In this Agreement the provisions in this Clause 1 apply:

1.1 Definitions

"**ABTA Members** " means (i) Wyndham Vacation Rentals (UK) Limited, a private limited company incorporated in England and Wales under registered number 00965389 and having its registered office at Spring Mill, Earby, Barnoldswick, Lancashire, BB94 0AA, (ii) JVH, and (iii) Novasol A/S, each of which are wholly owned indirect subsidiaries of the Seller;

"**Accounts**" means the 2016 US GAAP audited accounts for the combined businesses of the Novasol Group, Landal Group and WVR UK Group for the twelve month period ended on the Accounts Date;

"**Accounts Date**" means 31 December 2016;

"**Actual Ring-fenced Amount**" means, by reference to the agreement reached between the ATOL Holders and the Civil Aviation Authority in accordance with Clause 5.6.2, the US$ equivalent of the monthly average amount of the Cash Balance that would have been required by the Civil Aviation Authority to be held by the ATOL Holders subject to restrictions prohibiting it from being spent, distributed, loaned or released by the ATOL Holders (" **Cash Restrictions**"), during the 12 month period ended 31 December 2017 had such Cash Restrictions been applicable during that period. For the purposes of this calculation the monthly average shall be derived from the 12 month-ends consistent with the dates of the Management Accounts and the US$ equivalent shall be calculated applying the Conversion Rate at the Effective Time;

"**Additional Actions**" means the following:

(a) the formulation and implementation of such technical, organisational and documentary changes (including the introduction of a new data protection policy) as are necessary to ensure the Group will be materially compliant with the GDPR by 25 May 2018, as part of the Group's GDPR project workstream;

(b) the filing of amendments and/ or renewals of the relevant domain name registers to ensure that all domain names listed in Schedule 11 are registered (as 'registrant organisation' and 'registrant individual') in the name of a Group Company (and, unless otherwise required by the relevant registry, not a third party or an individual) as registrant and have not expired, and will not expire, prior to Closing, and excluding any domain names that the relevant Group Company deems are no longer used or required; and

(c) the obtaining of a sweeper assignment to a Company in the Landal Group from Wyndham Worldwide Corporation of all Intellectual Property owned by it which was developed for the Landal Group by employees of Wyndham Worldwide Corporation and members of the Seller's Group;

"**Affiliate**" means, with respect to any person, any other person that controls, is controlled by or is under common control with, that first person. For the purposes of this definition, "control" means ownership, directly or indirectly, of a Controlling Interest in a person and the terms "controlled by" and "common control" shall be interpreted accordingly;

"**Agreed Fixed Deduction**" has the meaning given to it in paragraph 3.31 of Schedule 7;

"**Agreed Terms**" means, in relation to a document, such document in the terms agreed between the Seller and the Purchaser and initialled for identification by the Seller's Lawyers and the Purchaser's Lawyers on the date of this Agreement with such alterations as may be agreed in writing between the Seller and the Purchaser from time to time;

"**Anti-Corruption Law**" means:

(a) the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions;

(b) the Foreign Corrupt Practices Act of 1977 of the United States of America, as amended by the Foreign Corrupt Practices Act Amendments of 1988 and 1998, and as may be further amended and supplemented from time to time ("**FCPA**");

(c) Bribery Act 2010;

(d) any other applicable law (including any (x) statute, ordinance, rule or regulation; (y) order of any court, tribunal or any other judicial body; and (z) rule, regulation, guideline or order of any public body, or any other administrative requirement) which:

(i) prohibits the conferring of any gift, payment or other benefit on any person or any officer, employee, agent or adviser of such person; and/or

(ii) is broadly equivalent to (b) or (c) or was intended to enact the provisions of the OECD Convention described in (a) or which has as its objective the prevention of corruption;

"**Applicable Law**" means any (i) statute, statutory instrument, bylaw, order, directive, treaty, decree or law (including any common law, judgment, demand, order or decision of any court, regulator or tribunal); (ii) legally binding rule, policy or guidance issued by any governmental, statutory or regulatory body; and/or (iii) legally binding industry code of conduct or guideline;

"**Appointed Representative**" has the meaning given in the FCA Handbook and FSMA;

"**Associated Person**" means, in relation to a company, a person (including any employee, agent or subsidiary) who performs (or has performed) services for or on behalf of that company;

"**ATOL Holders**" means (i) James Transport Limited, a private limited company incorporated in England and Wales under registered number 03642786 and having its registered office at 20/20 Business Park, St Leonards Road, Maidstone, Kent, ME16 0LS, (ii) JVH, both of which are wholly owned indirect subsidiaries of the Seller; and (iii) each subsidiary of James Transport Limited and JVH;

"**Authorities**" means each of ABTA Limited, the Civil Aviation Authority and the Commission for Aviation Regulation;

"**Barclays Cash Pooling Arrangements**" means the facilities and cash pooling arrangements operated by Barclays Bank PLC pursuant to the CAS 2000 Master Agreement, the EUR 162,000,000 CAS 2000 Overdraft Facility, the GBP 300,000,000 CAS 2000 Overdraft Facility, the USD 110,000,000 CAS 2000 Overdraft Facility, each dated 9 November 2015 on behalf of certain members of the Seller's Group;

"**Benefit Plan**" means any material incentive, bonus, deferred compensation, commission, sick pay, medical, disability, retention, redundancy, change of control, equity-based compensation and other plan, policy, agreement or arrangement (whether written or oral) providing compensation or benefits to any Employee or former Employee (or to any dependant or beneficiary thereof) and includes the Group Retirement Benefit Arrangements;

"**Bid Amount**" means, in relation to any Shares, the amount set out against the name of the relevant Shares in column (4) of paragraph 1 of Schedule 5 and, subject to paragraph 7.1.1 of Schedule 12, in relation to all the Shares, US$1,381,000,000;

"**Boat Operator Advances**" means the payments of up to $100,000 per boat operator made by Wyndham Vacation Rentals (UK) Ltd or Novasol A/S to boat operators whose boats are marketed by Wyndham Vacation Rentals (UK) Ltd or Novasol A/S and their respective subsidiaries in their holiday offerings, each such payment constituting an advance payment of the relevant boat operator's share of the revenue to be generated from holiday bookings on such boat and which is made in order to assist the boat operator's payment of annual licence fees in connection with operating the boat;

"**Brand Licence Agreements**" means the long-form agreements between Wyndham Hotels and Resorts, LLC, (or its affiliate(s)) and each of the Companies, to be entered into at Closing in respect of the grant of a licence to the Companies to use the WYNDHAM VACATION RENTALS trade mark for certain purposes, and which shall be consistent with the Agreed Terms set out in the term sheet for trade mark licence agreement;

"**Business Day**" means a day (i) which is not a Saturday, a Sunday or a public holiday in London, UK or New York City, New York and (ii) on which TARGET2 is open for the settlement of payments in euro;

"**Capital Expenditure Plan**" means the Group's capital expenditure plan for 2018 in the Agreed Terms;

"**Cash Balances**" means cash in hand or credited to any account with a financial institution, and cash equivalents;

"**Claim**" means any claim against the Seller or a Relevant Seller for breach of or under this Agreement or any Local Transfer Document excluding (i) a Tax Claim and (ii) a claim pursuant to Clause 3.4 or Schedule 12;

"**Closing**" means the completion of the sale of Shares pursuant to Clauses 6.1, 6.2 and 6.3 of this Agreement and any relevant Local Transfer Document;

"**Closing Date**" means the date on which such Closing takes place;

"**Closing Statement**" means the statement setting out the Working Capital, the Group Companies' Cash Balances, the Intra-Group Financing Receivables, the Third Party Indebtedness and Intra-Group Financing Payables, to be prepared in accordance with Clause 7 and Parts 1 and 2 of Schedule 7;

"**Commitment Papers**" has the meaning given to it in Clause 6.6.1;

"**Companies**" means the companies, details of which are set out in Part 1 of Schedule 2, and " **Company**" means any one of them;

"**Companies' Properties**" means the freehold and leasehold properties owned by a Group Company which are listed in Part 1A of Schedule 3 and further details of which are set out in Schedule 3;

"**Company Director**" means a person who was at any time prior to Closing an officer or director of a Group Company;

"**Completion Disclosure Letter**" means the letter dated the Closing Date from the Relevant Sellers to the Purchaser;

"**Confidentiality Agreement**" means the confidentiality agreement dated 19 October 2017 between the Seller and Platinum Equity Advisors International (UK) Ltd pursuant to which the Seller made available to the Purchaser certain confidential information relating to the Group;

"**Consent Employees**" means those shared services employees allocated to Group Companies and listed in paragraph 2 of Part B of Schedule 4; and "**Consent Employee**" means any one of them;

"**Controlling Interest**" means, in relation to any person, any of the following:

(a) holding, directly or indirectly (including through intermediate entities), more than fifty per cent. of the issued share capital of such person; or

(b) the right to exercise, directly or indirectly (including through intermediate entities), more than fifty per cent. of the voting rights attributable to the ownership interests of such a person (through ownership of such interests or by contract); or

(c) the possession, directly or indirectly (including through intermediate entities), of the power to direct the management or policies of such a person by virtue of any powers conferred by the constitution or other document regulating such a person;

"**Cyber Policy**" means the cyber security insurance policy for the benefit of the Group (on terms approved by the Purchaser) to be incepted following the date of this Agreement and which may form part of a wider insurance policy for the benefit of the Group;

"**Cyber Policy Premium**" means the premium amount of up to US$210,000 payable by the Group in respect of the Cyber Policy;

"**Danish Lease Agreement**" means the lease contracts regarding Novasol A/S' headquarters in Virum in Data Room folders VDR 3.6.1.5.38 and 3.6.1.5.39;

"**Danske Bank Cash Pooling Arrangement**" means the facilities and cash pooling arrangements operated by Danske Bank A/S on behalf of certain members of the Seller's Group pursuant to the cash pool agreements signed by Danske Bank A/S on 21 November 2016;

"**Data Protection Legislation**" means any legislation in force from time to time which implements the European Community's Directive 95/46/EC, the Privacy and Electronic Communications Directive (2002/58/EC), the Data Protection (Processing of Sensitive Personal Data) Order 2000, or the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2426/2003), each as amended or re-enacted, or which implements any other current or future legal act of the European Union or the United Kingdom concerning the protection and processing of personal data, as applicable;

"**Data Room**" means the electronic data room hosted by Intralinks (Intralinks identification number 4549555), containing documents and information relating to the Group made, as at 07.00 EST on 2 February 2018, an index of which is appended to the confirmation letter provided by Intralinks dated 2 February 2018 attached as Annex 1 and contained on the USB flash drive produced by Intralinks;

"**Delivery Time**" has the meaning given to it in paragraph 3.2.2 of Part 1 of Schedule 7;

"**Designated Member State**" means Spain, France, Sweden, Germany, Netherlands, Austria, Switzerland, Czech Republic, Poland and Croatia;

"**Disclosure Letter**" means the letter dated 15 February 2018 from the Relevant Sellers to the Purchaser;

"**Draft Closing Statement**" has the meaning given to it in Clause 7.1;

"**Draft TSA Schedule**" means the version of schedules 1 and 2 to the Transitional Services Agreement in their draft form on the date of this Agreement;

"**Equity Commitment Letter**" has the meaning given to it in Clause 16.3.5;

"**Effective Time**" means (i) immediately prior to Closing on the Closing Date if Closing takes place on the first day of a calendar month or (ii) if Closing takes place on a day that is not the first day of a calendar month: (a) 00.01 on the first day of the calendar month in which the Closing Date falls if the Closing Date is a date in April or July or (b) 23.59 on the last day of the calendar month immediately preceding the Closing Date if the Closing Date is a date in May or June;

"**Employees**" means the Relevant Employees, the Consent Employees and the employees of the Group Companies from time to time and "Employee" means any one of them;

"**Employment Taxes**" means all national insurance contributions, apprenticeship levy and sums payable to a Tax Authority under the PAYE system or a similar regime, and any amounts of a corresponding nature including any social security, social fund, or similar contributions;

"**Encumbrance**" means any claim, charge, mortgage, lien, option, equitable right, power of sale, pledge, hypothecation, usufruct, retention of title, right of pre-emption, right of first refusal or other third party rights or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing;

"**Estimated Cash**" means the Seller's reasonable estimate, prepared in good faith, of the Group Companies' Cash Balances, to be notified by the Seller to the Purchaser pursuant to Clause 6.4;

"**Estimated Intra-Group Financing Payables**" means the Seller's reasonable estimate, prepared in good faith, of the Intra-Group Financing Payables, to be notified by the Seller to the Purchaser pursuant to Clause 6.4;

"**Estimated Intra-Group Financing Receivables**" means the Seller's reasonable estimate, prepared in good faith, of the Intra-Group Financing Receivables, to be notified by the Seller to the Purchaser pursuant to Clause 6.4;

"**Estimated Third Party Indebtedness**" means the Seller's reasonable estimate, prepared in good faith, of the Third Party Indebtedness, to be notified by the Seller to the Purchaser pursuant to Clause 6.4;

"**Estimated Working Capital**" means the Seller's reasonable estimate, prepared in good faith, of the Working Capital, to be notified by the Seller to the Purchaser pursuant to Clause 6.4;

"**Estimated Working Capital Adjustment**" means the amount by which the Estimated Working Capital is greater than (or less negative than) the Target Working Capital (in which case it will be added to the Bid Amount for the purposes of Clause 6.3.1) or by which it is less than (or more negative than) the Target Working Capital (in which case it will be deducted from the Bid Amount for the purposes of Clause 6.3.1), to be notified by the Seller to the Purchaser pursuant to Clause 6.4;

"**EU**" means the European Union;

"**Event**" includes any transaction, circumstance, state of affairs, act, event, arrangement, provision or omission of whatever nature;

"**Fairly Disclosed**" means fairly disclosed pursuant to Clause 9.2 or the Disclosure Letter or (in respect of a Claim under Clause 9.3.1 only) the Completion Disclosure Letter, with sufficient detail to enable an informed and sophisticated purchaser, which has experience of buying and selling companies and businesses (including in the vacation rentals, leisure parks and related sectors) and which has taken professional advice to identify the nature and scope of the matter disclosed. Where reference is made to a document or a particular part of a document but the document or the particular part of a document has not been provided to the Purchaser (including in the Data Room or annexed to the Disclosure Letter), such reference and document or particular part of a document, shall not be deemed to have been fairly disclosed to the Purchaser;

"**FCA**" means the UK Financial Conduct Authority;

"**FCA Handbook**" means the FCA's handbook of rules and guidance as amended form time to time;

"**Final Payment Date**" means 10 Business Days after the date on which the process described in paragraph 4 of Part 1 of Schedule 7 for the preparation of the Closing Statement is complete;

"**Foreign Exchange Hedges**" means the foreign currency hedging positions entered into by Wyndham Worldwide Corporation on behalf of JVH;

"**FSMA**" means the Financial Services and Markets Act 2000 (as amended);

"**GDPR**" means the General Data Protection Regulation 2016/679;

"**German GAAP**" means the generally accepted accounting principles as set out in the German Commercial Code (§317 Handelsgesetzbuch "HGB") for companies in Germany;

"**Governmental Entity**" means any supra national, national, state, municipal or local government (including any subdivision, court, administrative, governmental, supervisory, regulatory, judicial, determinative or disciplinary agency, body, authority, board, department, tribunal or commission or other authority thereof) or any quasi-governmental or private body exercising any regulatory, taxing, importing or other governmental or quasi-governmental authority, including the European Union;

"**Group**" means the Group Companies taken as a whole;

"**Group Companies**" means the Companies and the Subsidiaries and "**Group Company**" means any one of them;

"**Group Companies' Cash Balances**" means the aggregate amount of the Cash Balances held by or on behalf of the Group Companies as at the Effective Time, calculated in accordance with paragraphs 2 and 3 of Part 1 of Schedule 7 as set out in the Closing Statement including, for the avoidance of doubt, those items required to be included in accordance with paragraphs 2 and 3 of Part 1 of Schedule 7, but excluding any item included in calculating the Third Party Indebtedness and the Intra-Group Financing Receivables;

"**Group Retirement Benefit Arrangements**" has the meaning given to it in paragraph 7.6.1 of Schedule 8;

"**Group Tax Arrangement**" means any arrangements or procedures, where the Tax affairs of any Group Company can be voluntarily managed (wholly or partly) on a group basis or income, profits or gains can be reallocated or readjusted between group companies;

"**High Estimated Ring-fenced Amount**" means the USD equivalent as at the Effective Time of £23,100,000;

"**Historic UK DB Plan**" means the TUI UK pension scheme, a defined benefit pension scheme under which certain employees of the WVR UK Group may remain eligible for a deferred or pensioner member entitlements following the acquisition of Vacation Rental Group Holdings Limited from Thomson Travel Group (Holdings) Limited on 16 January 2001;

"**Intellectual Property Rights**" means trade marks, service marks, rights in trade names, business names, logos or get-up, patents, invention disclosure statements and invention certificates, all inventions, registered and unregistered design rights, copyrights (including in software), moral rights and the benefit of waivers of moral rights and consent not to enforce moral rights, database rights, know-how and trade secrets, rights in domain names and URLs and social media accounts or identifiers, rights to sue for passing off and in unfair competition, and all other similar rights in any part of the world whether registered or unregistered, statutory or common law, and including any applications to register any of the foregoing and the right to bring suit, pursue past, current and future violations, infringements, or misappropriations, and collections;

"**Intra-Group Financing Payables**" means all outstanding loans or other financing liabilities or obligations owed (and, for the avoidance of doubt, including amounts owed pursuant to any Group Tax Arrangement) by a Group Company to a member of the Seller's Group (other than a Group Company) as at the Effective Time, and calculated in accordance with paragraphs 2 and 3 of Part 1 of Schedule 7 and as set out in the Closing Statement, including any dividends or distributions declared but unpaid as at the Effective Time, but excluding any item which is included in calculating the Group Companies' Cash Balances, the Intra-Group Trading Payables or the Third Party Indebtedness (and for the avoidance of doubt, a net liability shall be expressed as a positive number);

"**Intra-Group Financing Receivables**" means all outstanding loans or other financing liabilities or obligations owed (and, for the avoidance of doubt, including amounts owed pursuant to any Group Tax Arrangement) by a member of the Seller's Group (other than a Group Company) to a Group Company as at the Effective Time and calculated in accordance with paragraphs 2 and 3 of Part 1 of Schedule 7 and as set out in the Closing Statement, but excluding any item which is included in calculating the Group Companies' Cash Balances, the Intra-Group Trading Receivables or the Third Party Indebtedness;

"**Intra-Group Trading Payables**" means all outstanding amounts owed by a Group Company to a member of the Seller's Group (other than a Group Company) as at the Effective Time and calculated in accordance with paragraphs 2 and 3 of Part 1 of Schedule 7 and as set out in the Closing Statement, but excluding any item which is included in Intra-Group Financing Payables;

"**Intra-Group Trading Receivables**" means all outstanding amounts owed by a member of the Seller's Group (other than a Group Company) to a Group Company as at the Effective Time and calculated in accordance with paragraphs 2 and 3 of Part 1 of Schedule 7 and as set out in the Closing Statement, but excluding any item which is included in Intra-Group Financing Receivables;

"**IP Assignment Agreements** " means the three deeds of assignment to be entered into between Wyndham Destination Network, LLC, and the relevant Companies in respect of certain data analytics software applications;

"**ISDA**" means International Swaps and Derivatives Association;

"**Italian Withholding Liability**" means any liability that arises in consequence of Novasol A/S and/or Wimdu GmbH having underpaid Tax to the Italian tax authority in respect of the obligation to withhold from amounts payable to homeowners of Italian properties, as disclosed against warranty 13.1.5 in the Disclosure Letter;

"**JVH**" means James Villa Holidays Limited, a private limited company incorporated in England and Wales under registered number 03643374, and having its registered office at 20/20 Business Park, St Leonards Road, Maidstone, Kent, ME16 0LS;

"**JVH Group**" has the meaning given to it in paragraph 7.1 of Schedule 12;

"**Landal Group**" means Vacation Rental B.V. and each Group Company which is a subsidiary of Vacation Rental B.V. (taken as a whole);

"**Leakage**" means any of the following:

(a) the (A) declaration, making or payment of any dividend by any Group Company; (B) redemption or repurchase of shares or loan stock or return of capital (in each case together with any connected expenses) by any Group Company; (C) payment of any amount by any Group Company (including for the avoidance of doubt the payment of any Intra-Group Financing Receivables and Intra-Group Financing Payables other than specifically in accordance with this Agreement); (D) transfer of any asset by any Group Company; (E) forgiveness, release or waiver of any liability by any Group Company or (F) giving by any Group Company of any guarantee, surety, indemnity or Encumbrance, in the case of each of (A) to (F) (inclusive) only to or for the benefit of any member of the Seller's Group (other than another Group Company);

(b) the payment by any Group Company of any professional fees, costs or expenses incurred in connection with the sale of the Shares;

(c) the payment by any Group Company of any transaction or retention or change of control bonuses or payments to employees in connection with the sale of the Shares or the Pre-Sale Re-organisation (including any payments in connection with the LTIP and any Employment Taxes due on the bonuses or payments);

(d) payments of Tax or utilisation of tax assets, or other payments which reduce the amount payable by the Seller's Group under a tax or other indemnity (or other price adjustment) based on liabilities at Closing (as opposed to the Effective Time) (or which would have reduced the amount payable assuming any contractual limitation to such indemnity is disregarded);

(e) any agreement or binding arrangement to do any of the matters referred to in paragraphs (a) to (d) above, whether or not such amounts or liabilities are paid, payable or incurred before or after the Closing Date; and

(f) any Tax chargeable or incurred by a Group Company as a consequence of, or in respect of, any of the matters referred to in paragraphs (a) to (e) (inclusive) above,

in each case, other than Permitted Leakage;

"**Local Transfer Document**" has the meaning given to it in Clause 2.5.1;

"**Long Stop Date**" means 2 July 2018;

"**Losses**" means all losses, liabilities, damages, reasonably incurred costs (including reasonable legal costs and experts' and consultants' fees), charges, Taxes, reasonably incurred expenses, actions, proceedings, claims and demands;

"**Low Estimated Ring-fenced Amount**" means the USD equivalent as at the Effective Time of £16,200,000;

"**LTIP**" means the Wyndham Worldwide Group 2006 Equity and Incentive Plan (restated as of February 27, 2014;

"**Migration Plan**" means the plan detailing the agreed process and timing for the migration of operational responsibility for the Services from the Seller to the Purchaser and the Group, including a breakdown of the respective parties' responsibilities in respect of such process, as agreed by the parties in accordance with Clause 5.7.10;

"**Monarch Group**" means Monarch Airlines Ltd., Monarch Holidays Ltd., First Aviation Ltd., Avro Ltd., Somewhere2stay Ltd., Monarch Travel Group Ltd. and any of their subsidiaries and parent undertakings;

"**New Contract**" has the meaning given in Clause 5.7.3;

"**New Wyndham Home Exchange Agreement**" means the agreement to be entered into on substantially the same terms as the Wyndham Home Exchange Agreement;

"**Nominated Entity**" has the meaning given to it in Clause 5.8.2;

"**Notified UK Group Relief Amount**" means the amount that the Seller notifies the Purchaser in writing not less than 15 Business Days prior to Closing as being the amount of available UK group relief that the relevant member of the Seller's Group intends to surrender to the relevant Group Company pursuant to the provisions of Part 5 of the Corporation Tax Act 2010, as contemplated by paragraph 3.20.2 of Schedule 7.

"**Notified UK Group Tax Arrangement Amount** " means the amount that the Seller notifies the Purchaser in writing not less than 15 Business Days prior to Closing that will be apportioned to the Group Companies to set-off against any UK corporation tax liability of the relevant Group Company or Group Companies pursuant to the Group Tax Arrangement as contemplated by paragraph 3.20.2 of Schedule 7.

"**Novasol Group**" means Novasol A/S and each Group Company which is a subsidiary of Novasol A/S together with Vacation Rental SARL and Wyndham Worldwide (Switzerland) GmbH (taken as a whole);

"**Novasol VAT Liability**" means any liability that arises in consequence of, or in connection with, Novasol A/S underpaying or not accounting for VAT in a Designated Member State on its supplies of holiday homes located in a Designated Member State, in respect of any Event occurring on or before Closing;

"**One-Off Costs**" has the meaning given in Clause 5.7.3A;

"**Outstanding Pre-Sale Re-Organisation Steps**" means restructuring steps 10, 11, 19, 20, 21 and 30 set out in the Pre-Sale Re-Organisation Steps Plan together with any other steps set out in the Pre-Sale Re-Organisation Steps Plan that have not been completed by the date of this Agreement;

"**Park Developer Loans**" means loans up to the value of $250,000 each provided from time to time by Wyndham Vacation Rentals (UK) Ltd to the developers of parks for which Wyndham Vacation Rentals (UK) Ltd and its subsidiaries provide marketing and/or bookings services on

an agency basis, and which are to be used for the purpose of acquiring additional units or carrying out improvements to such parks;

"**Permitted Leakage**" means any of the following:

(a) payment of transaction costs, transaction or retention or change of control bonuses or payments to employees in connection with the sale of the Shares or the Pre-Sale Re-organisation (including any payments in connection with the LTIP), and any Employment Taxes due on the bonuses or payments to the extent that such transaction costs or payments are accrued for and reflected in the calculation of Third Party Indebtedness or Working Capital;

(b any trading amounts incurred, paid or agreed to be paid in the ordinary course of the Group's trading activities consistent with past practice, by any Group Company to any member of the Sellers Group;

(c) any amounts or liability incurred or paid or agreed to be paid or payable in connection with any matter undertaken by or on behalf of any Group Company at the written request or with the written agreement of the Purchaser (provided it is expressly acknowledged by the Purchaser that such amount or liability will constitute Permitted Leakage); and

(d) any item included as a liability in the Closing Statement,

provided that the settlement of any amount included in Intra-Group Financing Payables or Intra-Group Financing Receivables, or the lending of any amounts by a Group Company to the Seller Group, shall under no circumstances constitute Permitted Leakage;

"**Pre-Closing Event**" means any matter, cause or event occurring on or before Closing;

"**Pre-Sale Re-Organisation**" means consummation of the transactions as set out in the Pre-Sale Re-Organisation Steps Plan;

"**Pre-Sale Re-Organisation Steps Plan**" means the steps plan dated 8 February 2018 and prepared by Deloitte LLP in connection with certain restructuring steps relating to the Group Companies;

"**Properties**" means the Companies' Properties, and "**Property**" means any one of them;

*"***Purchase Price**" has the meaning set out in Clause 3.1;

"**Purchaser Director**" means a person who was at any time prior to Closing an officer or director of the Purchaser;

"**Purchaser's Group**" means the Purchaser and its subsidiaries from time to time, including, after the Closing, the Group Companies;

"**Purchaser's Lawyers**" means Latham & Watkins (London) LLP of 99 Bishopsgate, London EC2M 3XF;

"**RCI Redundancy**" means the enhanced redundancy payments offered to employees of RCI Europe as outlined in document 1.9.4.8.2 in the Data Room;

"**Recurring Costs**" means the annualised costs (including fixed rate charges, commission and cost across all users / volumes);

"**Regulated Companies**" means the ATOL Holders and the ABTA Members;

"**Relevant Employees**" means those shared services employees allocated to Group Companies and listed in paragraph 2 of Part A of Schedule 4; and "**Relevant Employee**" means any one of them;

"**Relevant Governmental Entity**" means (i) the European Commission, (ii) any Governmental Entity to whom the Transaction is referred to by the European Commission pursuant to Clause 4.1.1(b) and (iii) the FCA;

"**Reporting Accountants**" means an accounting firm of international repute as agreed by the Seller and the Purchaser or, if that firm is unable or unwilling to act in any matter referred to them under this Agreement, such other firm of accountants to be agreed by the Seller and the Purchaser within seven days of a notice by one to the other requiring such agreement or failing such agreement to be nominated on the application of either of them by or on behalf of the Institute of Chartered Accountants in England and Wales;

"**Restrictive Covenant Claim**" means any claim against the Seller or a Relevant Seller for a breach of Clause 12;

"**Rewards Agreements**" means the long-form agreements between members of the Seller's Group and each of the Companies, to be entered into at Closing in respect of the operation and administration of the Wyndham rewards program by the Seller's Group on behalf of the Company, which shall be consistent with the Agreed Terms set out in the term sheet for the rewards agreement;

"**Ring-fenced Amount Notice**" has the meaning given to it in Clause 7.6.1;

"**Sanctions Laws**" means any applicable export control, trade, or economic sanctions laws and regulations of the United States, the United Nations Security Council, the United Kingdom, the European Union (including any Member State thereof), or any other State in which a relevant Group Company operates;

"**Sanctioned Person**" means, at any time, (i) any person listed in any Sanctions Laws-related list of designated persons maintained the United States (including, without limitation, the Office of Foreign Assets Control's List of "Specially Designated Nationals"), the United Nations Security Council, the United Kingdom (including the Consolidated List of Financial Sanctions Targets), or the European Union or any Member State thereof (including the Consolidated List of Persons, Groups and Entities Subject to EU Financial Sanctions), or any similar list maintained by a Sanctions authority in any other state in which a relevant Group Company operates; or (ii) any person 50 percent or more owned or controlled by any of the foregoing;

"**Sanctioned Territory**" means, at any time, a country or territory that is the target of Sanctions Laws (presently, Iran, Cuba, North Korea, Syria, and the Crimea Region of Ukraine);

"**Seller's Group**" means Wyndham Worldwide Corporation and its subsidiaries from time to time (excluding (i) (for the purposes of the definitions of Intra-Group Financing Payables, Intra-Group Financing Receivables and Third Party Indebtedness and Clause 8.3.6) the Group Companies and (ii) after Closing, the Group Companies);

Seller's Group Director" means a person who was at any time prior to Closing an officer or director of any member of the Seller's Group;

"**Seller's Group Insurance Policies**" means all insurance policies, other than Target Group Insurance Policies, maintained by the Seller or any member of the Seller's Group in relation to the Group or under which, immediately prior to Closing, any Group Company is entitled to any benefit, and "**Seller's Group Insurance Policy**" means any one of them;

"**Seller's Lawyers**" means Kirkland & Ellis International LLP;

"**Sellers' Warranties**" means the warranties given by the Seller and the Relevant Sellers pursuant to Clause 9.1 and Schedule 8 and " **Sellers' Warranty**" means any one of them;

"**Sellers' Warranty Claim**" means any claim against the Seller or a Relevant Seller for breach of the Sellers' Warranties (excluding the Tax Warranties);

"**Senior Employee**" means any employee listed in Schedule 10;

"**Separation**" means the complete operational separation of the businesses of the Group Companies from that of the Seller's Group (excluding the Group), including the migration of operational responsibility for the Services from the Seller to the Purchaser and/or the Group (as appropriate);

"**Services**" means the services to be provided or procured (as appropriate) by the Seller and the Purchaser under the Transitional Services Agreement;

"**SevenVentures**" means SevenVentures GmbH, a German limited liability company (*Gesellschaft mit beschränkter Haftung*) registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Munich under registration number HRB 177742;

"**SevenVentures Exit Participation Agreement** " means the exit participation agreement dated 21 January 2016 between SevenVentures GmbH and Wimdu GmbH;

"**SevenVentures Rights**" means:

(a) SevenVentures' right to 0.79% of sales proceeds pursuant to clauses 1, 2.1 (a) – (d) and (f), and 3.1 – 3.5 of the SevenVentures Exit Participation Agreement;

(b) SevenVentures' right to 0.79% of Wimdu dividends pursuant to clauses 1, 2.1 (e) and (f) and 3.6 of the SevenVentures Exit Participation Agreement; and

(c) any further rights SevenVentures may have under the SevenVentures Exit Participation Agreement;

"**Shared Contract**" means any contract, licence or agreement (excluding any guarantee granted by the Seller (or another member of the Seller's Group) under any contract, licence or agreement under which the Seller or a member of the Seller's Group has guaranteed the performance of the obligations of any Group Company) entered into between: (i) the Seller, or any member of the Seller's Group (other than the Group), and one or more third parties, that relates to, or under which the rights of the Seller or any member of the Seller's Group (other than the Group) are exercised for the benefit of one or more Group Companies; and (ii) any agreements between the Seller's Group (excluding the Group) and the Group, including those listed in the shared contract list in Agreed Terms;

"**Share Seller**" means, in relation to each of the Companies referred to in column (2) of Part 1 of Schedule 1, the company whose name is set out opposite that Company in column (1);

"**Shares**" means the shares in the capital of the Companies and any quotas specified in Part 1 of Schedule 1;

"**Signing Protocol**" means the signing protocol among the Relevant Sellers, the Purchaser and Landal GreenParks Holding B.V. dated 15 February 2018;

"**Subsidiaries**" means the companies listed in Part 2 of Schedule 2 together with any other subsidiaries of the Companies and " **Subsidiary**" means any one of them;

"**Surviving Clauses**" means Clauses 1, 13, 14 and 16.2 to 16.16 (inclusive) and " **Surviving Clause**" means any one of them;

"**TARGET2**" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;

"**Target Group Insurance Policies**" means all insurance policies held exclusively by and for the benefit of the Group Companies and " **Target Group Insurance Policy**" means any one of them;

"**Target Working Capital**" means the USD equivalent of the sum of negative €115,000,000 and negative £50,000,000, subject to paragraph 7.1.2 of Schedule 12, in each case translated at the Conversion Rate (as defined in Clause 1.14) as at the Effective Time;

"**Taxation**" or "**Tax**" means all forms of taxation (other than deferred tax) and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, in each case in the nature of tax, whether levied by reference to income, profits, gains, net wealth, asset values, turnover, added value or otherwise imposed or collected by a Tax Authority (whether directly or primarily chargeable against a Group Company or another person, and all penalties and interest relating thereto);

"**Tax Authority**" means any taxing or other authority competent to impose any liability in respect of Taxation or responsible for the administration and/or collection of Taxation or enforcement of any law in relation to Taxation;

"**Tax Claim**" means a claim against the Seller or a Relevant Seller in respect of a Tax Deed Claim or for breach of any of the Tax Warranties;

"**Tax Deed Claim**" means a claim by the Purchaser under clause 2 of the Tax Indemnity;

"**Tax Indemnity**" means the tax deed of covenant in the Agreed Terms to be entered into between the Share Sellers and the Purchaser at Closing;

"**Tax Warranties**" means the warranties contained in Paragraph 13 of Schedule 8;

"**Term Sheets**" means each of the term sheets for the Brand Licence Agreements and the Rewards Agreements in the Agreed Terms;

"**Third Party Indebtedness**" means the aggregate amount as at the Effective Time of all outstanding indebtedness owed by the Group Companies to any third party, calculated in accordance with paragraphs 2 and 3 of Part 1 of Schedule 7 and as set out in the Closing Statement including, for the avoidance of doubt, those items required to be included in Third Party Indebtedness pursuant to Schedule 7, also including the Agreed Fixed Deduction, (expressed as a positive number) less any indebtedness owed by any third party to any Group Company as

calculated in accordance with paragraphs 2 and 3 of Part 1 of Schedule 7 and as set out in the Closing Statement (but excluding any item included in calculating Group Companies' Cash Balances or the Intra-Group Financing Payables or Intra-Group Financing Receivables), and, for the purposes of this definition, third party shall exclude any member of the Seller's Group (and for the avoidance of doubt, a net liability shall be expressed as a positive number);

"**Title or Capacity Warranties**" means the warranties set out in paragraphs 1.1.1 to 1.1.6 (inclusive) and paragraph 15 of Schedule 8 and " **Title or Capacity Warranty**" means any one of them;

"**Transaction**" has the meaning given to it in Clause 4.1.1;

"**Transaction Documents**" means this Agreement, the Disclosure Letter, the Equity Commitment Letter, the Signing Protocol, the Transitional Services Agreement, the Brand Licence Agreements, the Rewards Agreements and the Tax Indemnity and all documents entered into pursuant to this Agreement (including any Local Transfer Documents) and "**Transaction Document**" means any one of them;

"**Transitional Services Agreement**" means the agreement between the Seller and the Purchaser, in the Agreed Terms, to be entered into at Closing in respect of the provision of certain services by the Seller's Group to the Group and by the Group to the Seller's Group;

"**Trapped Cash**" means any Cash Balances that (a) cannot be, within two Business Days, freely and lawfully distributed or lent by a Group Company to the Purchaser (b) represent any withholdings, currency conversion costs, Taxes, expenses or charges ("**Trapped Cash Expense**") that would be incurred on the repatriation if repatriated immediately to the Purchaser, and for the purpose of determining if such costs would arise, the relevant Group Company shall be treated as repatriating Cash Balances to the Purchaser, to the extent lawful, in a way that provides for the lowest amount of Trapped Cash Expense (which for the avoidance of doubt can involve money being transferred first to other members of the Purchaser's Group if to do so would result in the lowest amount of Trapped Cash Expense) (provided that any withholdings, costs, Taxes, expenses or charges incurred in respect of such transfer are taken into account in the quantification of such amount), (c) is required to be held as collateral or escrowed funds as a result of Law or contract or otherwise, (d) form part of a Cash Solution under Schedule 12, or (e) is not available for free use by the Group Companies for any purpose and without restriction, provided in all cases Trapped Cash shall not include (i) cash held by the ATOL Holders pursuant to regulatory requirements to which they are or may be subject under their ATOL licences including, for the avoidance of doubt, all cash required to be held pursuant to Clause 6.4.5; (ii) cash required to be held by any Group Company in accordance with the terms of Clause 5.1.2(k) unless it otherwise qualifies as Trapped Cash pursuant to any of limbs (a) to (e) above; (iii) operating cash held in cash registers and vaults within parks within the Landal Group; (iv) cash in transit or due from credit card companies; or (v) the amounts held in escrow for the Seller of Dayz ApS in accordance with paragraph 3.11 of Schedule 7.

"**TSA Manager**" has the meaning given to it in Clause 5.7.5;

"**TSA Pass-Through Period**" has the meaning given in Clause 5.7.3(e)(ii);

"**TSA Service Schedules**" means Schedule 1 and Schedule 2 to the Transitional Services Agreement, when agreed;

"**UK DB Plan**" means the Hoseasons Pension Scheme (being the occupational pension scheme established by Wyndham Vacation Rentals (UK) Limited and now governed by a Definitive Trust Deed and Rules dated 14 May 2013);

"**US GAAP**" means the generally accepted accounting principles in the United States of America, including standards and interpretation issued or adopted by the Financial Accounting Standards Board;

"**USD LIBOR**" means the display rate per annum of the offered quotation for deposits in US dollars for a period of one month which appears on the appropriate page of the Reuters screen (or such other page as the parties may agree) at or about 11 a.m. London time on the date on which payment of the sum under this Agreement was due but not paid;

"**VAT**" means within the European Union such tax as may be levied in accordance with (but subject to derogations from) Council Directive 2006/112/EC and outside the European Union any other tax of a similar nature;

"**VAT Claim**" means a Tax Claim in respect of VAT;

"**VDD Reports**" means (i) the legal due diligence report dated 17 November 2017 prepared by Dechert LLP, Houthoff Coöperatief U.A. and Gorrissen Federspiel; (ii) volumes I (WVREU Group), II (UK Group) , III (Novasol Group) and IV (Landal Group) of the commercial, tax, financial and pensions due diligence report dated 24 November 2017 prepared by Deloitte LLP and (iii) the environmental due diligence report dated 26 October 2017 and associated soil investigation reports each prepared by Royal HaskoningDHV and contained in folder 2.16 of the Data Room;

"**Veeve Loan Notes**" means the unsecured fixed rate convertible loan notes constituted and issued by Unique Ventures Holdings Limited under a loan note instrument dated 17 November 2016 loan notes;

"**Wimdu Accounts**" means the audited accounts of Wimdu GmbH for the twelve month period ended on the Accounts Date;

"**Wimdu Assignment Agreement**" means the assignment agreement dated 17 January 2018 between Pointlux S.à r.l. and Wyndham Worldwide (Switzerland) GmbH in relation to the share purchase and transfer agreement dated 25 November 2016 between, amongst others, Pointlux S.à r.l. (as purchaser) and 9flats.com PTE Ltd (as seller) in respect of the acquisition of Wimdu GmbH;

"**Wimdu Host Information Penalty**" means the penalty for €250,000 issued by the German Tax Authority to Wimdu GmbH in respect of the provision of host information, as disclosed at paragraph 13.1.6 of the Disclosure Letter;

"**Working Capital**" means the aggregate amount of current assets less the aggregate amount of liabilities of the Group Companies as at the Effective Time, calculated in accordance with paragraphs 2 and 3 of Part 1 of Schedule 7 and as set out in the Closing Statement, but excluding any item included in calculating Group Companies' Cash Balances, Intra-Group Financing Payables, Intra-Group Financing Receivables or Third Party Indebtedness;

"**Working Capital Adjustment**" means the amount by which the Working Capital exceeds (or is less negative than) the Target Working Capital (which amount shall be added to the Bid Amount for the purposes of Clause 3.1), or the amount by which the Working Capital is less than (or

more negative than) the Target Working Capital (which amount shall be deducted from the Bid Amount for the purposes of Clause 3.1);

"**WVR UK Group**" means Hoseasons Holidays Limited and each Group Company which is a subsidiary of Hoseasons Holidays Limited together with Resort Proserve SA, Welcome Holidays Limited and Welcome Holidays GmbH (taken as a whole);

"**Wyndham Home Exchange Agreement**" means the agreement between The Hoseasons Group Ltd and RCI Europe (Points) Ltd relating to the administration of, and enrolments into the holiday exchange program run by RCI Europe (Points) Ltd and pursuant to which property owners represented by The Hoseasons Group Limited may exchange weeks at their property and benefit from access to such exchange programs;

"**Wyndham Redundancy Benefit**" means a payment due on termination of employment to which an individual claims he is (or if the individual is deemed to be) entitled, only as a result of the arrangements as described in the summary attached to the email from Emma Byford of Dechert LLP to Catherine Drinnan of the Purchaser's Lawyers on 12 February 2018 at 20.13 GMT; and

"**Wyndham Names and Marks**" means the trade or service marks, trade or service names or logos, and domain names that include the names 'WYNDHAM', 'RCI' or derivatives thereof (including 'WYN').

1.2 Rights of the Seller

The Seller and the Relevant Sellers agree that where any right is given to the Seller under this Agreement, such right shall be exercisable exclusively by the Seller and any such exercise shall be binding on the Relevant Sellers.

1.3 Rights and Liabilities of the Relevant Sellers

Each Relevant Seller shall only have rights and liabilities (including in relation to payment) under or in relation to a breach of this Agreement or the Tax Indemnity:

1.3.1 to the extent that those rights and liabilities or the relevant breach relate to or affect the Shares (including the underlying business(es) of the relevant Company and its subsidiaries) it agrees to sell or otherwise arise in connection with the sale of those Shares to the Purchaser; and

1.3.2 on a several basis, and references to "Share Seller" shall be construed accordingly.

1.4 Shares

References to shares shall include, where relevant, quotas.

1.5 Singular, plural, gender

References to one gender include all genders and references to the singular include the plural and vice versa.

1.6 References to persons and companies

References to:

1.6.1 a person include any individual, company, partnership or unincorporated association (whether or not having separate legal personality); and

1.6.2 a company include any company, corporation or any body corporate, wherever incorporated.

1.7 References to subsidiaries and holding companies

A company is a "**subsidiary**" of another company (its "**holding company**") if that other company, directly or indirectly, through one or more subsidiaries:

1.7.1 holds a majority of the voting rights in it;

1.7.2 is a member or shareholder of it and has the right to appoint or remove a majority of its board of directors or equivalent managing body; or

1.7.3 is a member or shareholder of it and controls alone, pursuant to an agreement with other shareholders or members, a majority of the voting rights in it.

1.8 References to Purchaser's knowledge

References to "the Purchaser is aware" or any similar expression shall, unless otherwise stated, be deemed to refer to the actual knowledge of any of Malik Vorderwuelbecke, Michael Rawcliffe, Bernard Vercruyssen, Louis Samson and Olle Lundqvist.

1.9 Schedules etc.

References to this Agreement shall include any Recitals and Schedules to it and references to Clauses and Schedules are to Clauses of, and Schedules to, this Agreement. References to paragraphs and Parts are to paragraphs and Parts of the Schedules.

1.10 Reference to Agreement

References to this Agreement, or to a provision in this Agreement, shall be construed as a reference to this Agreement or that provision as amended, supplemented, modified, restated or novated from time to time in accordance with this Agreement.

1.11 Information

References to books, records or other information mean books, records or other information in any form including paper, electronically stored data, magnetic media, film and microfilm.

1.12 Legal Terms

References to any English legal term shall, in respect of any jurisdiction other than England, be construed as references to the term or concept which most nearly corresponds to it in that jurisdiction.

1.13 Non-limiting effect of words

The words "**including**", "**include**", "**in particular**" and words of similar effect shall not be deemed to limit the general effect of the words that precede them.

1.14 Currency Conversion

For the purposes of applying a reference to a monetary sum expressed in US dollars, an amount in a different currency shall be deemed to be an amount in US dollars translated at the Conversion Rate on the Relevant Date.

Any amount to be converted from one currency into another currency for the purposes of this Agreement shall be converted into an equivalent amount at the Conversion Rate prevailing at the Relevant Date. For the purposes of this Clause:

"**Conversion Rate**" means the spot closing mid-point rate for a transaction between the two currencies in question on the Business Day immediately preceding the Relevant Date as quoted by the Financial Times, London edition or, if no such rate is quoted on that date, on the preceding date on which such rates are quoted;

"**Relevant Date**" means, save as otherwise provided in this Agreement, the date on which a payment or an assessment is to be made, save that, for the following purposes, the date shall mean:

(a) for the purposes of Clause 5.1, the date of the relevant transaction;

(b) for the purposes of Clause 6.4, the date of the Seller's notification to the Purchaser pursuant to Clause 6.4.1;

(c) for the purposes of Clause 7 and Schedule 7, the Effective Time;

(d) for the purposes of Clause 10, the date at which the relevant Seller's Warranty is expressed to be true and accurate; and

(e) for the purposes of the monetary amounts set out in Schedule 8, the date at which the relevant Seller's Warranty is expressed to be true and accurate.

2 Sale and Purchase of the Group

2.1 Sale and Purchase of the Group

On and subject to the terms of this Agreement and the Local Transfer Documents:

2.1.1 the Relevant Sellers (each as to the Shares set out against its name in Schedule 1) shall sell; and

2.1.2 the Purchaser shall purchase,

the Shares.

2.2 Sale of the Shares

2.2.1 The Shares shall be sold with full title guarantee and free from Encumbrances and together with all rights and advantages attaching to them as at Closing (including the right to receive all dividends or distributions declared, made or paid on or after the Effective Time, but excluding the right to receive any dividends which were declared (but not made or paid) before the Effective Time).

2.2.2 The Relevant Sellers shall procure that on or prior to Closing any and all rights of pre-emption over the Shares are waived irrevocably by the persons entitled thereto.

2.2.3 The Purchaser shall not be obliged to complete the purchase of any of the Shares unless the purchase of all Shares is completed simultaneously.

2.3 Provisions relating to the Properties

2.3.1 The provisions of Part 1B of Schedule 3 shall apply to the Companies' Properties.

2.4 Relevant Employees and Consent Employees

2.4.1 The provisions of Part A of Schedule 4 shall apply in respect of the Relevant Employees and the provisions of Part B of Schedule 4 shall apply in respect of the Consent Employees.

2.5 Local Transfer Documents

2.5.1 On Closing, the Relevant Sellers and the Purchaser shall execute such agreements, transfers, conveyances and other documents, as may be required pursuant to the relevant local law and otherwise as may be agreed between the Seller and the Purchaser to implement the transfer of the Shares on Closing (the "**Local Transfer Documents**" and each, a "**Local Transfer Document**"). The parties do not intend this Agreement to transfer title to any of the Shares. Title shall be transferred by the applicable Local Transfer Document.

2.5.2 To the extent that the provisions of a Local Transfer Document are inconsistent with or (except to the extent they implement a transfer in accordance with this Agreement) additional to the provisions of this Agreement:

(a) the provisions of this Agreement shall prevail; and

(b) so far as permissible under the laws of the relevant jurisdiction, the Seller and the Purchaser shall procure that the provisions of the relevant Local Transfer Document are adjusted, to the extent necessary to give effect to the provisions of this Agreement.

2.5.3 If there is an adjustment to the consideration under Clause 7.3 of this Agreement which relates to a part of the Group which is the subject of a Local Transfer Document, then, if required to implement the adjustment and so far as permissible under the laws of the relevant jurisdiction, the Relevant Seller and the Purchaser shall enter into a supplemental agreement reflecting such adjustment and the allocation of such adjustment (which shall be in accordance with Schedule 5).

2.5.4 No Relevant Seller shall bring any claim against the Purchaser in respect of or based upon the Local Transfer Documents save to the extent necessary to implement any transfer of the Shares in accordance with this Agreement. To the extent that a Relevant Seller does bring a claim in breach of this Clause, the Seller shall indemnify the Purchaser against all Losses which the Purchaser may suffer through or arising from the bringing of such a claim and the Relevant Seller shall indemnify the Seller against any payment which the Seller shall make to the Purchaser pursuant to this Clause.

2.5.5 The Purchaser shall not bring any claim against any Relevant Seller in respect of or based upon the Local Transfer Documents save to the extent necessary to implement any transfer of the Shares in accordance with this Agreement. To the extent that the Purchaser does bring a claim in breach of this Clause, the Purchaser shall indemnify the Relevant Seller against all Losses which the Relevant Seller may suffer through or arising from the bringing of such a claim.

3 Consideration

3.1 Amount

3.1.1 The aggregate consideration for the purchase of the Shares by the Purchaser from the Relevant Sellers under this Agreement and the Local Transfer Documents (the "**Purchase Price**") shall be an amount in US dollars equal to:

(a) the Bid Amount;

plus

(b) the Group Companies' Cash Balances and the Intra-Group Financing Receivables;

minus

(c) the Third Party Indebtedness and the Intra-Group Financing Payables;

minus

(d) provided the Seller Group has not retained the JVH Group pursuant to paragraph 7 of Schedule 12, an amount equal to:

(i) 90% of the Actual Ring-fenced Amount, if 90% of the Actual Ring-fenced Amount is less than or equal to the High Estimated Ring-fenced Amount; or

(ii) the High Estimated Ring-fenced Amount plus 100% of the difference between the Actual Ring-fenced Amount and the High Estimated Ring-fenced Amount divided by 0.9, if 90% of the Actual Ring-fenced Amount is more than the High Estimated Ring-fenced Amount,

provided that such amount may not exceed an amount equal to the Actual Ring-fenced Amount;

plus or minus

(e) the Working Capital Adjustment.

3.2 Payment of Purchase Price

The Purchase Price shall be paid by the Purchaser to the Relevant Sellers by way of cash payments pursuant to Clauses 6.3, 7.3 and 7.6.

3.3 Allocation of Purchase Price

The Purchase Price shall be allocated in accordance with Schedule 5.

3.4 Leakage

3.4.1 The Relevant Sellers undertake to procure that no Leakage will occur between the Effective Time until Closing, provided that the Relevant Sellers shall have no liability to the Purchaser under this Clause 3.4 if Closing does not occur.

3.4.2 The Relevant Sellers shall severally indemnify the Purchaser on demand on a dollar for dollar basis for the total amount of any Leakage.

3.4.3 Any claim by the Purchaser pursuant to this Clause 3.4 must be made in writing to the Seller within 10 months following the Closing Date setting out the Purchaser's calculation of the Leakage amount and the Relevant Sellers shall cease to be under any liability to the Purchaser under this Clause 3.4 in respect of all and any such claims not so notified to the Seller.

3.4.4 Notwithstanding any provision in this Agreement to the contrary, none of the limitations of liability contained in Clause 10 shall apply to any claim by the Purchaser pursuant to this Clause 3.4.

3.5 Treatment of Payments

3.5.1 If any payment is made by any Relevant Seller to the Purchaser (or vice versa) in respect of any claim for any breach of this Agreement or any Local Transfer Document or pursuant to an indemnity under any such agreement or the Tax Indemnity (or any agreement entered into under any such agreement or the Tax Indemnity) or in respect of any claim for Leakage pursuant to Clause 3.4, the payment shall be treated as an adjustment of the consideration paid by the Purchaser for the Shares to which the payment and/or claim relates under this Agreement and the consideration shall be deemed to be reduced (or increased, as the case may be) by the amount of such payment save that any such payment relating to the Shares in Novasol A/S and/or Wimdu GmbH shall instead be treated as an allocation to the other Shares, in accordance with the percentages set out in column (5) of Schedule 5 and in each case the consideration shall be deemed to have been reduced or increased (as the case may be) accordingly.

3.5.2 If:

(a) the payment and/or claim relates to the Shares in more than one Company or the business undertaken by more than one Company and its subsidiaries, it shall be allocated in a manner which reflects the impact of the matter to which the payment and/or claim relates, failing which it shall be allocated rateably to the Shares in the Companies concerned by reference to the proportions in which the consideration is allocated in accordance with Schedule 5 save that any allocation to the Shares in Novasol A/S and/or Wimdu GmbH shall instead be treated as an allocation to the other Shares, in accordance with the percentages set out in column (5) of Schedule 5, and in each case the consideration shall be deemed to have been reduced (or increased, as the case may be) accordingly; or

(b) the payment and/or claim relates to no particular Shares in any Company or business undertaken by a Company, it shall be allocated rateably to all the Shares by reference to the proportions in which the consideration is allocated in accordance with Schedule 5 save that any allocation to the Shares in Novasol A/S and/or Wimdu GmbH shall instead be treated as an allocation to the other Shares, in accordance with the percentages set out in column (5) of Schedule 5, and in each case the consideration shall be deemed to have been reduced (or increased, as the case may be) accordingly.

4 Conditions

4.1 Conditions Precedent

The sale and purchase of the Group is conditional upon satisfaction of the following conditions:

4.1.1

To the extent that the proposed acquisition of all or any of the Shares (the "**Transaction**") either constitutes (or is deemed to constitute under Article 4(5)) a concentration falling within the scope of Council Regulation (EC) 139/2004 (as amended) (the "**Regulation**") or is to be examined by the European Commission as a result of a decision under Article 22(3) of the Regulation:

(a) the European Commission taking a decision (or being deemed to have taken a decision) under Article 6(1)(b) of the Regulation declaring the Transaction compatible with the internal market; or

(b) the European Commission taking a decision (or being deemed to have taken a decision) to refer the whole or part of the Transaction to the competent authorities of one or more Member States under Articles 4(4) or 9(3) of the Regulation; and

(i) each such authority taking a decision with equivalent effect to Clause 4.1.1(a) with respect to those parts of the Transaction referred to it; and

(ii) the European Commission taking any of the decisions under Clause 4.1.1(a) with respect to any part of the Transaction retained by it.

4.1.2 the FCA having given notice in writing in accordance with section 189(4) or 189(7) of FSMA approving the Purchaser and any other person who would by virtue of the Transaction acquire control of Wyndham Vacation Rentals (UK) Ltd within the meaning of section 181 of FSMA as controller of Wyndham Vacation Rentals (UK) Ltd with such approval being in full force and effect, or, in the absence of such notice from the FCA, the FCA being treated in accordance with section 189(6) of FSMA as having approved the Purchaser and any other person acquiring control of Wyndham Vacation Rentals (UK) Ltd as such controller (the "**FCA Approval**").

4.2 Responsibility for Satisfaction

4.2.1 The Purchaser shall use best endeavours to ensure the satisfaction of the conditions set out in Clauses 4.1.1 and 4.1.2 in each case as soon as possible and, in respect of the conditions set out in Clause 4.1.1 and 4.1.2, to submit all necessary filings or notifications (where applicable, in draft form) within two Business Days of signing of this Agreement.

4.2.2 Notwithstanding the generality of the foregoing, the Purchaser shall take in relation to the Group following Closing any and all actions necessary, proper or advisable to eliminate each and every impediment under any antitrust or competition law that is asserted by any Relevant Governmental Entity so as to enable the parties hereto to close the Transaction as soon as practicable including, without limitation, proposing, negotiating, offering to commit and agree with all Relevant Governmental Entities to effect (and if such offer is accepted, commit to effect), by

agreement, order or otherwise the sale, divestiture, licence, or disposition of any necessary assets or businesses of the Group following Closing, in each case where reasonably necessary to ensure that the conditions in Clause 4.1.1 and 4.1.2 are satisfied as soon as practicable and in any event prior to the Long Stop Date.

4.2.3 Without prejudice to Clause 4.2.1, the parties agree that all requests and enquiries from any Relevant Governmental Entity which relate to the satisfaction of the conditions set out in Clauses 4.1.1 and 4.1.2 shall be dealt with by the Seller and the Purchaser promptly in consultation with each other and the Seller and the Purchaser shall co-operate with and provide all necessary information and assistance reasonably required by such Relevant Governmental Entity upon being requested to do so by the other. Except for communications which are immaterial or procedural in nature, the Purchaser shall (i) promptly provide the Seller with draft copies of all submissions and communications to any Relevant Governmental Entity in relation to obtaining any consent, approval or action at such time as will allow the Seller a reasonable opportunity to provide comments on such submissions and communications before they are submitted or sent, (ii) take into account the Seller's reasonable comments in relation to the form and content of such submissions and communications, and (iii) provide the Seller with copies of all such submissions and communications promptly and in the same form finally submitted or sent (save that in such case the Purchaser may redact business secrets and other commercially-sensitive information, or otherwise provide copies on an outside counsel-to-outside counsel, confidential basis), and (iv) where requested by the Seller and where permitted by the Relevant Governmental Entity, allow persons nominated by the Seller to attend all meetings and calls with the Relevant Governmental Entity and to make oral submissions at such meetings and calls.

4.2.4 The party responsible for satisfaction of each condition as set out in Clause 4.2 shall give notice to the other party of the satisfaction of the relevant condition within two Business Days of becoming aware of the same.

4.3 Non-Satisfaction/Waiver

4.3.1 If the conditions in Clause 4.1 are not satisfied by 5pm (London time) on the Long Stop Date the Purchaser or the Seller may, in its sole discretion, terminate this Agreement and no party shall have any claim against any other under it, save for any claim accrued prior to that date.

5 Pre-Closing

5.1 The Relevant Sellers' Obligations in Relation to the Conduct of Business

5.1.1 Each of the Relevant Sellers undertakes to procure that between the date of this Agreement and Closing the relevant Group Companies shall (i) carry on the business of the Group as a going concern in the ordinary and usual course as carried on prior to the date of this Agreement and in compliance with Applicable Laws, (ii) commence the process of undertaking the Additional Actions as soon as reasonably practicable after the date of this Agreement and use commercially reasonable efforts to complete such actions prior to Closing and, in relation to the matter set out at limb (a) of the definition of Additional Actions, best efforts to complete such action by 25 May 2018, and (iii) use commercially reasonable efforts to continue to spend at least 100% (on either a monthly or annual basis) of the amount of capital expenditure, and in line with the timelines, set out in the Capital Expenditure Plan

on a basis substantially consistent with past practice, save any act, filing or expense (a) required in order to implement the Pre-Sale Re-Organisation Steps Plan or (b) with the prior written consent of the Purchaser.

5.1.2 Without prejudice to the generality of Clause 5.1.1 and subject to Clause 5.2, each of the Relevant Sellers undertakes to procure that, between the date of this Agreement and Closing the Group Companies shall not, except as may be required to comply with the Transaction Documents (including, without limitation, Clause 5.7 of this Agreement), without the prior written consent of the Purchaser:

(a) except as set out in the Capital Expenditure Plan, enter into any agreement or incur any commitment involving any capital expenditure in excess of US$250,000 in aggregate, exclusive of VAT;

(b) enter into or amend in any material respect any agreement, or incur any commitment which is not capable of being terminated without compensation at any time with twelve months' notice or less, and which involves or may involve total annual expenditure in excess of US$250,000, exclusive of VAT, other than any extension or renewal of an existing agreement in the ordinary course of business (and on substantially similar terms);

(c) acquire, or agree to acquire, any material asset, involving consideration, expenditure or liabilities in excess of US$250,000, exclusive of VAT other than in the ordinary and usual course of business;

(d) dispose of, or agree to dispose of, any individual asset with a book value or market value above US$250,000 other than in the ordinary and usual course of business;

(e) acquire or agree to acquire any share or shares in any publicly traded company;

(f) acquire or agree to acquire any share, shares or other interest in any company, partnership or other venture for consideration (in cash or in kind) in excess of US$250,000;

(g) incur any additional borrowings or incur any other indebtedness in the nature of borrowings in each case in excess of US$250,000 other than in the ordinary and usual course of business;

(h) give any guarantee, indemnity, surety or security in excess of US$100,000 otherwise than in the ordinary and usual course of business;

(i) amend the constitutional documents of the Companies (except where required by Applicable Law);

(j) create, allot or issue, or grant an option to subscribe for, any share capital of any Group Company other than in accordance with the contribution plan set out in the Data Room at document 6.16;

(k) make or pay any distribution, dividend or repay, redeem or repurchase any share capital of any Group Company that would result in the Group not having Cash Balances equal to at least US$20,000,000 (in aggregate) plus

the amounts required to be held pursuant to Clause 6.4.5 and Schedule 12 at Closing;

(l) make any loan (other than the granting of any trade credit in the ordinary and usual course of business, the Park Developer Loans or the Boat Operator Advances) to any person (other than another Group Company) other than advances made pursuant to agreements entered into before the date of this Agreement and Fairly Disclosed at the date of this Agreement;

(m) institute or settle any claim, legal action, proceeding, suit, litigation, prosecution, investigation, enquiry, mediation or arbitration (except for debt collection in the ordinary and usual course of business) which is material to the business of the Group other than those claims detailed in document 3.13.1.1.10 of the Data Room. For the purpose of this paragraph (m), material means proceedings which (if successful) are likely to result in a cost, benefit or value to the Group of US$250,000 or more;

(n) in relation to any Property other than in the ordinary and usual course of business:

(i) terminate or serve any notice to terminate, surrender or accept any surrender of or waive the terms of any lease, tenancy or licence which is material in the context of the relevant Group Company;

(ii) enter into or vary any agreement, lease, tenancy, licence or other commitment which is material in the context of the relevant Group Company;

(iii) sell, convey, transfer, assign or charge any Property or grant any rights or easements over any Property or enter into any covenants or other Encumbrance affecting any Property or agree to do any of the foregoing which is material in the context of the relevant Group Company;

(o) save as required by law:

(i) make any material amendment to the terms and conditions of employment (including remuneration, pension entitlements and other benefits) (i) of any Senior Employee (other than minor increases in the ordinary and usual course of business) or (ii) of an Employee or group of Employees where that particular amendment would result in an incremental increase in annual costs to the Group or in costs on termination of USD$140,000 or more, other than salary increases in the ordinary and usual course of business, in accordance with the Group's policies and consistent with past practice;

(ii) provide or agree to provide any material gratuitous payment or material gratuitous benefit to any Employee save as Fairly Disclosed at the date of this Agreement;

(iii) dismiss any Senior Employee (other than where such Senior Employee has been determined by the relevant member of the Seller's Group to be in breach of the Seller's Group's generally

applied “Business Principles” or other terms set out in any employee handbook or manual); or

(iv) engage, appoint or assign (whether by internal transfer or otherwise) any individual who, following such engagement, appointment or assignment, would be a Senior Employee; or

(v) save as Fairly Disclosed at the date of this Agreement, grant or accelerate any awards and options under any share incentive, share option, profit sharing, bonus or other incentive arrangements other than in accordance with the normal practice of the Seller’s Group and other than the acceleration of the awards under LTIP to the extent they relate to the Group, details of which have been notified to the Purchaser;

(vi) make any representation on behalf of the Purchaser that would legally bind the Purchaser or a Group Company post-Closing to employees, customers or suppliers of the Group in relation to the Transaction or its consequences other than in accordance with the Signing Protocol or consistent with the messaging and communication principles which may be agreed between the Purchaser and Relevant Sellers;

(p) discontinue or amend any Benefit Plan to any material extent or commence to wind them up or terminate them or cause them to cease to admit new members;

(q) enter into any binding agreement with the trustees of the UK DB Plan that involves any post-Closing commitment on behalf of a Group Company;

(r) amend, terminate or give any waiver or consent under the Wimdu Assignment Agreement;

(s) change its residence for Tax purposes or create a permanent establishment in any jurisdiction outside its jurisdiction of incorporation;

(t) other than as required by law, make any amendment to a Tax return or make, amend or withdraw any election or claim for Tax purposes to the extent that to do so would be inconsistent with previous practice of a Group Company and is likely to have a material adverse effect on any Group Company; and

(u) other than as required by law, enter into any closing agreement, settle any Tax claim or assessment (including making any payment pursuant to a Tax audit, examination, litigation proceeding or controversy), consent to any extension or waiver of the limitation period applicable to any Tax claim or assessment, consent to any re-assessment or examination or proposal by any Tax Authority, or seek any ruling, clearance or confirmation from any Tax Authority, in all cases to the extent that to do so would be inconsistent with previous practice of the Group Company and is likely to have a material adverse effect on any Group Company.

5.2 Exceptions to Relevant Sellers' Obligations in Relation to the Conduct of Business

Clause 5.1 and Clause 8.1.1 shall not operate so as to prevent or restrict:

5.2.1 any matter reasonably undertaken by any member of the Group in an emergency or disaster situation with the intention of minimising any adverse effect of such situation in relation to the Group or the Seller's Group;

5.2.2 any act, filing or expense required to implement, or otherwise expressly contemplated by, the Pre-Sale Re-Organisation Steps Plan

5.2.3 any act reasonably required to effect the transfer of the members of the JVH Group to a member of the Seller's Group (other than the Group) prior to Closing as contemplated by paragraph 7.1 of Schedule 12 (including, for the avoidance of doubt, the transfer of any securities of a member of the JVH Group to another member of the Seller's Group (other than a Group Company), the transfer of any asset or liability exclusively related to the business of the JVH Group) including reasonably necessary amendments to the relevant IP Assignment Agreement in order to remove the data analytics solutions (and consideration therefore) relating specifically to the JVH Group from the scope of the relevant IP Assignment provided that the Purchaser shall be consulted on such act prior to it being effected and provided that reasonable account is taken of the Purchaser's views in connection therewith;

5.2.4 subject always to the covenants in Clause 5.7, any act required to implement changes to the list of Shared Contracts in accordance with the document 6.27 in the Data Room;

5.2.5 subject always to the covenants in Clause 5.7, any act required to: (i) novate the contracts listed in document 6.10 of the Data Room to the Group prior to Closing; and (ii) make notifications in relation to the contracts listed in document 6.15 of the Data Room for the purpose of obtaining consent to the Transaction prior to Closing;

5.2.6 any act required in accordance with Schedule 12;

5.2.7 any item or matter specifically provided for in, or otherwise contemplated by, the Capital Expenditure Plan; or

5.2.8 any act required to implement changes to the Barclays Cash Pooling Arrangements or Danske Bank Cash Pooling Arrangement as set out in the email from Annette Baillie of the Seller's Lawyers to Tom Evans and Douglas Abernethy of the Purchaser's Lawyers at 20.19 on 5 February 2018, provided that the terms of any new arrangements shall be on substantially the same terms (including as regards costs to the Group) as the existing Barclays Cash Pooling Arrangements and Danske Bank Cash Pooling Arrangement, respectively, and provided that this is without prejudice to the provisions of Schedule 12,

provided, in each case, that the Seller shall notify the Purchaser as soon as reasonably practicable of any action taken or proposed to be taken as described in this Clause 5.2 and shall provide to the Purchaser all such information as the Purchaser may reasonably request.

5.3 The Seller's and the Relevant Seller's obligations in relation to insurance

Without prejudice to the generality of Clause 5.1.1, between the date of this Agreement and Closing:

5.3.1 each of the Seller and the Relevant Sellers shall or shall procure that the relevant members of the Seller's Group shall:

(a) maintain in force all Target Group Insurance Policies in all material respects on the same terms and similar level of cover prevailing at the date of this Agreement for the benefit of Group Companies;

(b) notify to the insurers of the Target Group Insurance Policies all insurance claims in relation to the Group Companies of which Michael Dougherty, Senior Director, Risk Management, Wyndham Worldwide Corporation becomes aware (a) promptly and (b) in accordance with the requirements of the relevant insurance policy,

5.3.2 each of the Seller and the Relevant Sellers shall not and/or shall procure that the relevant members of the Seller's Group shall not, without the prior written consent of the Purchaser, such consent not to be unreasonably withheld or delayed, settle any claim made under any Target Group Insurance Policy materially below the amount claimed.

5.4 Cooperation of Target Group Companies regarding financing

Provided that such co-operation does not materially and adversely affect the business of any Group Company, and provided further that nothing in this Clause 5.4 will require any Group Company to incur any liability prior to Closing or to take any action which may prejudice the Relevant Sellers' rights or position under this Agreement or which may adversely affect any of the Relevant Sellers, the Seller and the Relevant Sellers shall, and shall cause each of the Group Companies (and such senior employees and management of the Group as the Purchaser may reasonably request, including those responsible for controlling treasury, legal and compliance functions) to provide such cooperation (including with respect to timeliness) between date hereof and Closing as is reasonably necessary in connection with the Purchaser's financing arrangements to be entered into in connection with the transactions contemplated in this Agreement and/or otherwise for the ongoing financing requirements of the Group (the "**Financing**"), as may be reasonably requested by or on behalf of the Purchaser upon reasonable notice and at such times and locations as the Purchaser may reasonably advise, including in particular (but without limitation):

5.4.1 participation of senior executives of the Group Companies in a reasonable number of meetings, drafting sessions, due diligence and verification sessions, presentations to and sessions with the Financing sources and prospective lenders and investors (and their respective representatives and advisors) and sessions with rating agencies;

5.4.2 providing such information regarding the Sellers or any member of the Seller's Group (including any Group Company) that is reasonably requested by the Purchaser or the Financing sources, including information required by bank regulatory authorities, by the Financing sources or by any prospective lenders and investors in relation to applicable "know your customer" and anti-money laundering rules and regulations;

5.4.3 assisting the Purchaser in the preparation and finalisation of facilities agreements, indentures, purchase agreements and other financing documents, information packs and similar documents, removal of any Encumbrances and facilitating the pledging of collateral at Closing, in each case in connection with the Financing;

5.4.4 taking the relevant resolutions authorising the entering into of any documentation relating to the Financing, but only with effect from Closing;

The Purchaser shall, upon request of the Seller, reimburse the relevant member of the Seller's Group for any and all costs incurred by such member of the Seller's Group in connection with the co-operation as set out in this Clause 5.4.

5.5 Other Relevant Sellers' Obligations Prior to Closing

Without prejudice to the generality of Clause 5.1.1, prior to Closing the Relevant Sellers shall, and shall procure that the relevant Group Companies shall:

5.5.1 to the extent permitted by applicable anti-trust laws, allow the Purchaser and its respective agents, upon reasonable notice, reasonable access to each Group Company's management team and to any personnel of the Seller Group who perform finance related functions in relation to the Group, and to take copies of, the books, records and documents of or relating in whole or in part to the Group, provided that the obligations of the Relevant Sellers under this Clause shall not extend to allowing access to information which is (i) reasonably regarded as confidential to the activities of the Seller and the Relevant Sellers otherwise than in relation to the Group; (ii) commercially sensitive information of the Seller's Group (other than the Group); or (iii) commercially sensitive information of the Group if such information cannot be shared with the Purchaser prior to Closing in compliance with Applicable Laws;

5.5.2 enter into each of the IP Assignment Agreements;

5.5.3 implement each of the Outstanding Pre-Sale Re-Organisation Steps;

5.5.4 deliver notice in writing of the Transaction (including all such information as is reasonably required by the relevant organisation) to:

(a) the Civil Aviation Authority at least 10 Business Days in advance of the Closing Date, such notice to be served by email to renewals.atol@caa.co.uk and to specify:

(i) that the Purchaser will acquire the entire issued share capital of the relevant Group Companies and will therefore gain significant influence over the ATOL Holders;

(i) any changes to be made to the financial arrangements (including revolving credit facilities, overdrafts, guarantees, bonds, loans or the granting of any security interest) of the ATOL Holders provided that the Purchaser shall provide the Relevant Sellers with such information and documentation reasonably requested to enable them to do so;

(ii) any changes to the officers or senior management of the ATOL Holders taking effect at the Closing Date;

(iii) any changes to the ATOL Holders' bank mandates taking effect at the Closing Date;

(iv) any changes to the registered or trading names of the ATOL Holders taking effect at the Closing Date; and

(v) any changes to the ATOL Holders' bank and (if different) credit card facilities provider taking effect at the Closing Date;

(b) ABTA Limited at least 28 days in advance of the Closing Date, such notice to be served by email to membership@abta.co.uk and to specify the Relevant Seller's intention to effect a change of the beneficial owners of each of the ABTA Members;

5.5.5 provide such assistance, co-operation and information as the Purchaser may reasonably request in relation to the matters set out in Clause 5.6.2, including by allowing the Purchaser and its respective agents, upon reasonable notice, reasonable access to each Group Company's management team, and to take copies of, the books, records and documents of or relating in whole or in part to the Group, provided that the obligations of the Relevant Sellers under this Clause shall not extend to allowing access to information which is (i) reasonably regarded as confidential to the activities of the Seller and the Relevant Sellers otherwise than in relation to the Group; (ii) commercially sensitive information of the Seller's Group (other than the Group); or (iii) commercially sensitive information of the Group if such information cannot be shared with the Purchaser prior to Closing in compliance with Applicable Laws;

5.5.6 provide such reasonable assistance and co-operation as the Purchaser may request in relation to seeking to obtain change of control consents from the third party counterparties to the commercial contracts to which the Group Companies are party;

5.5.7 prior to Closing, seek to obtain the consent of Danske Leasing A/S to the Transaction pursuant to the Danish Lease Agreement and the Seller agrees to indemnify and keep indemnified the Purchaser and each member of the Purchaser's Group (on an after-Tax basis) on demand against any penalties or other Losses suffered or incurred by any member of the Purchaser's Group arising out of or in connection with (i) the seeking or obtaining of consent of Danske Leasing A/S to the Transaction pursuant to the Danish Lease Agreement or (ii) the termination of the Danish Lease Agreement as a result of the Transaction, including relocation costs; and

5.5.8 without the prior written consent of the Purchaser, not make, and shall ensure that no person makes, prior to Closing any change for U.S. federal income tax purposes, to the tax year of any Group Company that is an Election Consent Company (as defined in the Tax Indemnity).

5.6 Purchaser's Obligations Prior to Closing

5.6.1 The Purchaser shall use reasonable endeavours to provide, or procure the provision of, such information and assistance as the Relevant Sellers and the relevant Group Companies may reasonably request for the purpose of satisfying the obligations set

out in Clause 5.5.4 as soon as possible and in any event no later than the relevant deadlines specified in Clause 5.5.4.

5.6.2 The Purchaser shall use reasonable endeavours to cooperate with the Seller to procure that the Regulated Companies reach written agreement with the Authorities of the terms applicable to their continued membership, licence, or authorisation (as applicable) under the Authorities' respective regulatory regimes as soon as reasonably practicable following the date of this Agreement and to minimise the amount of any liquidity restrictions under the terms agreed between the ATOL Holders and the Civil Aviation Authority, provided that, in connection therewith:

(a) no member of the Purchaser's Group shall be required to make any changes to its capital structure;

(b) no member of the Purchaser's Group shall be obliged to provide any parent company guarantee other than a guarantee from another Group Company which is permitted under the Purchaser's Group's financing arrangements; or

(c) no Regulated Company shall be obliged to agree to any dividend restrictions other than as may be customarily required by the Authorities in broadly similar circumstances.

5.7 Pre-Closing Obligations in relation to Separation and Transition

5.7.1 The Seller shall, and shall procure that the Seller's Group shall, prior to Closing use commercially reasonable efforts to:

(a) complete such aspects of the Separation as can reasonably be completed prior to Closing, including the transition of the dependency of the RCI entities within the Seller's Group (excluding any Group Companies) on the SSIO voice and call centre infrastructure to a replacement system; and

(b) negotiate in good faith, agree and execute the terms of the New Wyndham Home Exchange Agreement.

5.7.2 The Purchaser shall, at its own cost, use commercially reasonable endeavours promptly to provide (or procure the prompt provision by the Group Companies of) all such cooperation and assistance as may reasonably be requested by the Seller or any member of the Seller's Group from time to time to comply with its obligations under this Clause 5.7.

5.7.3 In respect of any Shared Contract where the Purchaser agrees that the proposed Separation action is the entering into of a new contract between the relevant third party and the relevant Group Company prior to Closing ("**New Contract**"), the Seller shall, or shall procure that a member of the Seller's Group shall:

(a) use reasonable endeavours promptly to commence negotiations with the relevant third party with a view to agreeing terms of such New Contract prior to Closing;

(b) use reasonable endeavours to negotiate market terms (including pricing), in respect of each New Contract which, when taken as a whole, are no less favourable than the terms under the relevant Shared Contract at the date of this Agreement;

(c) keep the Purchaser reasonably updated in respect of the progress of such negotiations and, to the extent reasonably practicable, involve the Purchaser in those negotiations at the Purchaser's request with a view to agreeing terms of New Contracts that are commercially acceptable to the Purchaser;

(d) notify the Purchaser as soon as reasonably practicable of any material adverse change to the terms of such New Contract (which includes an increase in the charges payable above the charges currently payable under such Shared Contract);

(e) to the extent that such New Contracts are not executed prior to Closing, despite such reasonable endeavours referred to in (a) and (b) above the Seller shall, or shall procure that a member of the Seller's Group shall:

(i) continue to use reasonable endeavours for the TSA Pass-Through Period (as defined below) following Closing with a view to agreeing such New Contracts promptly following Closing in accordance with this Clause 5.7.3; and

(ii) provide the benefit of the relevant Shared Contracts to the Purchaser and/or the Group on a pass-through basis under the Transitional Services Agreement until: (a) the New Contract is executed; or (b) the expiry of the applicable Service Period (as such term is defined in the Transitional Services Agreement) for such Service as specified in the TSA Service Schedules (or to the extent not specified in the TSA Service Schedules, the Service Period for which the pass-through benefit of such Shared Contract shall be received by the Purchaser and/or the Group shall be that set out in the TSA Services Schedule for Services similar or equivalent to those provided under the Shared Contract), such period being no shorter than six months, whichever is the sooner (such period being the "**TSA Pass-Through Period**");

(f) if the Recurring Costs (based on the user numbers and/ or volume level and other non-price factors (where relevant) applicable to the Group during the 12 months prior to the date of this Agreement) proposed by such third party under a potential New Contract exceed 110% of the Recurring Cost paid or payable by the Group under the relevant Shared Contract for the 12 months ended on the date of this Agreement (each such New Contract being a "**110% Agreement**"), the Purchaser may, on prompt written notice to the Seller, reject such 110% Agreement in its sole discretion;

(g) in the event that the Recurring Costs (based on the user numbers and/ or volume level and other non-price factors (where relevant) applicable to the Group during the 12 months prior to the date of this Agreement) proposed by such third party under a New Contract exceed the Recurring Cost paid or payable by the Group for the 12 months ended on the date of this Agreement, the Seller shall indemnify and keep indemnified on demand the Purchaser for such excess Recurring Costs, multiplied by 11, provided that the Purchaser shall be responsible for the first £500,000 of such excess Recurring Costs (in aggregate across all New Contracts) payable pursuant to this Clause 5.7.3(g); and

(h) if the Purchaser rejects a 110% Agreement pursuant to Clause 5.7.3(f) or any New Contract cannot be executed by the end of the TSA Pass-Through Period pursuant to Clause 5.7.3(e)(ii), the Seller shall be responsible (at its own cost) for seeking alternative replacement arrangements on terms substantially similar to the relevant Shared Contract and Clauses 5.7.3(b) to (g) shall apply to such alternative replacement arrangement as if it were a New Contract.

5.7.3A All costs which are not Recurring Costs (" **One-Off Costs**") under or in relation to a New Contract (including alternative replacement arrangements under Clause 5.7.3(h) above) and that are incurred by the Purchaser or the Group as a result of the need to enter into a New Contract (or alternative replacement arrangements under Clause 5.7.3(h)) as a result of the Transaction, shall be paid by the Seller on demand.

5.7.4 The parties acknowledge and agree that as at the date of this Agreement, the Draft TSA Schedules are in draft form and are subject to ongoing Separation discussions and activities. The Purchaser and the Seller shall, or shall procure that the Purchaser's Group or Seller's Group (respectively), use all commercially reasonable efforts to complete and agree the TSA Service Schedules prior to Closing.

5.7.5 Each party shall designate a representative within five (5) Business Days of this Agreement (each, a " **TSA Manager**") to act as its primary point of contact for the co-ordination and the provision or receipt of the Services under the Transitional Services Agreement and the preparation and finalisation of the TSA Service Schedules and the Draft Migration Plan in accordance with Clause 5.7.10.

5.7.6 Each party ("**Party 1**") shall, or shall procure that its Affiliates (being, in the case of the Purchaser, the Purchaser's Group and, in the case of the Seller, the Seller's Group) shall, use their reasonable endeavours at their own cost (provided that such cost shall be recoverable against Party 2 (as defined below) under the Transitional Services Agreement, subject to the limitations therein and in this Clause 5.7) to obtain and maintain (in each case, to the extent not already obtained) such consents, licences, permits, approvals or any agreements of third party providers as are required for the purposes of providing the Services to the other party ("**Party 2**") under the Transitional Services Agreement (the " **Third Party Consents**"). In no event shall Party 1 have the right to incur any cost in connection with obtaining Third Party Consents, or which are otherwise payable to third parties in order for Party 1 to provide services under the Transitional Service Agreement ("**Third Party Costs**"), which in total exceed £50,000 above such costs as are set out in the Draft TSA Schedule as at the date of this Agreement on Party 2's behalf, without Party 2's prior written consent (not to be unreasonably withheld or delayed) and Party 2's consent (not to be unreasonably withheld or delayed) shall also be sought prior to every £50,000 being incurred in respect of Third Party Costs thereafter.

5.7.7 Any Third Party Costs in relation to the Seller Services under the Transitional Services Agreement, including the cost of any replacement arrangement under Clause 5.7.9(b) below, (taken in aggregate of all such Third Party Costs or alternative arrangements paid or agreed prior to Closing and under the Transitional Services Agreement) in excess of £1,600,000 (the "**Third Party Cost Cap**") will be borne by the Seller, provided that the Third Party Cost Cap shall not include the first £500,000 of Recurring Costs (in aggregate across all New Contracts) which shall be borne by the Purchaser pursuant to Clause 5.7.3(g). The Third Party Cost Cap will be increased in the event that any Service is extended, by the amount of the Charges payable for that Seller Service for the extended period, calculated in accordance with the amounts documented in the Draft TSA Schedule.

5.7.8 Party 2 or the Seller (as applicable) shall, at its own cost, use reasonable endeavours to provide promptly all such cooperation and assistance in obtaining and maintaining the Third Party Consents as Party 1 or the Seller (as applicable) may reasonably request from time to time.

5.7.9 Where a Third Party Consent: (i) is not obtained by Party 1 within forty-five (45) Business Days following the date of this Agreement; or (iii) is withdrawn, terminated or expires prior to Closing, as applicable, through no fault, act or omission of Party 1 or any member of its Group, Party 1 or the Seller (as applicable) shall:

(a) as soon as possible notify Party 2 of the same; and

(b) work with Party 2 in good faith for twenty (20) Business Days from the date Party 2 is notified in accordance with Clause 5.7.9(a) to seek to implement alternative means of continuing the provision of (1) the affected services(s) to be provided under the Transitional Services Agreement or (2) the relevant benefit to the Group.

5.7.10 In respect of those Separation matters that it is anticipated cannot or may not be completed by Closing despite the commercially reasonable efforts of the parties used in accordance with Clauses 5.7.1 and 5.7.2, each party shall, or shall procure that its Affiliates (being, in the case of the Purchaser, the Purchaser's Group and, in the case of the Seller, the Seller's Group) shall, within twenty (20) Business Days of the date of this Agreement, provide to the other party a draft Migration Plan (the "**Draft Migration Plan**"). The parties shall, within ten (10) Business Days of the relevant Draft Migration Plan having been provided to the Seller or the Purchaser (as appropriate), meet (either by telephone or in person) to discuss and seek to agree the contents of the relevant Draft Migration Plan within a further twenty (20) Business Days. The parties shall use their commercially reasonable endeavours to finalise the Draft Migration Plan by Closing. The parties agree and acknowledge that the Migration Charges shall be the reasonable third party and staff costs that will be incurred by the Seller, or a member of the Seller's Group, in providing or procuring the Migration (as defined in the Transitional Services Agreement) assistance requested by the Purchaser under the Migration Plan. For the avoidance of doubt, any Migration Charges (as defined in the Transitional Services Agreement) may not be included in the Draft Migration Plan (or the Migration Plan as defined in the Transitional Services Agreement) without the agreement of the Purchaser. Any Migration Charges in excess of £100,000 will be borne by the Seller.

5.7.11 Prior to Closing, the parties shall negotiate and agree (acting promptly and in good faith) the Brand Licence Agreements and the Rewards Agreements, which shall include the terms set out in the Term Sheets. If the Brand Licence Agreements and the Rewards Agreements are not agreed between the Parties prior to Closing: (i) the parties shall continue to use all commercial reasonable efforts to negotiate, agree and execute the Brand Licence Agreements and the Rewards Agreements as soon as reasonably practicable following Closing, and (ii) until such time as the Brand Licence Agreements and the Rewards Agreements are agreed between the parties and duly executed by each of the parties thereto, the terms of the Term Sheets (together with such other terms as are considered customary and necessary in standard arrangements of a similar nature) shall be binding on the parties and govern the ongoing relationship between the parties.

5.7.12 The Relevant Sellers undertake to pay to the Purchaser on demand as a purchase price adjustment an amount equal to the amount of any increase in One-off Costs suffered by a Group Company under any contract with a third party which results from the third party exercising any right in such contract which is triggered by the transfer of Shares pursuant to Clause 2.2, and such payments shall be treated as an adjustment to the Purchase Price (and any such payments shall adjust the allocation of the Purchase Price in accordance with Schedule 5). The Relevant Sellers undertake to pay to the Purchaser on demand as a purchase price adjustment an amount equal to the amount of any increase in Recurring Costs suffered by a Group Company under any contract with a third party which results from the third party exercising any right in such contract which is triggered by the transfer of Shares pursuant to clause 2.2 multiplied by 11, and such payments shall be treated as an adjustment to the Purchase Price (and any such payments shall adjust the allocation of the Purchase Price in accordance with Schedule 5).

5.8 Foreign Exchange Hedges

5.8.1 The Seller shall procure that between the date of this Agreement and Closing, Foreign Exchange Hedges shall continue to be entered into in the ordinary and usual course of business of JVH and consistent with past practice.

5.8.2 The parties will use their respective reasonable endeavours to procure that agreements are entered into to novate the Foreign Exchange Hedges as soon as reasonably practicable after the date hereof and that the Foreign Exchange Hedges are novated from Wyndham Worldwide Corporation to an entity nominated by the Purchaser ("**Nominated Entity**") with the novation to take effect from Closing. Without prejudice to the generality of the foregoing, reasonable endeavours shall include:

(a) in the case of the Purchaser:

(i) using reasonable endeavours to offer to the counterparties to the Foreign Exchange Hedges commercially reasonable undertakings in connection with any obligation of a member of the Purchaser's Group or, post-Closing, the Group, pursuant to the Foreign Exchange Hedges, including the ability to draw down amounts from a credit facility available to the Group or Purchaser's Group following Closing (but excluding granting any security that is or will be granted to, or would rank senior or pari passu with, any security in connection with any credit facility available to the Group or the Purchaser's Group following Closing); and

(ii) negotiating in good faith with the counterparties to the Foreign Exchange Hedges, any amendments to the terms of the Foreign Exchange Hedges, including the terms of any ISDA master agreement and schedule required by such counterparty to the Foreign Exchange Hedges;

(b) on the part of the Seller´s Group:

(i) cooperating with the counterparties to the Foreign Exchange Hedges and the Purchaser to effect such novation; and

(ii) providing to the Purchaser, such information as may be reasonably required to facilitate such novation.

5.8.3 If the parties have performed their obligations in accordance with Clause 5.8.2 but no novation has taken place upon Closing, then:

(a) the parties shall procure that the agreements between Wyndham Worldwide Corporation and any member of the Group passing on the benefit or burden of a Foreign Exchange Hedge shall automatically terminate and any accrued rights, obligations and liabilities shall be waived by Wyndham Worldwide Corporation and by each member of the Group and the Foreign Exchange Hedges be dealt with solely by this Clause 5.8.3;

(b) the Seller shall procure that Wyndham Worldwide Corporation shall only deal with the Foreign Exchange Hedges relating to JVH as set out in Clause 5.8.3(a) above and in accordance with the instructions of the Purchaser, it being understood that Wyndham Worldwide Corporation shall not be under any obligation to enter into any new Foreign Exchange Hedges post-Closing;

(c) if an amount is received by any member of the Seller's Group in connection with the termination referred to in Clause 5.8.3(a) above from the counterparty to a Foreign Exchange Hedge, then the Seller shall procure the payment to the Purchaser of the amount so received, less the reasonable third party expenses of recovering such amount, within 5 Business Days of receipt; and

(d) if an amount is payable by the Seller´s Group in connection with the termination referred to in Clause 5.8.3(a) above to the counterparty to a Foreign Exchange Hedge, then the Purchaser shall pay to the Seller the amount so payable at the same time as that amount is payable by the Seller´s Group to the counterparty.

5.8.4 Notwithstanding any provision in this Agreement to the contrary, none of the limitations of liability contained in Clause 10 shall apply to any claim by the Purchaser pursuant to this Clause 5.8.

5.9 SevenVentures

5.9.1 The Relevant Seller shall procure that Wimdu GmbH makes an offer to negotiate and implement a full and final cash settlement and release in respect of SevenVentures Rights prior to Closing.

5.9.2 The Relevant Seller shall procure that Wimdu GmbH makes an offer to Seven Ventures in full and final settlement and release of the SevenVentures Rights, the offer to be made no later than 20 Business Days after the date of this Agreement and to be for the payment of a cash sum only (the "**Seven Ventures Offer**"). Prior to making the Seven Ventures Offer the Relevant Seller shall consult in good faith with the Purchaser with respect to the amount of the Seven Ventures Offer and take reasonable account of the views of the Purchaser in relation to the amount of the Seven Ventures Offer.

5.9.3 The Seven Ventures Offer shall be made in good faith with the intention of agreeing full and final settlement prior to Closing, having regard to the SevenVentures Rights in the context of the Transaction. The Seller shall procure that Wimdu GmbH shall engage in good faith negotiations for a reasonable period after the Seven Ventures offer to the extent that there is a reasonable belief that agreement can be reached.

5.9.4 The Seller shall keep the Purchaser reasonably informed of any discussions with SevenVentures in relation to the SevenVentures Rights, such obligation to include providing the Purchaser without delay with copies of all written (including email) exchanges with SevenVentures and a reasonably detailed summary of any meetings (including by telephone) with SevenVentures.

5.9.5 If the Seven Ventures Offer is not accepted by Seven Ventures prior to the Closing Date, no Relevant Seller shall have any further obligations in relation to the Seven Ventures Rights. If the Seven Ventures Offer is accepted prior to the Closing Date, the Relevant Seller shall settle such amounts due to Seven Ventures pursuant to the Seven Ventures Offer as soon as reasonably practicable.

5.10 LTIP
Payments

The Seller will or will procure that on or around the Effective Time: (i) any awards held under the LTIP by Employees (the **"LTIP Awards**") will vest in full; (ii) subject to sub-paragraph (iii), those LTIP Awards will be settled in shares (the " **Award Shares**"); and (iii) in respect of each such Employee, a number of Award Shares whose aggregate value is equal to the income or withholding taxes and employee's national insurance or social security contributions arising on vesting or settlement of such Employee's LTIP Award (such value being the " **LTIP Tax Liability** ") will be withheld from the Award Shares to be transferred to such Employee.

6 Closing

6.1 Date and Place

Closing shall take place at the London offices of Kirkland & Ellis International LLP or such other location as may be agreed between the Purchaser and the Seller on the earliest date that is the 1st Business Day of the month (being a month after April 2018) that falls at least five Business Days following notification of the fulfilment or waiver of the conditions set out in Clause 4.1, or at such other location, time or date as may be agreed between the Purchaser and the Seller; provided that the Seller in its sole discretion may, if the Seller has a reasonable belief that postponing Closing may reduce the Group's post-Closing collateral requirements as described in Schedule 12, postpone Closing to the 1st Business Day of a later month (prior to the Long Stop Date) by serving notice in writing on the Purchaser at least 5 Business Days before the date on which Closing was expected to take place in accordance with this Clause 6.1, postponing Closing to that later date.

6.2 Closing Events

On Closing, or before Closing with effect as of Closing, the parties shall comply with their respective obligations specified in Part 2 of Schedule 6 in relation to the Group Companies. The Seller may waive some or all of the obligations of the Purchaser as set out in Schedule 6 and the Purchaser may waive some or all of the obligations of the Seller or the Relevant Sellers as set out in Schedule 6.

6.3 Payment on Closing and initial allocation of the Purchase Price

6.3.1 On Closing the Purchaser shall pay (in accordance with Clause 16.6) an amount in cleared funds to the Relevant Sellers which is equal to:

(a) the Bid Amount;

plus

(b) the Estimated Cash and the Estimated Intra-Group Financing Receivables;

minus

(c) the Estimated Third Party Indebtedness and the Estimated Intra-Group Financing Payables;

minus

(d) provided the Seller Group has not retained the JVH Group pursuant to paragraph 7 of Schedule 12 and only if no notice under Clause 6.4.2 has been given, the Low Estimated Ring-fenced Amount;

minus

(e) provided the Seller Group has not retained the JVH Group pursuant to paragraph 7 of Schedule 12 and only if a notice under Clause 6.4.2 has been given, an amount equal to:

(i)90% of the Actual Ring-fenced Amount, if 90% of the Actual Ring-fenced Amount is less than or equal to the High Estimated Ring-fenced Amount; or

(ii)the High Estimated Ring-fenced Amount plus 100% of the difference between the Actual Ring-fenced Amount and the High Estimated Ring-fenced Amount divided by 0.9, if 90% of the Actual Ring-fenced Amount is more than the High Estimated Ring-fenced Amount,

provided that such amount may not exceed an amount equal to the Actual Ring-fenced Amount;

plus or minus

(f)the Estimated Working Capital Adjustment.

6.3.2 The Purchase Price shall initially be allocated in accordance with paragraph 1 of Schedule 5.

6.4 Notifications to determine payments on Closing

6.4.1 Five Business Days prior to Closing, the Seller shall notify the Purchaser of the following in the form of a statement prepared in accordance with Part 2 of Schedule 7 of:

(a)the Estimated Cash;

(b)the Estimated Third Party Indebtedness;

(c)the Estimated Intra-Group Financing Receivables;

(d)the Estimated Intra-Group Financing Payables;

(e)the Estimated Working Capital; and

(f)the Estimated Working Capital Adjustment,

together with reasonable supporting information for the calculation of the items set out in this Clause 6.4.1, for the Purchaser's review for obvious error or mis-statement.

In addition, if there is a reasonable expectation that Closing may take place the next calendar month, the Seller shall provide the Purchaser with informal estimates of the amounts referred to under (a) to (f), 15 Business Days prior to the expected Closing Date.

6.4.2 Provided the Seller Group has not retained the JVH Group pursuant to paragraph 7 of Schedule 12, if the Actual Ring-fenced Amount has been determined prior to the date falling five Business Days prior to Closing, then the Purchaser shall, on or before the date falling five Business Days prior to Closing, deliver to the Seller a notice setting out the Actual Ring-fenced Amount.

6.4.3 On Closing:

(a) the Purchaser shall procure that each relevant Group Company repays to the relevant member of the Seller's Group the amount of any Estimated Intra-Group Financing Payables and shall acknowledge on behalf of each relevant Group Company the payment of the Estimated Intra-Group Financing Receivables in accordance with Clause 6.4.3(b); and

(b) the Relevant Sellers shall procure that each relevant member of the Seller's Group repays to the relevant Group Company the amount of any Estimated Intra-Group Financing Receivables and shall acknowledge on behalf of each relevant member of the Seller's Group the payment of the Estimated Intra-Group Financing Payables in accordance with Clause 6.4.3(a).

6.4.4 The repayments made pursuant to Clause 6.4.3 shall be adjusted in accordance with Clause 7.4 when the Closing Statement becomes final and binding in accordance with Clause 7.2.1.

6.4.5 Provided the Seller Group has not retained the JVH Group pursuant to paragraph 7 of Schedule 12, the Seller shall procure that the Cash Balances of the ATOL Holders at Closing shall be at least equal to the Low Estimated Ring-fenced Amount (if no notice under Clause 6.4.2 has been given) or such amount as the ATOL Holders have agreed with the Civil Aviation Authority shall be subject to restrictions prohibiting it from being spent, distributed, loaned or released by the ATOL Holders immediately following Closing (if a notice under Clause 6.4.2 has been given), such amount to be split between bank accounts controlled by the ATOL Holders in such proportions as may be notified to the Seller by the Purchaser at least five Business Days prior to Closing and, failing such notification, as the Seller shall determine.

6.5 Breach of Closing Obligations

6.5.1 If any party fails to comply with any material obligation in Clauses 6.2 and 6.3 and Schedule 6 in relation to Closing, the Purchaser, in the case of non-compliance by the Seller or any Relevant Seller, or the Seller, in the case of non-compliance by the Purchaser, shall be entitled in addition to and without prejudice to all other rights or remedies available) by written notice to the Seller or the Purchaser, as the case may be:

(a) to effect Closing so far as practicable having regard to the defaults which have occurred; or

(b) to fix a new date for Closing (not being more than 20 Business Days after the agreed date for Closing and provided such date is prior to the Long Stop Date) in which case:

(i) the provisions of Schedule 6 shall apply to Closing as so deferred but provided such deferral may only occur once; and

(ii) if a party from the same group as that entity which originally failed to comply (being any Relevant Seller (on the one hand) or the Purchaser (on the other hand)) fails to comply with any material obligation in Clauses 6.2, 6.3 or Schedule 6 in relation to the deferred Closing, then the non-defaulting party shall be entitled to terminate this Agreement (other than the Surviving Clauses) without liability on its part or on the part of those on whose behalf

notice is served. Save as aforesaid or as otherwise provided, neither the Relevant Sellers nor the Purchaser shall have any right to terminate or rescind this Agreement.

6.5.2 If this Agreement is terminated in accordance with Clause 6.5.1(b)(ii) all obligations in respect of Closing shall end, save in respect of rights and liabilities which have accrued before termination.

6.6 Purchaser's Financing Arrangements

6.6.1 The Purchaser confirms that:

(a) it has, on or prior to the date of this Agreement, provided the Seller with true and complete copies of the signed commitment papers in connection with the Financing (excluding any fee letters or syndication letter) (the "**Commitment Papers**") and undertakes that it will, at Closing, exercise its rights under the Commitment Papers and any facilities agreement entered into in connection therewith to drawn down the funding committed thereunder; and

(b) it has available loan facilities (and equity commitments), as reflected in the Commitment Papers (and the Equity Commitment Letter and together with any corresponding long-form financing documents, the "**Purchaser Financing Documents**") and the Purchaser Financing Documents will at Closing provide, in immediately available funds (the "**Funds**"), the necessary cash resources (after deducting any fees and/or other costs payable at Closing from such cash resources) to pay the amount due under Clause 6.3.1 on Closing and are not subject to any conditions to drawdown not contained in the Purchaser Financing Documents.

7 Post-Closing Adjustments

7.1 Closing Statements

The Purchaser shall procure that following Closing there shall be drawn up a draft of the Closing Statement (the "**Draft Closing Statement"**) in accordance with Part 1 of Schedule 7 in relation to the Group Companies.

7.2 Determination of Closing Statement

7.2.1 The Draft Closing Statement as agreed or determined pursuant to paragraph 4 of Part 1 of Schedule 7:

(a) shall constitute the Closing Statement for the purposes of this Agreement; and

(b) shall be final and binding on the parties.

7.2.2 The Working Capital, the Group Companies' Cash Balances, the Third Party Indebtedness, the Intra-Group Financing Receivables and the Intra-Group Financing Payables shall be as set out in the Closing Statement.

7.3 Adjustments to Purchase Price

7.3.1 Group Companies' Cash Balances:

(a) if the Group Companies' Cash Balances are less than the Estimated Cash, the Relevant Sellers shall repay to the Purchaser an amount equal to the deficiency; or

(b) if the Group Companies' Cash Balances are greater than the Estimated Cash, the Purchaser shall pay to the Relevant Sellers an additional amount equal to the excess.

7.3.2 Intra-Group Financing Receivables:

(a) if the Intra-Group Financing Receivables are less than the Estimated Intra-Group Financing Receivables, the Relevant Sellers shall repay to the Purchaser an amount equal to the deficiency; or

(b) if the Intra-Group Financing Receivables are greater than the Estimated Intra-Group Financing Receivables, the Purchaser shall pay to the Relevant Sellers an additional amount equal to the excess.

7.3.3 Third Party Indebtedness:

(a) if the Third Party Indebtedness is greater than the Estimated Third Party Indebtedness, the Relevant Sellers shall repay to the Purchaser an amount equal to the excess; or

(b) if the Third Party Indebtedness is less than the Estimated Third Party Indebtedness, the Purchaser shall pay to the Relevant Sellers an additional amount equal to the deficiency.

7.3.4 Intra-Group Financing Payables:

(a) if the Intra-Group Financing Payables are greater than the Estimated Intra-Group Financing Payables, the Relevant Sellers shall repay to the Purchaser an amount equal to the excess; or

(b) if the Intra-Group Financing Payables are less than the Estimated Intra-Group Financing Payables, the Purchaser shall pay to the Relevant Sellers an additional amount equal to the deficiency.

7.3.5 Working Capital:

(a) if the Working Capital is less than (or more negative than) the Estimated Working Capital, the Relevant Sellers shall repay to the Purchaser an amount equal to the deficiency; or

(b) if the Working Capital exceeds (or is less negative than) the Estimated Working Capital, the Purchaser shall pay to the Relevant Sellers an additional amount equal to the excess.

7.4 Adjustments to repayment of Intra-Group Financing Payables and Intra-Group Financing Receivables

7.4.1 Following the determination of the Closing Statement pursuant to Clause 7.2 and paragraph 4 of Part 1 of Schedule 7, if the amount of any Intra-Group Financing Payable and/or any Intra-Group Financing Receivable contained in that Closing Statement is greater or less than the amount of the corresponding Estimated Intra-Group Financing Payable or Estimated Intra-Group Financing Receivable, then the Relevant Sellers and the Purchaser shall procure that such adjustments to the repayments pursuant to Clause 6.4.3 are made as are necessary to ensure that (taking into account such adjustments and any amounts settled since Closing, other than in accordance with Clause 6.4.3) the actual amount of each Intra-Group Financing Payable and each Intra-Group Financing Receivable has been repaid by each relevant Group Company to the relevant member of the Seller's Group or by the relevant member of the Seller's Group to the relevant Group Company, as the case may be.

7.5 Interest

7.5.1 Any payment to be made in accordance with Clause 7.3.1, 7.3.3 or 7.3.5 shall include interest thereon calculated from the Closing Date to the date of payment at a rate per annum of 1 per cent above USD LIBOR. Such interest shall accrue from day to day.

7.5.2 Any payment to be made in accordance with Clause 7.3.2 or 7.3.4 shall include interest thereon calculated from the Closing Date to the date of payment at the rate per annum applicable to the relevant Intra-Group Financing Payable or Intra-Group Financing Receivable or, where the relevant Intra-Group Financing Payable or Intra-Group Financing Receivable is non-interest bearing, at a rate per annum of 1 per cent above USD LIBOR. Such interest shall accrue from day to day.

7.6 Post-Closing Ring-fenced Amount Adjustment

7.6.1 Provided the Seller Group has not retained the JVH Group pursuant to paragraph 7 of Schedule 12 and if no notice has been given under Clause 6.4.2, then within five Business Days of the first date upon which written agreement has been reached with each of the Authorities pursuant to Clause 5.6.2, the Purchaser shall notify the Seller of the Actual Ring-fenced Amount (the "**Ring-fenced Amount Notice**").

7.6.2 In respect of the Ring-fenced Amount Notice:

(a) If 90% of the Actual Ring-fenced Amount, is less than or equal to the Low Estimated Ring-fenced Amount, then the Purchaser shall pay to the Relevant Sellers the difference between the Low Estimated Ring-fenced Amount and 90% of the Actual Ring-fenced Amount;

(b) if 90% of the Actual Ring-fenced Amount is greater than the Low Estimated Ring-fenced Amount but less than or equal to the High Estimated-Ring Fenced Amount, then the Relevant Sellers shall pay to the Purchaser an amount equal to the difference between 90% of the Actual Ring-fenced Amount and the Low Estimated Ring-fenced Amount; or

(c) if 90% of the Actual Ring-fenced Amount is greater than the High Estimated Ring-fenced Amount, then the Relevant Seller shall pay to the Purchaser the High Estimated Ring-fenced Amount plus 100% of the difference between the Actual Ring-fenced Amount and the High Estimated Ring-

fenced Amount divided by 0.9 (provided that such amount may not exceed an amount equal to the Actual Ring-fenced Amount), less the Low Estimated Ring-fenced Amount.

7.6.3 If at any time prior to the date falling 4 years after the Closing Date:

(a) the Purchaser (or an Affiliate of the Purchaser) transfers (directly or indirectly (including, but not limited to, beneficial or contractual transfers)) a Controlling Interest in any member of the ATOL Holders to any other person, the Purchaser shall pay to the Relevant Sellers an amount equal to 60 per cent. of the amount, if any, by which X exceeds Y (where X is an amount equal to 90% of the Actual Ring-fenced Amount (pro-rated to correspond with the percentage transferred if such Controlling Interest is less than 100%) and Y is an amount equal to the amount (if any) the Purchaser (or its Affiliate) has agreed to pay (or deduct from the price due to it or represents cash or other asset or value required to be delivered for no or reduced consideration (including for example as part of a working capital or minimum cash requirement) to the person acquiring such Controlling Interest in the ATOL Holders for the purpose of meeting any cash restriction or other condition imposed on such acquirer of such Controlling Interest in an ATOL Holder (or its Affiliates) by the Civil Aviation Authority in connection with an ATOL licence of an ATOL Holder; or

(b) the ATOL licence of an ATOL Holder is not renewed, is withdrawn or surrendered and, as a result, there is no requirement imposed by the Civil Aviation Authority on an ATOL Holder to ring fence the Actual Ring-fenced Amount (or another amount), the Purchaser shall pay to the Relevant Sellers an amount equal to the difference between 90% of the Actual Ring-fenced Amount and the then cash ring-fencing requirements imposed on the relevant ATOL Holder at that time (which may be zero).

7.7 Payment and allocation

7.7.1 Any payment pursuant to Clause 7.3, and any interest payable pursuant to Clause 7.5, shall be made on or before the Final Payment Date. Any payment pursuant to Clause 7.6 shall be made on or before the date falling ten Business Days after the date of the Ring-fenced Amount Notice.

7.7.2 The parties agree that, once the Closing Statement is agreed or determined pursuant to paragraph 4 of Part 1 of Schedule 7, the sums which the Purchaser and Relevant Sellers are respectively obliged to pay pursuant to Clauses 7.3 to 7.5 shall be aggregated and netted off against each other. Whichever of the Relevant Sellers or the Purchaser are then left with any payment obligation under Clauses 7.3 to 7.5, it shall make the applicable payment(s).

7.7.3 Where any payment is required to be made pursuant to Clause 7.3 or 7.6:

(a) the payment made on account of the Purchase Price shall be reduced or increased accordingly; and

(b) the allocation of the Purchase Price shall be adjusted in accordance with paragraphs 2 and 3 of Schedule 5.

8 Post-Closing Obligations

Release of Guarantees etc.

8.1.1 Subject to Clause 5.2, each of the Relevant Sellers undertakes to procure that, between the date of this Agreement and Closing no new securities, guarantees or indemnities shall be given by any member of the Seller's Group in connection with a liability of any of the Group Companies, without the prior written consent of the Purchaser.

8.1.2 Subject to Clause 8.1.3, the Purchaser and the Sellers shall use reasonable endeavours to procure by Closing or, to the extent not done by Closing, as soon as practicable thereafter, the release of the Relevant Sellers or any member of the Seller's Group (other than a Group Company) from the guarantees listed in Part II and Part III of Schedule 12 if such guarantees are replaced by a Permanent Solution. Pending such release the Purchaser shall indemnify the Relevant Sellers and any member of the Seller's Group (on an after-Tax basis) on demand against all amounts paid by any of them after the Effective Time pursuant to any such securities, guarantees and indemnities in respect of such liability of the Group Companies. If following Closing there are guarantees by any member of the Seller's Group for the benefit of any Group Company which have been replaced by a Permanent Solution or which are subject to the provisions of paragraph 15.1 of Schedule 12 and which have not been released pursuant to this Clause 8.1.2, then, subject to the provisions of Schedule 12, the Seller's Group shall have no obligation to retain such guarantees and shall be entitled to deal with them as it (in its sole discretion) determines.

8.1.3 The Relevant Sellers shall use best endeavours to procure by Closing or, to the extent not done by Closing, as soon as practicable thereafter, the release of the Group Companies from any securities, guaranties or indemnities given by or binding upon the Group Companies in respect of any liability of the Relevant Sellers or any member of the Seller's Group (other than another Group Company). Pending such release, the Relevant Sellers shall indemnify the Group Companies (on an after-Tax basis) on demand against all amounts paid by any of them pursuant to any such securities, guarantees and indemnities in respect of such liability of the Relevant Sellers.

8.2 The Relevant Sellers' Continuing Obligations

Notwithstanding Closing:

8.2.1 the Relevant Sellers shall, pending registration of the Purchaser as owner of the relevant Shares, exercise all voting and other rights in relation to the Shares after Closing in accordance with the Purchaser's instructions;

8.2.2 the Relevant Sellers agree to provide any records or information (or copies of such records or information) in their possession at the relevant time as may be reasonably requested by the Purchaser and which relate solely to the Group Companies in order for the Purchaser and the Group Companies to perform any audit or comply with any audit, filing and/or reporting obligations in respect of events occurring prior to Closing;

8.2.3 except as provided in Schedule 3 and Schedule 4, if any property, right or asset exclusively related to the business of the Group with a value in excess of US$100,000 (other than any property, right or asset expressly excluded from the sale under this Agreement) has not been transferred to the Group, provided the Seller has received notice in writing within 18 months of Closing, then the Relevant Sellers shall (or shall procure the) transfer such property, right or asset as soon as practicable to a member of the Purchaser's Group nominated by the Purchaser reasonably acceptable to the Seller, with commercially reasonable efforts having been made to obtain any necessary third party consents;

8.2.4 subject to the Brand Licence and except as provided in Schedule 3 and Schedule 4, if any property, right or asset (other than a real estate asset) predominantly related to the business of the Group with a value in excess of US$100,000 (other than any property, right or asset expressly excluded from the sale under this Agreement) has not been transferred to the Group, provided the Seller has received notice in writing within 18 months of Closing, then the Relevant Sellers shall grant (or shall procure the grant of) a perpetual, non-exclusive licence (subject to costs on a pass-through basis only) to the Group to use such property, right or asset in the manner and territories previously used by the Group, limited to a maximum period of 36 months following Closing;

8.2.5 the Relevant Sellers agree to indemnify and keep indemnified the Purchaser and each member of the Purchaser's Group (on an after-Tax basis) on demand against any fines, penalties or other Losses suffered or incurred by any member of the Purchaser's Group arising out of or in connection with the historic listing of Cuban or Iranian rental properties on the Wimdu GmbH website prior to Closing;

8.2.6 the Relevant Sellers agree to indemnify and keep indemnified the Purchaser and each member of the Purchaser's Group (on an after-Tax basis) on demand against any Losses (other than with respect to Tax) suffered or incurred by any member of the Purchaser's Group arising out of or in connection with the Outstanding Pre-Sale Re-Organisation Steps to the extent they are not reimbursed for such Losses pursuant to any insurance policy (and, for the avoidance of doubt, any deductible on this policy shall be covered under this indemnity to the extent of such deductible); and

8.2.7 the Relevant Sellers agree to: (x) procure that the relevant member of the Seller's Group (as referred to in the definitions of "Notified UK Group Relief Amount" and "Notified UK Group Tax Arrangement Amount") promptly takes any and all steps necessary or expedient in order to validly effect the intended surrender or apportionment referred to in such definitions (as relevant); and (y) indemnify and keep indemnified the Purchaser and each member of the Purchaser's Group (on an after-Tax basis and disregarding the limitations of liability contained in Clause 10) on demand against any Taxes or other Losses suffered or incurred in connection with any failure to validly effect such intended surrender or apportionment (including, for the avoidance of doubt, any failure (for whatever reason) of the surrender or apportionment to reduce or extinguish a liability to United Kingdom corporation tax of the relevant Group Company) provided that this shall not apply to the extent that any failure is caused by any action or omission of any Group Company after Closing or any other member of the Purchaser's Group (for the avoidance of doubt, excluding any Group Company) at any time. For the avoidance of doubt, any amount payable under this Clause 8.2.7 shall not be taken into account under, and shall have no effect for the purposes of, Clause 10.

8.3 The Purchaser's Continuing Obligations

8.3.1 The Purchaser shall procure that:

(a) as soon as practicable after the Closing Date and in any event within 5 Business Days, the required legal documentation is filed with the applicable public registers to effect a name change of any Group Company which consists of or incorporates the Wyndham Names and Marks to a name which does not include that word or any mark, name or logo which, in the reasonable opinion of the Relevant Sellers, is substantially or confusingly similar, and the Purchaser shall provide the Seller with appropriate evidence of the filing of such documents;

(b) as soon as practicable after the Closing Date, each of the Group Companies shall, save as permitted by the terms of the Brand Licence Agreements and/or the Rewards Agreements, cease to use or display in any way whatsoever the Wyndham Names and Marks or any mark, name or logo which, in the reasonable opinion of the Relevant Sellers, is substantially or confusingly similar, provided that the Purchaser shall have twelve (12) months from the Closing Date to procure that the Wyndham Names and Marks are removed from all assets acquired by the Purchaser pursuant to this Agreement or any Local Transfer Document (including all letterheads, purchase orders, invoices, websites and other digital assets, stationary, advertising and marketing materials, vehicles, uniforms, signs and packaging and other communications and documents) and from all premises occupied by the Purchaser, the Group Companies or any other member of the Purchaser's Group in connection with the Group. The Seller shall procure that for a period of twelve (12) months from and including the Closing Date, redirections are established and maintained from any domain name used by the Group Companies prior to the Closing Date which includes the Wyndham Names and Marks to such domain name that is requested by the Purchaser.

8.3.2 The Purchaser agrees (and shall procure that the Group Companies and each member of the Purchaser's Group agrees and shall act on the following basis):

(a) save as permitted by the terms of the Brand Licence Agreements and/or the Rewards Agreements, that the Purchaser, the Group Companies and the Purchaser's Group have no rights in or to the Wyndham Names and Marks and will not contest the ownership or validity of any rights of the Seller's Group in or to the Wyndham Names and Marks;

(b) save as permitted by the Brand Licence Agreements and/or the Rewards Agreements, not, expressly or by implication, to do business as or represent themselves as any member of the Seller's Group or any person connected with the Seller's Group.

8.3.3 The Purchaser agrees to indemnify and keep indemnified (on an after-Tax basis) each member of the Seller's Group against any and all liabilities, losses, damages, claims, demands, proceedings, judgments and reasonable third party costs and expenses (including reasonable legal costs) which any member of the Seller's Group incurs or suffers in connection with a breach of Clauses 8.3.1 and/or 8.3.2 .

8.3.4 The Purchaser agrees to indemnify and keep indemnified (on an after-Tax basis) each member of the Seller's Group on demand against any and all Losses (other than those relating to any deferred consideration payments or "earn-out" amounts due pursuant to clause 3.3 of the share purchase agreement dated 26 November 2016 relating to the acquisition of all shares in Wimdu GmbH between Pointlux S.à r.l. and 9flats.com PTE Ltd. (the "**Wimdu SPA**")) which any member of the Seller's Group incurs or suffers after the Closing Date in connection with the Wimdu SPA (as assigned pursuant to the Wimdu Assignment Agreement).

8.3.5 Provided that the Purchaser still controls the Group at the relevant time, the Purchaser shall use reasonable endeavours to, and shall procure that the relevant Group Companies shall use reasonable endeavours to, retain for a period of 7 years from Closing the books, records and documents of the Group to the extent they relate to the period prior to Closing and shall, and shall procure that the relevant Group Companies shall, if reasonably requested by the Seller or the Relevant Sellers, allow the Seller and the Relevant Sellers reasonable access to such books, records and documents, including the right to take copies, at the Seller's or the Relevant Sellers' expense, (i) for the purposes of complying with any reporting or filing obligations relating to accounting or regulatory matters; (ii) in order to negotiate, refute, settle, compromise or otherwise deal with any claim, investigation or enquiry by a regulatory authority regarding the Seller´s Group; and (iii) in order to determine any deferred consideration payments or "earn-out" amount under, or otherwise in connection with, the Wimdu SPA (as assigned pursuant to the Wimdu Assignment Agreement).

8.3.6 If, following Closing, any property, right or asset with a value in excess of US$100,000, other than cash or cash equivalents and any other asset to the extent included in the Closing Statement, is found to have been transferred to the Purchaser's Group (including the Group) in error and:

(a) such property, right or asset is exclusively related to the business of the Seller´s Group, the Purchaser shall, provided it has received notice in writing within 18 months of Closing, procure the transfer of such property, right or asset as soon as practicable to a member of the Seller's Group nominated by the Seller, with commercially reasonable efforts having been made to obtain any necessary third party consents; or

(b) such property, right or asset is predominantly related to the business of the Seller´s Group the Purchaser shall, provided it has received notice in writing within 18 months of Closing, grant or procure the grant of a perpetual, non-exclusive licence (subject to costs on a pass-through basis only) to the Seller's Group to use such property, right or asset in the manner and territories previously used by the Seller's Group, limited to a maximum period of 36 months following Closing.

8.3.7 The Purchaser shall process any personal data which is transferred to the Purchaser by any Relevant Seller in connection with the Transaction:

(a) in accordance with Data Protection Legislation; and

(b) for purposes compatible with the purposes for which it was processed on the Closing Date, save to the extent the Purchaser has obtained consent

from the relevant individual to the new purpose or it is otherwise compliant with Data Protection Legislation.

8.4 Repayment of Intra-Group Trading Payables and Receivables

8.4.1 The Purchaser shall procure that each relevant Group Company repays to the relevant member of the Seller's Group the amount of any Intra-Group Trading Payables in the ordinary course of trading; and

8.4.2 The Relevant Sellers shall procure that each relevant member of the Seller's Group repays to the relevant Group Company the amount of any Intra-Group Trading Receivables in the ordinary course of trading.

8.5 Protection of Directors

8.5.1 Following Closing, the Purchaser shall ensure that any indemnity and/or immunity provisions contained in the memorandum and articles of association (or similar constitutional documents) of each Group Company of which a Company Director was an officer or director prior to Closing are not amended, repealed or modified in any manner that would adversely affect the rights of any Company Director.

8.5.2 For six years from Closing, the Purchaser shall ensure that each Group Company maintains in force such "run off" directors' and officers' liability insurance policies as will enable each Company Director to make claims arising out of a Pre-Closing Event under those policies on terms and conditions that are no less advantageous to the Company Director, taken as a whole, than the directors' and officers' liability insurance policies maintained by the Group Companies as at the date of this Agreement.

8.5.3 The Purchaser shall (and shall ensure that each Group Company shall), from and after Closing and to the fullest extent permitted in accordance with Applicable Laws, waive, release and discharge each Company Director, any other Seller's Group Director and each employee on whom the Seller or the Relevant Seller (as applicable) may have relied in negotiating this Agreement from any and all claims, demands, proceedings, causes of action, orders, obligations and liabilities arising out of any Pre-Closing Event which any Group Company or the Purchaser or any member of the Purchaser's Group has or may at any time have had against any such Company Director or Seller's Group Director or employee except in the case of fraud by such Company Director, Seller's Group Director or employee. Nothing in this Clause 8.5.3 shall limit the ability of the Purchaser to bring any claim against any adviser to the Seller or Relevant Seller or a Group Company, to the extent such adviser has prepared a report or other documentation for the specific benefit of the Purchaser or a Group Company in connection with the Proposed Transaction (subject always to the terms of the relevant reliance letter entered into between the Purchaser and the relevant adviser and/or terms of engagement of the relevant adviser).

8.5.4 Save in the case of fraud and subject to Closing taking place, each Relevant Seller undertakes to the Purchaser and to the Group Companies to waive any rights, remedies or claims it may have in respect of misrepresentation, inaccuracy or omission in or from any information or advice supplied or given by (i) a Group Company or its directors, officers or employees in connection with the entering into any of the Transaction Documents or (ii) any adviser of a Group Company, only to the extent any such claim would result in a claim or indemnity claim from such

adviser against a Group Company pursuant to applicable terms of engagement or otherwise.

8.5.5 The provisions of Clause 8.5 are in addition to, and not in substitution for, any other rights to indemnification or contribution that any Company Director may have at law, by contract or otherwise.

8.6 Except where already provided in accordance with Clause 5.4.4, the Purchaser shall procure that each relevant Group Company (which, for the avoidance of doubt, shall exclude each member of the JVH Group to the extent retained by the Seller Group pursuant to paragraph 7 of Schedule 12) provides such information as is reasonably required by each of the Authorities relating to any of the events taking place at or around Closing, including the following:

8.6.1 that each of the ABTA Members shall provide notice in writing to ABTA Limited of the change in beneficial ownership of the ABTA Members and the Group Companies, such notice to be served by email to membership@abta.co.uk within 7 days of the Closing Date;

8.6.2 that each of the ABTA Members shall provide notice in writing to ABTA Limited of any change to (i) its officers; or (ii) its name, in each case which takes effect at or around the Closing Date, such notice to be served by email to membership@abta.co.uk within 14 days of such change taking effect;

8.6.3 that each of the ATOL Holders shall provide notice in writing to the Civil Aviation Authority of any change to (i) its registered office; (ii) its auditors or accountants; (iii) its bank; or (iv) the names of any of the Group Companies, in each case which takes effect at or around the Closing Date, such notice to be served by email to renewals.atol@caa.co.uk within 3 Business Days of such change taking effect; and

8.6.4 that JVH shall provide notice in writing to the Commission for Aviation Regulation confirming (i) that a change in the beneficial ownership of JVH has taken place; (ii) the identity of the new beneficial owner and its group structure; and (iii) the details of any changes to the officers of JVH, such notice to be served by recorded delivery to Commission for Aviation Regulation, 3 Earlsfort Terrace, Saint Kevin's, Dublin, Ireland within 3 days of the Closing Date.

8.7 Relationship with the Seller's Group

The Seller confirms that upon Closing, no member of the Group shall have any liability or owe any amount to or in respect of (including under any guarantee or indemnity) such Seller or any other member of the Seller's Group and that neither it nor any member of the Seller's Group has any claim or right of action of any kind whatsoever against any Group Company or any of its directors or employees and to the extent that any such claim or right of action exists or may exist, the Seller hereby irrevocably waives any and all such claims and rights of action (also on behalf of the other members of the Seller's Group), other than this Agreement or any other Transaction Document and the Transitional Services Agreement, the New Wyndham Home Exchange Agreement, the Brand Licence Agreements, the Rewards Agreements and the current agreements between the Group Companies and members of the Seller's Group on arm's length terms, for the provision of services in the ordinary course of the Group's business to the Seller's Group or Fairly Disclosed in the Data Room, which will remain in full force and effect notwithstanding Closing on the terms applicable prior to Closing.

9 Warranties and Indemnities

9.1 The Sellers' Warranties

9.1.1 Subject to Clause 9.2, the Relevant Sellers (which for the purposes of Clauses 9, 10 and 11 shall include the Seller) warrant to the Purchaser that the Statements set out in Schedule 8 are true and accurate as of the date of this Agreement.

9.1.2 Each Relevant Seller gives the Sellers' Warranties only to the extent that the Sellers' Warranties or a breach of the Sellers' Warranties relate to or affect the Shares (including the relevant underlying businesses) it agrees to sell under this Agreement. The Seller in addition to the Sellers' Warranties to the extent they relate to Shares being specifically transferred by the Seller gives the Sellers' Warranties to the extent that the Sellers' Warranties or breach of the Sellers' Warranties do not relate to or affect any Shares (including the relevant underlying businesses).

9.1.3 Each of the Sellers' Warranties shall be separate and independent and shall not be limited by reference to any other paragraph of Schedule 8 or by anything in this Agreement or any Local Transfer Document.

9.1.4 Neither the Seller nor any Relevant Seller gives or makes any warranty or representation as to the accuracy of the forecasts, estimates, projections, statements of intent or statements of opinion provided to the Purchaser or any of their respective directors, officers, employees, agents or advisers on or prior to the date of this Agreement, including in the documents provided in the Data Room.

9.1.5 Any Sellers' Warranty qualified by the expression "so far as the Relevant Sellers are aware" or any similar expression shall, unless otherwise stated, be deemed to refer to the actual knowledge of Gail Mandel, Rishi Nigam, Paul Cash, Lisa Calicchio, Mike Toscano, Arjan Bakhuizen, Henry Bankes, Thomas Heerkens, Erik van Essen, Jeroen Mol, Elke Snijder, Bernd Muckenschnabel, Jan Haapanen, Anders Pii, Heidi Heltborg Juul, Klaus Melchior, Geoff Cowley, Garry Adam, Helen Khan, Simon Altham, Allan Lambert, Sadat Hussain, Lynn Catherine Kelly, Daniel Butler, Jan von der Recke, Lone Feldthaus Ronne, Philip Hoeg Kildegaard, Chris Kent, Joep Claessens, Lee Rayson and David James (both with respect to the Tax Warranties), and Loes van Rijsoort.

9.2 Relevant Sellers' Disclosures

9.2.1 The Sellers' Warranties, other than the Title or Capacity Warranties, are subject to the following matters:

(a) all matters which are Fairly Disclosed in the Transaction Documents or in the Data Room;

(b) in respect of a Claim under Clause 9.3.1 only, all matters arising following the date of this Agreement which are Fairly Disclosed in the Completion Disclosure Letter; and

(c) all matters Fairly Disclosed in the VDD Reports.

9.2.2 References in the Disclosure Letter to paragraph numbers shall be to the paragraphs in Schedule 8 to which the disclosure is most likely to relate. Such references are given for convenience only and shall not limit the effect of any of the disclosures, all of which are made against the Sellers' Warranties as a whole.

9.3 Updating of the Sellers' Warranties to Closing

9.3.1 Subject to Clause 9.2, the Relevant Sellers further warrant to the Purchaser that the Sellers' Warranties will be true and accurate at Closing as if they had been repeated at Closing and on the basis that any express or implied reference in any such Sellers' Warranty to the date of this Agreement shall be considered a reference to the Closing Date.

9.3.2 The Relevant Sellers shall prepare and provide to the Purchaser no later than ten Business Days prior to the Closing Date a first draft of the Completion Disclosure Letter together with copies of all documents to be annexed thereto and shall thereafter provide updates regularly until provision of the final version on the Closing Date.

9.4 The Purchaser's Warranties

9.4.1 The Purchaser warrants to the Relevant Sellers that the statements set out in Schedule 9 are true and accurate as of the date of this Agreement.

9.4.2 The Purchaser further warrants to the Relevant Sellers that the warranties set out in Schedule 9 will be true and accurate at Closing as if they had been repeated at Closing.

9.5 Indemnities

9.5.1 Save to the extent any such Loss is provided for in the Closing Statement as Third Party Indebtedness or Working Capital and subject to Clause 11.5, the Relevant Sellers agree to indemnify and keep indemnified each member of the Purchaser's Group (on an after-Tax basis) on demand from and against all Losses incurred, suffered or paid by a member of the Purchaser's Group in connection with:

(a) payments due to any individual, who was a board member of the Novasol Group and whose notice period was increased in December 2017, in respect of his notice period that are in excess of the payment to which he would have been entitled prior to the increase;

(b) any payments due to Andre Offermans in respect of his resignation or the termination of his employment with the Group;

(c) any Relevant Employee or Consent Employee claiming that he is entitled to Wyndham Redundancy Benefit (but not, for the avoidance of doubt, any RCI Redundancy) on being dismissed by a member of the Purchaser's Group at any time after the first anniversary of the Closing Date less any amounts which form part of the Wyndham Redundancy Benefit but which are attributable to other rights such employee would ordinarily have on a redundancy or similar (including statutory severance, notice pay and holiday amounts);

(d) any Employee (other than a Relevant Employee or Consent Employee) claiming that he is entitled to Wyndham Redundancy Benefit or RCI Redundancy on being dismissed by a member of the Purchaser's Group less any amounts which form part of the Wyndham Redundancy Benefit or RCI Redundancy but which are attributable to other rights such employee

would ordinarily have on a redundancy or similar (including statutory severance, notice pay and holiday amounts);

(e) a claim by or in respect of any former employee of the Landal Group for compensation or any other remedy in respect of the misadministration prior to Closing of any Dutch leave savings scheme, plan or arrangement;

(f) (to the extent such Losses are not recovered by the Purchaser Group under the agreement dated 1 July 2016 for the sale and purchase of Dayz ApS between Landal GreenParks Holding BV and BBJ Ferieindustri ApS) any non-compliance by Dayz Sohojlandet Attrakioner & Services ApS with the Collective Labour Agreement of 2012 prior to Closing;

(g) in relation to the criminal prosecution of Jan Haapanen in Italy in relation to tax evasion or the termination of Jan Haapanen's employment, engagement and/or office in connection with such criminal prosecution;

(h) the Historic UK DB Plan; and

(i) issues reported, identified or confirmed by a review by Royal Haskoning DHV of, without limitation, the permits, certificates, licences and notifications required by the Landal Business which commenced on 1 February 2018 and which was not reported, identified or confirmed in the VDD Reports or Disclosure Letter.

10 Limitation of Liability

10.1 Time Limitation for Claims

No Relevant Seller shall be liable for any Claim or Tax Claim unless a notice of the Claim or Tax Claim (as applicable) is given by the Purchaser to the Seller specifying the matters set out in Clause 11.2:

10.1.1 in the case of any Tax Claim, which is a VAT Claim, within 6 years following Closing and, in the case of any other Tax Claim, within 5 years following Closing;

10.1.2 in the case of any Claim for breach of a Title or Capacity Warranty, within 4 years following Closing;

10.1.3 in the case of any other Sellers' Warranty Claim (not being a claim for breach of a Title or Capacity Warranty), within 24 months following Closing;

10.1.4 in the case of any Restrictive Covenant Claim, within 3 years following Closing; and

10.1.5 In the case of any other Claim (not being a Sellers' Warranty Claim or Restrictive Covenant Claim), within 4 years following Closing.

10.2 Minimum Claims

10.2.1 Subject to Clause 10.4, no Relevant Seller shall be liable for any individual Claim (or a series of Claims arising from substantially identical facts or circumstances) where the liability agreed or determined for any such Claim or series of Claims does not exceed US$250,000

10.2.2 Subject to Clause 10.4, where the liability agreed or determined for any such Claim or series of Claims exceeds US$250,000, subject as provided elsewhere in this Clause 10, the Relevant Sellers shall be liable for the amount of the Claim or series of Claims as agreed or determined and not just the excess.

10.3 Aggregate Minimum Claims

10.3.1 Subject to Clause 10.4, no Relevant Seller shall be liable for any Claim unless the aggregate amount of all Claims for which the Relevant Sellers would otherwise be liable exceeds US$1,250,000.

10.3.2 Subject to Clause 10.4, where the liability agreed or determined for all Claims exceeds US$1,250,000 subject as provided elsewhere in this Clause 10, the liability of the Relevant Sellers shall be for the full amount of the Claims as agreed or determined and not just the amount of the excess.

10.4 Claims to de minimis and basket

The limitations set out in Clauses 10.2 and 10.3 do not apply to Tax Claims, Claims for breach of Clauses 2.1, 2.2, 2.3, 3, 5.5.7, 7, 8.4 or 14.2, or Claims for breach of the provisions of Schedule 4.

10.5 Maximum Liability

10.5.1 The liability of each Relevant Seller for any claim for breach of a Title or Capacity Warranty shall not exceed an amount equal to the Purchase Price received by that Relevant Seller, less any amount paid by that Relevant Seller in satisfaction of a Claim pursuant to Clause 10.5.2(c).

10.5.2 The aggregate liability of the Relevant Sellers:

(a) for all Sellers' Warranty Claims (excluding claims for breach of a Title or Capacity Warranty) shall not exceed US$1;

(b) for all Tax Claims (other than Disregarded Tax Claims (as defined in the Tax Indemnity)) shall not exceed US$50,000,000;

(c) for all other Claims (not being a Sellers' Warranty Claim) shall not exceed:

(i) an amount equal to the Purchase Price for any such other Claims for which notice is given by the Purchaser to the Seller in accordance with Clause 10.1 within 18 months following Closing; and

(ii) an amount equal to 20% of the Purchase Price for any such other Claim for which notice is given by the Purchaser to the Seller in accordance with Clause 10.1 after 18 months following Closing,

provided that the aggregate liability of the Relevant Sellers in respect of all claims for breach of or under this Agreement and in respect of a Tax Deed Claim shall in no event exceed an amount equal to the Purchase Price.

10.6 Contingent Liabilities

No Relevant Seller shall be liable for any Sellers' Warranty Claim in respect of any liability which is contingent unless and until such contingent liability becomes an actual liability and is due and payable but this Clause shall not operate to avoid a Warranty Claim made in respect of a contingent liability within the time limit specified in Clause 10.1 and specifying the matters set out in Clause 11.2.

10.7 Losses

No Relevant Seller shall be liable under this Agreement (other than in respect of a Tax Claim, a Sellers' Warranty Claim or a Claim under Clause 5.5.7) in respect of any indirect or consequential losses.

10.8 Provisions

No Relevant Seller shall be liable for any Sellers' Warranty Claim if and to the extent of any amount of any specific and identifiable provision or reserve is made in the Closing Statement for the matter giving rise to the Sellers' Warranty Claim.

10.9 Matters Arising Subsequent to this Agreement

No Relevant Seller shall be liable for any Sellers' Warranty Claim, to the extent that the Sellers' Warranty Claim has arisen as a result of:

10.9.1 Agreed matters

any matter or thing done or omitted to be done pursuant to and in compliance with this Agreement or any other Transaction Document or otherwise at the request in writing or with the approval in writing of the Purchaser;

10.9.2 Acts of the Purchaser

any act, omission or transaction of the Purchaser or any member of the Purchaser's Group or any of the Group Companies, or their respective directors, officers, employees or agents or successors in title, after Closing done, committed or effected:

(a) outside the ordinary and usual course of business; or

(b) otherwise than in order to comply with Applicable Laws or pursuant to a legally binding commitment to which the Group is subject on or before Closing;

10.9.3 Changes in legislation

(a) the passing of, or any change in, after the date of this Agreement any law, rule, regulation or administrative practice of any government, governmental department, agency or regulatory body; or

(b) any change after the date of this Agreement of any generally accepted interpretation or application of any legislation or regulation;

(c) any change after the date of this Agreement of any generally accepted accounting principles, procedure or practice;

10.9.4 Accounting Policies

any change in accounting policy, bases or practice of the Purchaser or any member of the Purchaser's Group introduced or having effect after the date of this Agreement, unless such change follows from the Group's non-compliance with Applicable Laws or general accepted accounting principles in the period prior to Closing that has not been Fairly Disclosed.

10.10 Insurance

Without prejudice to Clause 15, no Relevant Seller shall be liable for any Seller's Warranty Claim, other than claims in respect of a breach of the Title or Capacity Warranties, to the extent that the Losses in respect of which such Seller's Warranty Claim is made are covered by a policy of insurance and an actual recovery is made by the Purchaser´s Group under such policy of insurance.

10.11 Net Financial Benefit

No Relevant Seller shall be liable for any Claim in respect of any Losses suffered by the Purchaser or any of the Group Companies (or any other indemnified person) to the extent of any corresponding savings by or quantifiable net financial benefit to any member of the Purchaser's Group arising from such Losses or the facts giving rise to such Losses but having regard to any delay which may be experienced in enforcing or utilising such saving or net financial benefit (and in the case where the saving or net financial benefit is connected with Taxes, the Relevant Seller shall only be entitled under this Clause 10.11 to a corresponding reduction in its liability for a Claim to the extent that the relevant member of the Purchaser's Group determines (acting reasonably) that it is able to utilise such saving or financial benefit to reduce its liability to pay Taxes (or to receive a refund of Taxes) in the tax year in which the payment for the Claims falls due (the "**Current Tax Year**"), provided that if in the tax year immediately following the Current Tax Year the relevant member of the Purchaser's Group utilises such saving or financial benefit to reduce its liability to pay Taxes (or to receive a refund of Taxes)), the Purchaser shall without unreasonable delay pay to the Relevant Seller an amount equal to the lesser of: (x) such reduction or refund; and (y) any amounts previously paid by the Relevant Seller to a member of the Purchaser's Group in respect of the relevant Claim).

10.12 Mitigation of Losses

Nothing in this Agreement or any Local Transfer Document shall, or shall be deemed to, affect the Purchaser's general obligation under English law to avoid or mitigate any Losses which in the absence of mitigation might give rise to a liability for any claim for breach of or under this Agreement or any Local Transfer Document.

10.13 Purchaser's Right to Recover

10.13.1 Recovery for Actual Liabilities

No Relevant Seller shall be liable to pay an amount in discharge of any Claim unless and until the liability in respect of which the Claim is made has become due and payable.

10.13.2 Prior to Recovery from the Relevant Sellers

If before any Relevant Seller pays an amount in discharge of any Sellers' Warranty Claim, the Purchaser or any Group Company recovers (whether by payment, discount, credit, relief, insurance or otherwise) from a third party a sum which

indemnifies or compensates the Purchaser or Group Company (in whole or in part) for the loss or liability which is the subject matter of the Sellers' Warranty Claim, the Purchaser shall procure that, before steps are taken to enforce the Sellers' Warranty Claim against the Relevant Seller following notification under Clause 11.2 of this Agreement or under any Local Transfer Document, all reasonable steps are taken to enforce recovery against the insurance policy procured by the Purchaser in relation to the Seller's Warranties and covenants contained in the Tax Indemnity, and any actual recovery (less any reasonable costs incurred in obtaining such recovery) shall reduce or satisfy, as the case may be, such Sellers' Warranty Claim to the extent of such recovery, provided that nothing in this Clause 10.13.2 shall preclude the Purchaser from pursuing a Claim against any Relevant Seller.

10.13.3 Following Recovery from the Relevant Sellers

If any Relevant Seller has paid an amount in discharge of any Sellers' Warranty Claim and subsequently the Purchaser or any Group Company is entitled to recover (whether by payment, discount, credit, relief, insurance or otherwise) from a third party a sum which indemnifies or compensates the Purchaser or Group Company (in whole or in part) for the loss or liability which is the subject matter of the Sellers' Warranty Claim, the Purchaser shall procure that all steps are taken as the Relevant Seller may reasonably require to enforce such recovery and shall, or shall procure that the relevant Group Company shall, pay to the Relevant Seller as soon as practicable after receipt an amount equal to (i) any sum recovered from the third party less any costs and expenses incurred in obtaining such recovery or if less (ii) the amount previously paid by the Relevant Seller to the Purchaser less any Taxation suffered by it. Any payment made by the Purchaser to the Relevant Seller under this Clause shall be made or procured by way of further adjustment of the consideration paid by the Purchaser for the Shares and the provisions of Clause 3.4 and Schedule 5 shall apply mutatis mutandis. Notwithstanding this Clause 10.13.3, neither the Purchaser nor any other member of the Purchaser's Group shall be required to take any action or refrain from taking any action, if the Purchaser, or other member of the Purchaser's Group concerned, reasonably considers such action or omission to be unduly onerous or materially prejudicial to it or to its business.

10.14 No Double Recovery and no Double Counting

No party may recover for breach of or under this Agreement or any other Transaction Document or otherwise more than once in respect of the same Losses suffered, and no amount (or part of any amount) shall be taken into account, set off or credited more than once for breach of or under this Agreement or any other Transaction Document or otherwise, with the intent that there will be no double counting for Losses under this Agreement or any other Transaction Document or otherwise.

10.15 Purchaser Knowledge

No Relevant Seller shall be liable for any Seller Warranty Claim to the extent that the Purchaser is aware of the facts, matters or circumstances giving rise to such Claim as at the date of this Agreement.

10.16 Fraud

None of the limitations contained in this Clause 10 shall apply to any claim for breach of or under this Agreement or the Tax Indemnity or any Local Transfer Document to the extent it

arises or is increased as a result of fraud by any Relevant Seller, any Group Company or any of their respective directors, officers, employees or agents.

10.17 Tax Warranty claims

For the avoidance of doubt, (other than with respect to Clauses 10.1, 10.5, 10.12 and 10.16 above) any claims under the Tax Warranties shall be governed by the relevant limitations set out in, and the relevant provisions of, the Tax Indemnity.

11 Claims

11.1 Notification of Potential Claims

Without prejudice to the obligations of the Purchaser under Clause 11.2, if the Purchaser becomes aware of any fact, matter or circumstance that is reasonably likely to give rise to a Claim (ignoring for these purposes the application of Clauses 11.2 or 11.3), the Purchaser shall as soon as reasonably practicable and in any case within 60 days give a notice in writing to the Seller setting out such information as is available to the Purchaser as is reasonably necessary to enable the Seller to assess the merits of the potential Claim, to act to preserve evidence and to make such provision as the Seller or the Relevant Sellers may consider necessary. Failure to give notice within such period shall not affect the rights of the Purchaser to make a Claim except that the failure shall be taken into account in determining the liability of the Relevant Seller for such Claim to the extent the Relevant Seller establishes that it was prejudiced by failure.

11.2 Notification of Claims

Notice of any Claim shall be given by the Purchaser to the Seller within the time limits specified in Clause 10.1 specifying in reasonable detail the legal and factual basis of the Claim and the evidence on which the party relies (including where the Claim is the result of or in connection with a claim by a third party, evidence of the third party claim) and setting out the Purchaser's estimate of the amount of Losses which are, or are to be, the subject of the Claim (including any Losses which are contingent on the occurrence of any future event), provided that any failure by the Purchaser to provide reasonable detail of the nature of the Claim or the amount claimed shall not prevent the Purchaser from being able to give notice of such Claim in accordance with this Clause 11.2, nor shall it operate to limit the Seller's liability to the extent that the Seller has not been prejudiced as a result of a failure to provide reasonable details of, or the amount claimed pursuant to, such Claim in the notice to the Seller.

11.3 Commencement of Proceedings

Any Sellers' Warranty Claim notified pursuant to Clause 11.2 shall (if it has not been previously satisfied, settled or withdrawn) be deemed to be irrevocably withdrawn (i) six months after the notice is given pursuant to Clause 11.2 or (ii) in the case of a claim which has arisen by reason of a liability which is contingent only, six months from the date on which the contingent liability becomes an actual liability, unless at the relevant time legal proceedings in respect of the relevant Sellers' Warranty Claim have been commenced by being both issued and served.

11.4 Tax Warranty claims

The provisions set out in this Clause 11 shall not apply with respect to any claim under the Tax Warranties, which shall instead be governed by the relevant provisions of the Tax Indemnity.

11.5 Conduct of Third Party Claims

If the matter or circumstance that may give rise to a claim as a result of or in connection with a claim by a third party in respect of which any Relevant Seller is obliged to indemnify the Purchaser (or any member of the Purchaser's Group) pursuant to Clause 9.5 of this Agreement (a "**Third Party Claim**") then:

11.5.1 the Purchaser shall consult with the Relevant Seller in relation to the conduct of the Third Party Claim and shall take reasonable account of the views of the Relevant Seller before taking any action in relation to the Third Party Claim; and

11.5.2 only in respect of a Third Party Claim relating to Clause 9.5.1(i):

(a) no admissions in relation to the Third Party Claim shall be made by or on behalf of the Purchaser or any other member of the Purchaser's Group and the Third Party Claim shall not be compromised, disposed of or settled without the written consent of the Relevant Sellers (such consent not to be unreasonably withheld or delayed) to the extent that it would result in liability for any Relevant Seller;

(b) subject to the Relevant Seller indemnifying the Purchaser or other member of the Purchaser's Group concerned against all reasonably and properly incurred costs and expenses (including legal and professional costs and expenses) that may be incurred thereby, the Purchaser shall, or the Purchaser shall procure that any other members of the Purchaser's Group shall, take such action as the Relevant Seller may reasonably request to avoid, dispute, deny, defend, resist, appeal, compromise or contest the Third Party Claim; and

(c) the Relevant Seller shall be entitled at its own expense and in its absolute discretion, by notice in writing to the Purchaser, to take such action as it shall deem necessary to avoid, dispute, deny, defend, resist, appeal, compromise or contest the Third Party Claim (including making counterclaims or other claims against third parties) in the name of and on behalf of the Purchaser or other member of the Purchaser's Group concerned and to have the conduct of any related proceedings, negotiations or appeals.

11.6 Any obligations of the Purchaser pursuant to Clause 11.5 shall not apply where, in the reasonable opinion of the Purchaser (having reasonably consulted with the Relevant Sellers) the relevant action or omission would be materially prejudicial to the business of the relevant member of the Purchaser's Group.

12 Restrictions on the Seller and the Relevant Sellers

12.1 Restrictions

The Seller and the Relevant Sellers undertake with the Purchaser that no member of the Seller's Group will during the Restricted Period directly or indirectly:

12.1.1 be engaged in or be economically interested in a Relevant Business;

12.1.2 induce or seek to induce any present Restricted Employee to become employed by any member of the Seller's Group, whether or not such Restricted Employee would thereby commit a breach of his contract of service, provided that the placing of an advertisement of a post available to the public generally and the recruitment of a

person through an employment agency shall not constitute a breach of this Clause 12 provided that no member of the Seller's Group encourages or advises such agency to approach any Restricted Employee;

12.1.3 hire:

(a) in respect of the first 12 months of the Restricted Period only, any Restricted Employee, and

(b) in respect of the remainder of the Restricted Period, any of Thomas Heerkens, Jeroen Mol, Elke Snijder, Bernd Muckenschnabel, Jan Haapanen, Anders Pii, Klaus Melchior, Geoff Cowley, Garry Adam, Simon Altham or Jan von der Recke,

whether or not such person would thereby commit a breach of his contract of service (except where the employment of such person has been terminated on the initiative of a member of the Purchaser's Group on or following Closing); or

12.1.4 make any public statement that disparages or defames any Group Company, the Purchaser or any parent company of the Purchaser.

12.2 Exceptions

The restrictions in Clause 12.1.1 shall not operate to prohibit any member of the Seller's Group from:

12.2.1 carrying on or being engaged in or being economically interested in any business which is of the same or similar type to a Relevant Business as now carried on by the Group after such time as the Purchaser ceases to carry on or be engaged in or economically interested in a substantial part of a Relevant Business carried on by the Group;

12.2.2 in any part of the World, carrying on or being engaged in or being economically interested in any business which involves the owning, operating, marketing, selling, managing, leasing, franchising or any other form of commercial activity relating to i) hotels, resorts, corporate housing facilities, serviced apartment buildings or other multi-unit transient or extended stay lodging facilities, in each case in which a majority of the individual accommodations are not individually-owned, and ii) condo-hotels;

12.2.3 in any part of the World, carrying on or being engaged in or being economically interested in any business which involves the owning, operating, marketing, selling, managing, leasing or any other form of commercial activity relating to vacation ownership products (i.e., timeshare, fractional, interval, vacation club, destination club, vacation membership, private membership club, private residence club and other products, in each case wherein consumers acquire a partial ownership interest, use right or other entitlement to use one or more of physical units for overnight accommodations and associated facilities on a recurring, periodic basis and pay for all or a portion of such ownership interest, use right or other entitlement in advance) and vacation exchange products (i.e., any program allowing the exchange by members of the right to use, occupy or benefit from vacation ownership products or privately-owned accommodations);

12.2.4 holding or being interested in up to 5 per cent. of the outstanding issued share capital of a company listed on any stock exchange;

12.2.5 fulfilling any obligation pursuant to this Agreement or any other Transaction Document and any agreement to be entered into pursuant to this Agreement or any other Transaction Document; or

12.2.6 acquiring the whole or part of any business or the shares in any company, provided that the principal purpose of the acquisition is not to acquire a business or company which competes with any part of the Group and that the turnover attributed to that part of the business or company which would otherwise cause a breach of Clause 12.1 (i) does not exceed US $25,000,000 and (ii) is less than 30 per cent of the total turnover of the business or company for the last financial year.

12.3 Reasonableness of Restrictions

The Seller and the Relevant Sellers agree that the restrictions contained in this Clause are no greater than are reasonable and necessary for the protection of the interest of the Purchaser, but if any such restriction shall be held to be void but would be valid if deleted in part or reduced in application, such restriction shall apply with such deletion or modification as may be necessary to make it valid and enforceable.

12.4 Interpretation

The following terms shall have the following meanings respectively in this Clause 12:

12.4.1 "**Relevant Business**" means the business of:

(a) owning, renting, brokering, selling, marketing, franchising, and/or managing individually-owned i) holiday park accommodations and ii) self-catering holiday rentals, located within any of the Restricted Countries; or

(b) owning or operating an overseas villa tour operator based in any Restricted Country that would be substantially similar to the business of James Villa Holidays as carried on at the date of this Agreement;

in each case, which is of the same or similar type to the business of the Group as now carried on and which is or is likely to be in competition with any part of the business of the Group as now carried on;

12.4.2 "**Restricted Countries**" means Austria, Belgium, Croatia, Czech Republic, Denmark, France, Germany, Hungary, Italy, Luxembourg, Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland and United Kingdom;

12.4.3 "**Restricted Employee**" means Thomas Heerkens, Erik van Essen, Jeroen Mol, Elke Snijder, Bernd Muckenschnabel, Jan Haapanen, Anders Pii, Heidi Heltborg Juul, Klaus Melchior, Geoff Cowley, Garry Adam, Helen Khan, Simon Altham, Allan Lambert, Daniel Butler, Nick Rudge (WVRUK, Managing Director – digital), Alan MacLean (WVRUK, Managing Director – James Villa Holidays), Jan von der Recke (Novasol, IT Director), Lone Feldthaus (Novasol, Director of Products and Partners), Philip Hoeg Kildegaard (Novasol, director of e-commerce); and

12.4.4 "**Restricted Period**" means 36 months commencing on Closing or such shorter period of time recognised by applicable law as being binding on the Seller and the Relevant Sellers.

13 Guarantee

13.1 The Seller's Guarantee

13.1.1 The Seller:

(a) unconditionally and irrevocably guarantees to the Purchaser (to the extent it is a beneficiary of an obligation of a Relevant Seller) the due and punctual performance and observance by each of the Relevant Sellers of all their obligations pursuant to this Agreement (the "**Relevant Sellers' Guaranteed Obligations**"); and

(b) agrees that if any Relevant Sellers' Guaranteed Obligation is or becomes unenforceable, invalid or illegal it will, as an independent and primary obligation, indemnify the Purchaser (to the extent it is a beneficiary of an obligation of a Relevant Seller) immediately on demand against all Losses which the Purchaser suffers through or arising from any act or omission that would be a breach by any of the Relevant Sellers of the Relevant Sellers' Guaranteed Obligations if the Relevant Sellers' Guaranteed Obligation were not unenforceable, invalid or illegal,

to the extent of any limit on the liability of the Seller and the Relevant Sellers under this Agreement.

13.1.2 If and whenever any of the Relevant Sellers defaults for any reason whatsoever in the performance of any of the Relevant Sellers' Guaranteed Obligations, the Seller shall forthwith upon demand unconditionally perform (or procure performance of) and satisfy (or procure the satisfaction of) the Relevant Sellers' Guaranteed Obligations in regard to which such default has been made in the manner prescribed by this Agreement and so that the same benefits shall be conferred on the Purchaser as they would have received if the Relevant Sellers' Guaranteed Obligations had been duly performed and satisfied by the Relevant Sellers.

13.1.3 This guarantee is to be a continuing guarantee and accordingly is to remain in force until all Relevant Sellers' Guaranteed Obligations shall have been performed or satisfied. This guarantee is in addition to and without prejudice to and not in substitution for any rights or security which the Purchaser may now or hereafter have or hold for the performance and observance of the Relevant Sellers' Guaranteed Obligations.

13.1.4 As a separate and independent obligation, the Seller agrees that any of the Relevant Sellers' Guaranteed Obligations (including any moneys payable) which may not be enforceable against or recoverable from any of the Relevant Sellers by reason of any legal limitation, disability or incapacity on or of any of the Relevant Sellers or the dissolution, amalgamation or reconstruction of the Relevant Sellers or any other fact or circumstances (other than any limitation imposed by this Agreement) shall nevertheless be enforceable against and recoverable from the Seller as though the same had been incurred by the Seller and the Seller were the sole or principal obligor in respect thereof and shall be performed or paid by the Seller on demand.

13.1.5 The liability of the Seller under this Clause 13.1 shall not be affected, impaired, reduced or released by:

(a) any variation of the Relevant Sellers' Guaranteed Obligations; or

(b) any forbearance, neglect or delay in seeking performance of the Relevant Sellers' Guaranteed Obligations or any granting of time for such performance;

(c) the illegality, invalidity or unenforceability of, or any defect in, any provision of this Agreement or the Relevant Sellers' obligations under any of them;

(d) any insolvency or similar proceedings; or

(e) any other fact or event which in the absence of this provision would or might constitute or afford a legal or equitable discharge or release or a defence to a guarantor.

13.1.6 For the duration of the period during which the Seller has any liability under this Clause 13, the Seller undertakes to notify the Purchaser if:

(a) at any stage the value of its net assets (determined in accordance with US GAAP) falls below USD$500,000,000 in the first four years following Closing or USD$375,000,000 for the duration of the remaining period; or

(b) at any stage it fails to satisfy the condition set out in paragraph 8.1 of Schedule 12.

13.1.7 As soon as possible after the Seller is obliged to give a notice pursuant to Clause 13.1.6, the Seller will procure that an alternative guarantor with a net asset value (determined in accordance with US GAAP) at least equal to USD$500,000,000 if such notice is given in the first four years following Closing or USD$375,000,000 if such notice is given during the remaining period and that satisfies the condition set out in paragraph 8.1 of Schedule 12 undertakes in favour of the Purchaser to be bound by the obligations of the Seller under this Clause 13.1 as if it was the Seller.

14 Confidentiality

14.1 Announcements

No announcement, communication or circular concerning the existence or the subject matter of this Agreement shall be made or issued by or on behalf of any member of the Seller's Group or the Purchaser's Group without the prior written approval of the Seller and the Purchaser (such consent not to be unreasonably withheld or delayed). This shall not affect any announcement, communication or circular required by law or any governmental or regulatory body or the rules of any stock exchange on which the shares of any party (or its holding company) are listed but the party with an obligation to make an announcement or communication or issue a circular (or whose holding company has such an obligation) or other public filing shall consult with the other party (or shall procure that its holding company consults with the other party) insofar as is reasonably practicable and legally permissible before complying with such an obligation.

14.2 Confidentiality

14.2.1 The Confidentiality Agreement shall cease to have any force or effect from the date of this Agreement.

14.2.2 Subject to Clauses 14.1 and 14.2.3, each of the parties shall treat as strictly confidential and not disclose or use any information received or obtained as a result of entering into this Agreement (or any agreement entered into pursuant to this Agreement) which relates to:

(a) the existence and provisions of this Agreement and of any agreement entered into pursuant to this Agreement; or

(b) the negotiations relating to this Agreement (and any such other agreement).

(c) (in the case of the Seller and the Relevant Sellers) any information relating to the Group Companies following Closing and any other information relating to the business, financial or other affairs (including future plans and targets) of the Purchaser's Group.

(d) (in the case of the Purchaser) any information relating to the business, financial or other affairs (including future plans and targets) of the Seller's Group including, prior to Closing, the Group Companies.

14.2.3 Clause 14.2.2 shall not prohibit disclosure or use of any information if and to the extent:

(a) the disclosure or use is required by law, any governmental or regulatory body or any stock exchange on which the shares of any party (or its holding company) are listed (including where this is required as part of its financial reporting requirements and any actual or potential offering, placing and/or sale of securities of any member of the Seller's Group or the Purchaser's Group);

(b) the disclosure or use is required to vest the full benefit of this Agreement in any party;

(c) the disclosure or use is required for the purpose of any arbitral or judicial proceedings arising out of this Agreement or any other agreement entered into under or pursuant to this Agreement or to enable a determination to be made by the Reporting Accountants under this Agreement;

(d) the disclosure is made to a Tax Authority in connection with the Tax affairs of the disclosing party;

(e) the disclosure is made to a party to whom assignment is permitted under Clause 16.3.2 or Clause 16.3.3 on terms that such assignee undertakes to comply with the provisions of Clause 14.2.2

(f) the disclosure is made to professional advisers of any party on a need to know basis and on terms that such professional advisers undertake to comply with the provisions of Clause 14.2.2 in respect of such information as if they were a party to this Agreement;

(g) the information is or becomes publicly available (other than by breach of the Confidentiality Agreement or of this Agreement);

(h) the disclosure is made on a confidential basis to potential purchasers of all or part of the Seller's Group or the Purchaser's Group or to their professional advisers or financiers provided that any such persons need to know the information for the purposes of considering, evaluating, advising on or furthering the potential purchase;

(i) the other party has given prior written approval to the disclosure or use;

(j) the information is independently developed after Closing;

(k) the disclosure is considered necessary or desirable in connection with any public filing, form 10, offering memorandum or other similar document that a member of the Seller's Group is required to file in connection with any transaction publicly announced prior to the date of this Agreement;

(l) on a confidential basis, to any direct or indirect shareholder, investor or bona fide potential investor in the Purchaser´s Group;

(m) by the Purchaser's Group to (i) its actual or potential financing or hedging providers who shall be subject to an obligation of confidentiality and who have a need to know such information in connection with the financing or hedging of the transactions contemplated by this Agreement and/or otherwise for the ongoing financing or hedging requirements of the Group and (ii) any rating agencies subject to any such disclosure being limited to that required for such rating agency to carry out any rating functions in connection with the Purchaser's financing arrangements and, to the extent legally possible, shall be made subject to a reasonable obligation of confidentiality;

(n) on a need to know basis, to other members of the Seller´s Group or the Purchaser´s Group and its and their directors, officers and employees, provided that such persons are under a duty of confidentiality on substantially the same terms as this Clause 14.2,

provided that prior to disclosure or use of any information pursuant to Clause 14.2.3(a), (b) or (c), the party concerned shall, where not prohibited by law, consult with the other parties insofar as is reasonably practicable.

14.2.4 On Closing, the Seller shall assign to the Purchaser, to the extent permitted by the relevant agreement, the benefit of any confidentiality agreements entered into by the Seller with any third parties in connection with the sale of the Group.

15 Insurance

15.1 No cover under Seller's Group Insurance Policies from Closing

The Purchaser acknowledges and agrees that following the Closing Date:

15.1.1 no Group Company shall have or be entitled to the benefit of any Seller's Group Insurance Policy in respect of any event, act or omission that takes place after that Closing Date;

15.1.2 neither the Seller nor any Relevant Seller nor any member of the Seller's Group shall be required to maintain any Seller's Group Insurance Policy for the benefit of the Group; and

15.1.3 no Group Company shall make or shall be entitled to make or notify a claim under any 'claims made' Seller's Group Insurance Policy in respect of any event, act or omission that occurred prior to the Closing Date.

15.2 Existing claims under Seller's Group Insurance Policies

With respect to any claim made before the Closing Date under any Seller's Group Insurance Policy by or on behalf of any Group Company, to the extent that:

15.2.1 neither the Purchaser nor the Group Companies have been indemnified prior to the Closing Date in respect of the Losses in respect of which the claim was made; or

15.2.2 the Losses in respect of which the claim was made have not been reflected in the Closing Statement and reduced the Working Capital accordingly,

each of the Seller and the Relevant Sellers shall use reasonable endeavours after the relevant Closing Date to recover all monies due from insurers and shall pay any monies received (after taking into account any deductible under the Seller's Group Insurance Policies and less any Taxation suffered on the proceeds and any reasonable out of pocket expenses suffered or incurred by the Seller, the Relevant Sellers or any member of the Seller's Group in connection with the claim) to the Purchaser or, at the Purchaser's written direction, the relevant Group Company as soon as practicable after receipt; provided that no member of the Seller's Group shall have any obligation to pay any monies from insurers to the Purchaser or any Group Company which relate to a claim for loss of profits or in respect of costs incurred by the Seller's Group (excluding the Group) up to the Effective Time in respect of Losses suffered by the Landal Group as a result of damage sustained during Storm Friederike in the Netherlands during the week commencing 15 January 2018. For the avoidance of doubt, monies received from insurers in respect of Storm Friederike not relating to loss of profits or costs incurred by the Seller's Group (excluding the Group) shall be dealt with in accordance with the preceding provisions of this Clause 15.2.

15.3 New claims under occurrence-based policies

15.3.1 With respect to any event, act or omission relating to any Group Company that occurred or existed prior to Closing that is covered by an 'occurrence based' Seller's Group Insurance Policy, the Seller and/or Relevant Sellers shall, at the direction of the Purchaser or the relevant Group Company, make a claim under such insurance policy, provided that:

(a) neither the Seller nor any Relevant Seller shall be obliged to make any such claim if and to the extent that such claim is covered by an insurance policy held by the Purchaser or a member of the Purchaser's Group;

(b) the claim is notified to the Seller within 60 Business Days of the Purchaser becoming aware of the claim and, in any event, within 6 years of the Closing Date for claims other than claims under policies required by Applicable Law as at the date of this Agreement (for example, in the UK, employers' liability and motor liability); and

(c) the Purchaser or Group Company shall be liable for any deductible or excess payable in respect of the claim.

15.3.2 Notwithstanding any provision in this Agreement to the contrary, none of the limitations of liability contained in Clause 10 shall apply to any claim by the Purchaser pursuant to this Clause 15.3. In the event the Purchaser or Group Company notifies a claim pursuant to Clause 15.3.1, the Seller or the Relevant Seller shall, at the Purchaser's or Group Company's cost, make all necessary notifications and claims under the relevant Seller's Group Insurance Policy and the Purchaser or Group Company shall be entitled to be paid any proceeds actually received under the Seller's Group Insurance Policy (less any deductible or excess actually paid by the Seller or the Relevant Seller or any other member of the Seller's Group and less any Taxation suffered on the proceeds and any reasonable out of pocket expenses suffered or incurred by the Relevant Seller or any other member of the Seller's Group) provided that:

(a) neither the Seller nor any Relevant Seller shall be required, pursuant to any requests made by the Purchaser or Group Company, to undertake or threaten litigation or incur any expenditure or liability without being put in funds by the Purchaser, or the Group Company prior to incurring any such expenditure or liability;

(b) neither the Purchaser nor any Group Company shall be entitled to any proceeds received by the Seller's Group under any Seller's Group Insurance Policy except to the extent that such proceeds relate to a claim made pursuant to Clause 15.3.1 in respect of:

(i) an event, act or omission connected with the carrying on of the business of any Group Company prior to Closing; and

(ii) any Losses for which the Purchaser or relevant Group Company has not already been reimbursed, indemnified or otherwise compensated for whether under this Agreement or otherwise;

(c) the Purchaser shall provide (and shall procure that a relevant Group Company also provides) all assistance, information and co-operation reasonably requested by the Seller or any Relevant Seller or any of their representatives (including the insurers, appointed claims handlers or any lawyers instructed in relation to such claim), provided that no member of the Purchaser´s Group shall be required to give access to any information which would result in the loss of legal privilege attaching to such information; and

(d) the Purchaser shall or shall procure that the relevant Group Company shall pay or bear any deductible or excess element of any such claim.

16 Other Provisions

16.1 Further Assurances

Each of the parties shall, and shall use reasonable endeavours to procure that any necessary third party shall, from time to time execute such documents and perform such acts and things as any

party may reasonably require to transfer the Shares to the Purchaser and to give any party the full benefit of this Agreement and any Local Transfer Document.

16.2 Whole Agreement

16.2.1 The Transaction Documents contain the whole agreement between the parties relating to the sale and purchase of the Group at the date hereof to the exclusion of any terms implied by law which may be excluded by contract and supersede any previous written or oral agreement between the parties in relation to the sale and purchase of the Group.

16.2.2 The Purchaser acknowledges that:

(a) in entering into the Transaction Documents, it is not relying on any representation, warranty or undertaking not expressly incorporated into them; and

(b) the Relevant Sellers make no representation or warranty with respect to any projections, estimates or budgets of future revenues, future results of operations (or any component thereof), future cash flows or future financial condition (or any component thereof) of the Group Companies or future business and operations of the Group Companies.

16.2.3 Each of the parties agrees and acknowledges that its only right and remedy in relation to any representation, warranty or undertaking made or given in connection with the Transaction Documents shall be for breach of the terms of the Transaction Documents and each of the parties waives all other rights and remedies (including rights and remedies in tort to claim damages or to rescind or terminate the Transaction Documents, or arising under statute) in relation to any such representation, warranty or undertaking.

16.2.4 Nothing in this Clause 16.2 excludes or limits any liability for fraud.

16.3 No Assignment

16.3.1 Except as permitted by Clauses 16.3.2 to 16.3.4 or as otherwise expressly provided by this Agreement, no party may without the prior written consent of the other parties, assign, grant any security interest over, hold on trust or otherwise transfer the benefit of the whole or any part of this Agreement.

16.3.2 The Purchaser may, without the consent of the other parties, assign to a group undertaking or affiliate the benefit of the whole or any part of this Agreement provided that:

(a) if the assignee ceases to be a group undertaking or affiliate of the party concerned, it shall before ceasing to be so assign the benefit, so far as assigned to it, back to that party or assign the benefit to another group undertaking or affiliate of that party; and

(b) the assignee shall not be entitled to receive under this Agreement any greater amount than that to which the assigning party would have been entitled.

16.3.3 Each Relevant Seller may, without the consent of the other parties, assign the benefit of the whole or any part of this Agreement to a subsidiary or holding company.

16.3.4 The Purchaser may, without the consent of the other parties, assign the benefit of the whole or any part of this Agreement to, and it may be enforced by, any bank or financial institution (or any agent or security agent acting on their behalf) lending money or making other banking facilities available to the Purchaser´s Group, by way of security, or any refinancing thereof.

16.3.5 The Purchaser may prior to Closing nominate another member of the Purchaser Group to replace the Purchaser in respect of the acquisition of one or more Companies under this Agreement (including, without limitation, a newly-incorporated Dutch affiliate company in respect of the acquisition of the Shares in Vacation Rental B.V. and a newly-incorporated Danish affiliate company in respect of the acquisition of the Shares in Novasol A/S) (each a "**Substituted Purchaser**"), provided that (i) any such Substituted Purchaser has signed a joinder, becoming party (as a "Buyer" as defined in the Equity Commitment Letter) to the equity commitment letter entered into between, amongst others, Platinum Equity Capital Partners IV, L.P., the Relevant Sellers and the Purchaser on 15 February 2018 (the "**Equity Commitment Letter**") and (ii) any such substitution of the Purchaser pursuant to this Clause 16.3.5 shall:

(a) not prejudice the rights or remedies of the Seller and the Relevant Sellers under this Agreement;

(b) not increase the obligations or liabilities of the Seller and the Relevant Sellers under this Agreement, and

(c) the Purchaser nominating a Substituted Purchaser shall retain joint and several liability for the obligations of the Substituted Purchaser.

16.4 Third Party Rights

16.4.1 A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of, or enjoy any benefit under, this Agreement, except to the extent set out in Clause 16.4.2.

16.4.2 The third parties referred to in Clause 8.5 and 8.7 may directly enforce only those Clauses in which they are referred to. For the avoidance of doubt, this Agreement may be terminated and any term may be amended or waived without the consent of the persons referred to in Clause 16.4.2.

16.5 Variation

No variation of this Agreement shall be effective unless in writing and signed by or on behalf of each of the parties.

16.6 Method of Payment and set off

16.6.1 Except as set out in Clause 16.6.2, payments pursuant to this Agreement shall be settled by payments between the Seller, for itself and on behalf of the Relevant Sellers, and the Purchaser.

16.6.2 The repayment of the Estimated Intra-Group Financing Receivables and the Estimated Intra-Group Financing Payables pursuant to Clause 6.4.3 and any adjustments to such repayment pursuant to Clause 7.4 shall be settled by payments between the Seller, for itself and on behalf of the relevant members of the Seller's Group, and the Purchaser, for itself and on behalf of the relevant Group Companies.

16.6.3 Any payments pursuant to this Agreement shall be made in full, without any set-off, counterclaim, restriction or condition and without any deduction or withholding (save as may be required by law or as otherwise agreed), except that payments due between the Seller (whether for itself or on behalf of the Relevant Sellers) and the Purchaser:

(a) in relation to repayments of the Estimated Intra-Group Financing Payables and Estimated Intra-Group Financing Receivables pursuant to Clause 6.4.3; or

(b) in relation to adjustments to those repayments pursuant to Clause 7.4,

respectively, may be netted against each other to produce a net sum, and any obligation to pay the net sum shall be set off against any entitlement to receive any other payments then due under Clause 6 or Clause 7 of this Agreement.

16.6.4 Any payments pursuant to this Agreement shall be effected by crediting for same day value the account specified by the Seller or the Purchaser (as the case may be) on behalf of the party entitled to the payment (reasonably in advance and in sufficient detail to enable payment by telegraphic or other electronic means to be effected) on or before the due date for payment.

16.6.5 Payment of a sum in accordance with this Clause 16.6 shall constitute a payment in full of the sum payable and shall be a good discharge to the payer (and those on whose behalf such payment is made) of the payer's obligation to make such payment and the payer (and those on whose behalf such payment is made) shall not be obliged to see to the application of the payment as between those on whose behalf the payment is received.

16.7 Costs

16.7.1 The Seller and the Relevant Sellers shall bear all costs incurred by them in connection with the preparation and negotiation of, and the entry into, the Transaction Documents and the sale of the Group.

16.7.2 The Purchaser shall bear all such costs incurred by it in connection with the preparation and negotiation of, and the entry into, the Transaction Documents and the purchase of the Group.

16.8 Notarial Fees, Registration, Stamp and Transfer Taxes and Duties

The Purchaser shall bear the cost of all notarial fees and all registration, stamp and transfer taxes (including for the avoidance of doubt Real Estate Transfer Taxes (RETT)) and duties or their equivalents in all jurisdictions where such fees, taxes and duties are payable as a result of either the agreement to transfer or the transfer of Shares pursuant to this Agreement. The Purchaser shall be responsible for arranging the payment of all such fees, taxes and duties, including fulfilling any administrative or reporting obligation imposed by the jurisdiction in question in

connection with such payment. The Purchaser shall indemnify the Relevant Sellers or any other member of the Seller's Group (on an after-Tax basis) against any Losses suffered by that Relevant Seller or member of the Seller's Group as a result of the Purchaser failing to comply with its obligations under this Clause 16.8.

16.9 Interest

If any party defaults in the payment when due of any sum payable under this Agreement or the Local Transfer Documents the liability of that party shall be increased to include interest on such sum from the date when such payment is due until the date of actual payment (as well after as before judgment) at a rate per annum of 4 per cent above USD LIBOR. Such interest shall accrue from day to day.

16.10 Grossing-up

16.10.1 All sums payable under this Agreement shall be paid free and clear of all deductions or withholdings, save only as may be required by law.

16.10.2 If any deductions or withholdings are required by law to be made from any payment under this Agreement (other than a payment of interest or any payment or part payment of the Purchase Price), the payer shall pay the payee, at the same time as making the payment in question, such additional amount as will, after such deduction or withholding has been made (and after taking into account any credit in respect of such deduction or withholding), leave the payee with the same amount as it would have been entitled to receive in the absence of any such requirement to make a deduction or withholding.

16.11 VAT

16.11.1 The Relevant Sellers and the Purchaser agree that the consideration given under this Agreement in respect of the sale of the Shares pursuant to this Agreement is exclusive of any VAT. To the extent that VAT is chargeable in respect of such sale and a Relevant Seller is obliged under applicable law to account to a Tax Authority for such VAT, then the Purchaser shall, against delivery of a valid VAT invoice, in addition to the relevant amount of Purchase Price payable by the Purchaser, pay to such Relevant Seller such VAT promptly following receipt of such VAT invoice.

16.12 Notices

16.12.1 Subject to Clause 16.12.6, any notice or other communication in connection with this Agreement (each, a " **Notice**") shall be:

(a) in writing in English;

(b) delivered by hand, e-mail, recorded delivery or by courier using an internationally recognised courier company.

16.12.2 A Notice to the Seller or any Relevant Seller shall be sent to such party at the following address, or such other person or address as the Seller may notify to the Purchaser from time to time:

Wyndham Destination Network, 14 Sylvan Way, Parsippany, New Jersey 07054, United States of America

E-mail: paul.cash@wyn.com and gail.mandel@rci.com;

Attention: General Counsel and CEO

16.12.3 A Notice to the Purchaser shall be sent to such party at the following address, or such other person or address as the Purchaser may notify to the Seller from time to time:

Compass IV Limited

c/o Platinum Equity Advisors, LLC, 360 N. Crescent Drive, Beverly Hills, CA 90210

E-mail: EKalawski@platinumequity.com;

Attention: Eva M. Kalawski, General Counsel

16.12.4 A Notice shall be effective upon receipt and shall be deemed to have been received:

(a) at the time recorded by the delivery company, in the case of recorded delivery;

(b) at the time of delivery, if delivered by hand or courier;

(c) at the time of sending if sent by e-mail, provided that receipt shall not occur if the sender receives an automated message that the e-mail has not been delivered to the recipient,

16.12.5 A Notice that is deemed by Clause 16.12.4 to be received after 5.00 p.m. on any day, or on a Saturday, Sunday or public holiday in the place of receipt, shall be deemed to be received at 9.00 a.m. on the next day that is not a Saturday, Sunday or public holiday in the place of receipt.

16.12.6 For the purposes of this Clause 16.12, all references to time are to local time in the place of receipt. For the purposes of Notices by e-mail, the place of receipt is the place in which the party to whom the Notice is sent has its postal address for the purpose of this Agreement.

16.13 Invalidity

16.13.1 If any provision in this Agreement shall be held to be illegal, invalid or unenforceable, in whole or in part, the provision shall apply with whatever deletion or modification is necessary so that the provision is legal, valid and enforceable and gives effect to the commercial intention of the parties.

16.13.2 To the extent it is not possible to delete or modify the provision, in whole or in part, under Clause 16.13.1, then such provision or part of it shall, to the extent that it is illegal, invalid or unenforceable, be deemed not to form part of this Agreement and the legality, validity and enforceability of the remainder of this Agreement shall, subject to any deletion or modification made under Clause 16.13.1, not be affected.

16.14 Counterparts

This Agreement may be entered into in any number of counterparts, all of which taken together shall constitute one and the same instrument. Any party may enter into this Agreement by executing any such counterpart.

16.15 Governing Law and Submission to Jurisdiction

16.15.1 This Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the laws of England and Wales.

16.15.2 Each of the parties irrevocably agrees that the courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Agreement and that accordingly any proceedings arising out of or in connection with this Agreement shall be brought in such courts. Each of the parties irrevocably submits to the jurisdiction of such courts and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

16.16 Appointment of Process Agent

16.16.1 Each of the Relevant Sellers not incorporated in England hereby irrevocably appoints RCI Europe of Haylock House Kettering Parkway, Kettering Venture Park, Kettering, Northamptonshire, NN15 6EY as its agent to accept service of process in England in any legal action or proceedings arising out of or in connection with this Agreement, service upon whom shall be deemed completed whether or not forwarded to or received by the Relevant Seller.

16.16.2 The Relevant Sellers shall inform the Purchaser in writing of any change of address of such process agent within 14 days of such change.

16.16.3 If such process agent ceases to be able to act as such or to have an address in England, each of the Relevant Sellers irrevocably agree to appoint a new process agent in England acceptable to the Purchaser and to deliver to the Purchaser within 14 days a copy of a written acceptance of appointment by the process agent.

16.16.4 Nothing in this Agreement shall affect the right to serve process in any other manner permitted by law.

This Agreement has been entered into on the date stated at the beginning.

SIGNED by

WYNDHAM DESTINATION NETWORK, LLC
Represented by its sole member:
WYNDHAM WORLDWIDE CORPORATION

By: /s/ David B. Wyshner
David B. Wyshner
Chief Financial Officer

SIGNED by

WYNDHAM DESTINATION NETWORK EUROPE LIMITED

By: /s/ Lynn Catherine Kelly
Lynn Catherine Kelly
Director
Place: Kettering, U.K.

SIGNED by

WYNDHAM WORLDWIDE DENMARK APS

By: /s/ Klaus Melchior
Klaus Melchior
Director
Place: Virum, Denmark

SIGNED by

WYNDHAM DESTINATION NETWORK HOLDINGS C.V.
represented by its general partner
Vacation Rental Group 2, LLC
by its sole member,
Wyndham Worldwide Netherlands B.V.

By: /s/ Paul F. Cash
Paul F. Cash
Authorized Signatory
Place: Scotch Plains, New Jersey USA

SIGNED by

POINTLUX, S.à r.l.

By: /s/ Paul F. Cash
Paul F. Cash
Executive Vice President and General Counsel
Place: Scotch Plains, New Jersey USA

SIGNED by

COMPASS IV LIMITED

By: /s/ Eva M. Kalawski
Eva M. Kalawski
Director
Place: Los Angeles, California USA

Exhibit 10.2

FIRST AMENDMENT TO CREDIT AGREEMENT

FIRST AMENDMENT, dated as of March 28, 2018 (this "Agreement"), to the Credit Agreement, dated as of November 21, 2017, among WYNDHAM WORLDWIDE CORPORATION (the "Borrower"), the several lenders and letter of credit issuers from time to time party thereto (collectively, the "Lenders"), BANK OF AMERICA, N.A., as Administrative Agent, and the other parties thereto (as heretofore and as may hereafter be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement.

WHEREAS, the Borrower has requested that the Required Lenders consent to the amendments of the Credit Agreement set forth herein.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in reliance on the representations, warranties and covenants herein contained, the parties hereto agree as follows:

SECTION 1. **Amendments to Credit Agreement**. Subject to all of the terms and conditions set forth in this Agreement and the Credit Agreement:

1.1 **New Definition of Amendment No. 1 Effective Date**. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Amendment No. 1 Effective Date" in the appropriate alphabetical order:

"Amendment No. 1 Effective Date" means March 28, 2018.

1.2 **New Definition of Collateral**. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Collateral" in the appropriate alphabetical order:

"Collateral" means all of the "Collateral" or similar term referred to in the Collateral Documents and all of the other property and assets that are or are required under the terms of this Agreement to be subject to Liens in favor of the Administrative Agent for the benefit of the Secured Parties .

1.3 **New Definition of Collateral Documents**. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Collateral Documents" in the appropriate alphabetical order:

"Collateral Documents" means, collectively, the security agreement, pledge agreement or similar agreement, instruments or other documents delivered to the Administrative Agent that creates or purports to create a Lien in favor of the Administrative Agent for the benefit of the Secured Parties hereunder.

1.4 Definition of Consolidated Net Income. The definition of "Consolidated Net Income" contained in Section 1 of the Credit Agreement is hereby amended by (i) deleting the word "and" at the end of clause (iii) of the proviso thereof and replacing it with a comma (","), (ii) replacing the period at the end of clause (iv) thereof with " and" and (iii) inserting the following new clause (v) at the end thereof immediately prior to the period (".") at the end thereof:

(v) any net charge, expense or loss with respect to (x) any disposed, abandoned, divested and/or discontinued asset, property, operation or business (other than, at the option of the Borrower, the Borrower's European vacation rental business pending the sale thereof) and/or (y) any disposal, abandonment, divestiture and/or discontinuation of any asset, property, operation or business.

1.5 Definition of Fundamental Documents. The definition of "Fundamental Documents" contained in Section 1 of the Credit Agreement is hereby amended by inserting ", any Collateral Documents, any intercreditor agreement," immediately prior to the words "any Notes" in the first line thereof.

1.6 Definition of Hotels Spin-Off. The definition of "Hotels Spin-Off" contained in Section 1 of the Credit Agreement is hereby amended and restated in its entirety as follows:

"Hotels Spin-Off" has the meaning assigned to the term "Parent Spin" in the LQ Acquisition Agreement.

1.7 New Definition of Hotels Spinco. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Hotels Spinco" in the appropriate alphabetical order:

"Hotels Spinco" has the meaning assigned to the term "Parent Spinco" in the LQ Acquisition Agreement.

1.8 New Definition of Hotels Spin Indebtedness. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Hotels Spin Indebtedness" in the appropriate alphabetical order:

"Hotels Spin Indebtedness" shall mean Indebtedness of Hotels Spinco and its Subsidiaries in connection with the LQ Acquisition and/or the Hotels Spin-Off and any Guaranty Obligations and contingent liabilities incurred or assumed in connection therewith.

1.9 New Definition of LQ Acquisition. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "LQ Acquisition" in the appropriate alphabetical order:

"LQ Acquisition" means the merger of a wholly-owned Subsidiary of the Borrower, with and into La Quinta Holdings Inc., a Delaware corporation, in accordance with the LQ Acquisition Agreement, and all transactions related or ancillary thereto.

1.10 New Definition of LQ Acquisition Agreement. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "LQ Acquisition Agreement" in the appropriate alphabetical order:

"LQ Acquisition Agreement" means the Agreement and Plan of Merger, dated as of January 17, 2018, by and among the Borrower, WHG BB Sub, Inc. and La Quinta Holdings Inc., as amended, restated, supplemented or otherwise modified from time to time (but without giving effect to any amendment, restatement, supplementation or modification that is materially adverse to the Lenders or the Administrative Agent).

1.11 New Definition of Post-Spin Credit Facility. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Post-Spin Credit Facility" in the appropriate alphabetical order:

"Post-Spin Credit Facility" means the credit facilities that may be obtained by the Borrower at any time on or after the date of the Hotels Spin-Off in an aggregate principal amount not less than (i) if at such time, the sale of the Borrower's European vacation rental business has been consummated, and the Borrower has received the net cash proceeds from such sale, $1,000,000,000 or (ii) otherwise, $1,500,000,000 (excluding, in each case, any Securitization Indebtedness).

1.12 New Definition of Secured Parties. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Secured Parties" in the appropriate alphabetical order:

"Secured Parties" means, collectively, the Administrative Agent, the Lenders, and each co-agent or sub-agent appointed by the Administrative Agent pursuant to Article 8.

1.13 Mandatory Termination of Revolving Commitments. Section 2.14 of the Credit Agreement is hereby amended by inserting the following new clause (i) at the end thereof:

(i) Immediately upon the earlier of (i) the incurrence or effectiveness of any Post-Spin Credit Facility and (ii) the consummation of the Hotels Spin-Off, the Revolving Commitments of all of the Lenders shall be automatically terminated in their entirety.

1.14 Limitation on Indebtedness. Section 6.1 of the Credit Agreement is hereby amended by (i) deleting the word "and" at the end of clause (k) thereof, (ii) replacing the period at the end of clause (l) thereof with "; and" and (iii) inserting the following new clause (m) at the end thereof:

(m) Hotels Spin Indebtedness.

1.15 Limitations on Liens. Section 6.3 of the Credit Agreement is hereby amended by (i) deleting the word "and" at the end of clause (i) thereof, (ii) replacing the period at

the end of clause (j) thereof with "; and" and (iii) inserting the following new clause (k) at the end thereof:

(k) Liens on property of Hotels Spinco and its Subsidiaries securing (i) Hotels Spin Indebtedness and (ii) any Indebtedness for borrowed money of the Borrower existing as of the Amendment No. 1 Effective Date, in each case to the extent the Borrower has caused the Obligations to be, or will make effective a provision pursuant to which the Obligations are, secured on an equal and ratable (or prior) basis to the Hotels Spin Indebtedness, for so long as (x) the Hotels Spin Indebtedness is secured and/or (y) Hotels Spinco is a Subsidiary of the Borrower.

1.16 **The Collateral Agent**. Each of the Lenders party hereto hereby irrevocably agrees, authorizes and directs that the Administrative Agent:

(a) shall also act as the "collateral agent" under the Fundamental Documents, and each of such Lenders and Issuing Lenders thereby irrevocably appoints and authorizes the Administrative Agent to act as the agent of such Lender and the Issuing Lenders for purposes of acquiring, holding and enforcing any and all Liens on Collateral to secure any of the Obligations, together with such powers and discretion as are reasonably incidental thereto, and directs the Administrative Agent to enter into each Collateral Document for the benefit of the Lenders and the other Secured Parties and any related intercreditor agreement reasonably satisfactory to the Administrative Agent. In this connection, the Administrative Agent, as "collateral agent" and any co-agents, sub-agents and attorneys-in-fact appointed by the Administrative Agent pursuant to Section 8.7 of the Credit Agreement for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Collateral Documents, or for exercising any rights and remedies thereunder at the direction of the Administrative Agent), shall be entitled to the benefits of all provisions of Article 8 of the Credit Agreement and Article 10 of the Credit Agreement (including Sections 10.4 and 10.5 of the Credit Agreement, as though such co-agents, sub-agents and attorneys-in-fact were the "collateral agent" under the Fundamental Documents) as if set forth in full herein with respect thereto.

(b) at its option and in its discretion, to release any Lien on any property granted to or held by the Administrative Agent under any Fundamental Document (i) upon termination of the Revolving Commitments and payment in full of all Obligations at any time arising under or in respect of the Credit Agreement or the other Fundamental Documents or the transactions contemplated thereby, (ii) that is sold or otherwise disposed of or to be sold or otherwise disposed of as part of or in connection with any sale or other disposition permitted by the Credit Agreement (including, without limitation the release of any Lien on property of Hotels Spinco and its Subsidiaries securing the Obligations hereunder upon the consummation of the Hotels Spin-Off), (iii) if the Obligations are no longer required to be secured pursuant to Section 6.3(k) and/or (iv) if approved, authorized or ratified in writing in accordance with Section 10.9 of the Credit Agreement. Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release its interest in particular types or items of property

pursuant to this Section. The Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon, or any certificate prepared by the Borrower or any Subsidiary in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral.

SECTION 2. **Conditions to Effectiveness**. This Agreement shall become effective upon the date on which the Administrative Agent shall have received counterparts of this Agreement duly executed and delivered by each of the Borrower, the Administrative Agent and the Required Lenders. The parties hereto agree that upon effectiveness this Agreement shall constitute a Fundamental Document.

SECTION 3. **Representations and Warranties**. The Borrower reaffirms and restates the representations and warranties made by it in the Credit Agreement, in each case, after giving effect to the amendments to the Credit Agreement contemplated hereby, and all such representations and warranties are true and correct in all material respects on the date of this Agreement with the same force and effect as if made on such date (except to the extent (i) such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall be true and correct as of such earlier date, and (ii) any representation or warranty that is already by its terms qualified as to "materiality", "Material Adverse Effect" or similar language shall be true and correct in all respects after giving effect to such qualification). The Borrower additionally represents and warrants (which representations and warranties shall survive the execution and delivery hereof) that no Default or Event of Default has occurred and is continuing.

SECTION 4. **Costs and Expenses**. The Borrower acknowledges and agrees that its payment obligations set forth in Section 10.04 of the Credit Agreement include the out-of-pocket costs and expenses incurred by the Administrative Agent in connection with the preparation, execution and delivery of this Agreement and any other documentation contemplated hereby (whether or not this Agreement becomes effective or the transactions contemplated hereby are consummated and whether or not a Default or Event of Default has occurred or is continuing), including, but not limited to, the reasonable fees and disbursements of Davis Polk & Wardwell LLP, counsel to the Administrative Agent.

SECTION 5. **Ratification**. The Credit Agreement, as amended by this Agreement, and the other Fundamental Documents remain in full force and effect and are hereby ratified and affirmed. This Agreement shall be limited precisely as written and, except as expressly provided herein, shall not be deemed (i) to be a consent granted pursuant to, or a waiver, modification or forbearance of, any term or condition of the Credit Agreement, any other Fundamental Document or any of the instruments or agreements referred to in any thereof or a waiver of any Default or Event of Default, whether or not known to the Administrative Agent or any of the Lenders, or (ii) to prejudice any right or remedy which the Administrative Agent or any of the Lenders may now have or have in the future against any Person under or in connection with the Credit Agreement, any of the instruments or agreements referred to therein or any of the transactions contemplated thereby.

SECTION 6. **Modifications**. Neither this Agreement, nor any provision hereof, may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the parties hereto.

SECTION 7. **References**. Each reference in the Credit Agreement to "this Agreement," "hereunder," "hereof," "herein," or words of like import, and each reference in each other Fundamental Document (and the other documents and instruments delivered pursuant to or in connection therewith) to the "Credit Agreement", "thereunder", "thereof" or words of like import, shall mean and be a reference to the Credit Agreement as modified hereby and as each may in the future be amended, restated, supplemented or modified from time to time.

SECTION 8. **Counterparts**. This Agreement may be executed by the parties hereto individually or in combination, in one or more counterparts, each of which shall be an original and all of which shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page by telecopier or electronic mail (in a .pdf format) shall be effective as delivery of a manually executed counterpart.

SECTION 9. **Successors and Assigns**. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 10. **Severability**. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or enforceability without in any manner affecting the validity or enforceability of such provision in any other jurisdiction or the remaining provisions of this Agreement in any jurisdiction.

SECTION 11. **Governing Law**. THIS AGREEMENT HAS BEEN EXECUTED AND DELIVERED IN THE STATE OF NEW YORK AND SHALL IN ALL RESPECTS BE CONSTRUED IN ACCORDANCE WITH, AND GOVERNED BY, THE LAWS OF SUCH STATE APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED WHOLLY WITHIN SUCH STATE AND, IN THE CASE OF PROVISIONS RELATING TO INTEREST RATES, ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA.

SECTION 12. **Headings**. Section headings in this Agreement are included for convenience of reference only and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

[The remainder of this page left blank intentionally]

IN WITNESS WHEREOF, the Borrower, the Administrative Agent and the Lenders party hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

WYNDHAM WORLDWIDE CORPORATION,
as Borrower

By: /s/ Jeffrey R. Leuenberger
Jeffrey R. Leuenberger
Senior Vice President and Treasurer

BANK OF AMERICA, N.A.,
as Administrative Agent

By: /s/ Suzanne E. Pickett
Suzanne E. Pickett
Vice President

BANK OF AMERICA, N.A.,
as Lender

By: /s/ Suzanne E. Pickett
Suzanne E. Pickett
Vice President

JPMORGAN CHASE BANK, N.A.,
as Lender

By: /s/ Nadeige Dang
Nadeige Dang
Executive Director

BARCLAYS BANK PLC,
as Lender

By: /s/ Craig Malloy
Craig Malloy
Director

DEUTSCHE BANK AG, NEW YORK,
as Lender

By: /s/ J.T. Johnston Coe
J.T. Johnston Coe
Managing Director

By: /s/ James Rolison
James Rolison
Managing Director

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., NEW YORK BRANCH,
as Lender

By: /s/ Lawrence Elkins
Lawrence Elkins
Vice President

GOLDMAN SACHS BANK USA,
as Lender

By: /s/ Chris Lam
Chris Lam
Authorized Signatory

THE BANK OF NOVA SCOTIA,
as Lender

By: /s/ Michael Grad
Michael Grad
Director

SUNTRUST BANK,
as Lender

By: /s/ Sheryl Kerley
Sheryl Kerley
Vice President

U.S. BANK NATIONAL ASSOCIATION,
as Lender

By: /s/ Allison Burgun
Allison Burgun
Vice President

WELLS FARGO BANK, N.A.,
as Lender

By: /s/ James Travagline
James Travagline
Managing Director

Exhibit 10.3

SECOND AMENDMENT TO CREDIT AGREEMENT

SECOND AMENDMENT, dated as of March 28, 2018 (this "Agreement"), to the Credit Agreement, dated as of March 24, 2016, among WYNDHAM WORLDWIDE CORPORATION (the "Borrower"), the several lenders from time to time party thereto (collectively, the "Lenders"), JPMORGAN CHASE BANK, N.A., as Administrative Agent, and the other parties thereto (as heretofore and as may hereafter be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement.

WHEREAS, the Borrower has requested that the Required Lenders consent to the amendments of the Credit Agreement set forth herein.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in reliance on the representations, warranties and covenants herein contained, the parties hereto agree as follows:

SECTION 1. Amendments to Credit Agreement. Subject to all of the terms and conditions set forth in this Agreement and the Credit Agreement:

1.1 New Definition of Amendment No. 2 Effective Date. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Amendment No. 2 Effective Date" in the appropriate alphabetical order:

"Amendment No. 2 Effective Date" means March 28, 2018.

1.2 New Definition of Benefit Plan. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Benefit Plan" in the appropriate alphabetical order:

"Benefit Plan" means any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

1.3 New Definition of Collateral. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Collateral" in the appropriate alphabetical order:

"Collateral" means all of the "Collateral" or similar term referred to in the Collateral Documents and all of the other property and assets that are or are required under the terms of this Agreement to be subject to Liens in favor of the Administrative Agent for the benefit of the Secured Parties .

1.4 New Definition of Collateral Documents. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Collateral Documents" in the appropriate alphabetical order:

"Collateral Documents" means, collectively, the security agreement, pledge agreement or similar agreement, instruments or other documents delivered to the Administrative Agent that creates or purports to create a Lien in favor of the Administrative Agent for the benefit of the Secured Parties hereunder.

1.5 Definition of Consolidated Net Income. The definition of "Consolidated Net Income" contained in Section 1 of the Credit Agreement is hereby amended by (i) deleting the word "and" at the end of clause (iii) of the proviso thereof and replacing it with a comma (","), (ii) replacing the period at the end of clause (iv) thereof with "and" and (iii) inserting the following new clause (v) at the end thereof immediately prior to the period (".") at the end thereof:

(v) any net charge, expense or loss with respect to (x) any disposed, abandoned, divested and/or discontinued asset, property, operation or business (other than, at the option of the Borrower, the Borrower's European vacation rental business pending the sale thereof) and/or (y) any disposal, abandonment, divestiture and/or discontinuation of any asset, property, operation or business.

1.6 Definition of ERISA. The definition of "ERISA" contained in Section 1 of the Credit Agreement is hereby amended and restated in its entirety as follows:

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

1.7 Definition of Fundamental Documents. The definition of "Fundamental Documents" contained in Section 1 of the Credit Agreement is hereby amended by inserting ", any Collateral Documents, any intercreditor agreement," immediately prior to the words "any Notes" in the first line thereof.

1.8 Definition of Hotels Spin-Off. The definition of "Hotels Spin-Off" contained in Section 1 of the Credit Agreement is hereby amended and restated in its entirety as follows:

"Hotels Spin-Off" has the meaning assigned to the term "Parent Spin" in the LQ Acquisition Agreement.

1.9 New Definition of Hotels Spinco. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Hotels Spinco" in the appropriate alphabetical order:

"Hotels Spinco" has the meaning assigned to the term "Parent Spinco" in the LQ Acquisition Agreement.

1.10 New Definition of Hotels Spin Indebtedness. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Hotels Spin Indebtedness" in the appropriate alphabetical order:

"Hotels Spin Indebtedness" shall mean Indebtedness of Hotels Spinco and its Subsidiaries in connection with the LQ Acquisition and/or the Hotels Spin-Off and any Guaranty Obligations and contingent liabilities incurred or assumed in connection therewith.

1.11 New Definition of LQ Acquisition. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "LQ Acquisition" in the appropriate alphabetical order:

"LQ Acquisition" means the merger of a wholly-owned Subsidiary of the Borrower, with and into La Quinta Holdings Inc., a Delaware corporation, in accordance with the LQ Acquisition Agreement, and all transactions related or ancillary thereto.

1.12 New Definition of LQ Acquisition Agreement. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "LQ Acquisition Agreement" in the appropriate alphabetical order:

"LQ Acquisition Agreement" means the Agreement and Plan of Merger, dated as of January 17, 2018, by and among the Borrower, WHG BB Sub, Inc. and La Quinta Holdings Inc., as amended, restated, supplemented or otherwise modified from time to time (but without giving effect to any amendment, restatement, supplementation or modification that is materially adverse to the Lenders or the Administrative Agent).

1.13 New Definition of Post-Spin Credit Facility. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Post-Spin Credit Facility" in the appropriate alphabetical order:

"Post-Spin Credit Facility" means the credit facilities that may be obtained by the Borrower at any time on or after the date of the Hotels Spin-Off in an aggregate principal amount not less than (i) if at such time, the sale of the Borrower's European vacation rental business has been consummated, and the Borrower has received the net cash proceeds from such sale, $1,000,000,000 or (ii) otherwise, $1,500,000,000 (excluding, in each case, any Securitization Indebtedness).

1.14 New Definition of PTE. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "PTE" in the appropriate alphabetical order:

"PTE" means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

1.15 New Definition of Secured Parties. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Secured Parties" in the appropriate alphabetical order:

"Secured Parties" means, collectively, the Administrative Agent, the Lenders, and each co-agent or sub-agent appointed by the Administrative Agent pursuant to Article 8.

1.16 Mandatory Prepayment. Section 2.14 of the Credit Agreement is hereby amended by inserting the following new sentence at the end of such Section:

Immediately upon the later of (x) consummation of the sale of the Borrower's European vacation rental business and the receipt by the Borrower of the net cash proceeds from such sale and (y) the consummation of the Hotels Spin-Off, the Borrower shall prepay the outstanding principal amount of all Loans, which prepayment shall be accompanied by accrued interest on the principal amount being prepaid, to the date of prepayment.

1.17 Compliance with ERISA. Section 3.13 of the Credit Agreement is hereby amended by (i) changing the existing Section 3.13 into the new clause (a) of Section 3.13, (ii) replacing the period at the end thereof with "; and" and (iii) inserting the following new clause (b) at the end thereof:

(b) The Borrower represents and warrants as of the Closing Date that the Borrower is not and will not be using "plan assets" (within the meaning of 29 CFR § 2510.3-101, as modified by Section 3(42) of ERISA) of one or more Benefit Plans in connection with the Loans or the Commitments.

1.18 Limitation on Indebtedness. Section 6.1 of the Credit Agreement is hereby amended by (i) deleting the word "and" at the end of clause (k) thereof, (ii) replacing the period at the end of clause (l) thereof with "; and" and (iii) inserting the following new clause (m) at the end thereof:

(m) Hotels Spin Indebtedness.

1.19 Limitations on Liens. Section 6.3 of the Credit Agreement is hereby amended by (i) deleting the word "and" at the end of clause (i) thereof, (ii) replacing the period at the end of clause (j) thereof with a semicolon (";") and (iii) inserting the following new clauses (k) and (j) at the end thereof:

(k) Liens on property of Hotels Spinco and its Subsidiaries securing (i) Hotels Spin Indebtedness and (ii) any Indebtedness for borrowed money of the Borrower existing as of the Amendment No. 2 Effective Date, in each case to the extent the Borrower has caused the Obligations to be, or will make effective a provision pursuant to which the Obligations are, secured on an equal and ratable (or prior) basis to the Hotels Spin Indebtedness, for so long as (x) the Hotels Spin Indebtedness is secured and/or (y) Hotels Spinco is a Subsidiary of the Borrower; and

(j) Liens on property of the Borrower and its Subsidiaries securing any Post-Spin Credit Facility and (ii) any Indebtedness for borrowed money of the Borrower existing as of the Amendment No. 2 Effective Date, in each case to the extent the Borrower has caused the Obligations to be, or will make effective a provision pursuant to which the

Obligations are, secured on an equal and ratable (or prior) basis to the Post-Spin Credit Facility, for so long as the Post-Spin Credit Facility is secured.

1.20 Events of Default. Clause (e) of Section 7 of the Credit Agreement is hereby amended by (i) deleting the word "or" at the end of clause (ii) thereof and (ii) inserting the following new clause (iv) immediately prior to the words "provided that clause (iii)":

or (iv) default in performance shall be made with respect to the Post-Spin Credit Facility, if the effect of such default is to permit the holders thereof to cause the acceleration of the maturity of such Indebtedness; provided that, (X) any failure described under clause (i) (with respect to the Post-Spin Credit Facility), and/or this clause (iv), in each case, is unremedied and is not waived by the holders of such Indebtedness prior to any termination of the commitments or acceleration of the Loans pursuant to this Section 7 and (Y) there shall be no "Default" or "Event of Default" resulting from clause (i) (with respect to the Post-Spin Credit Facility) and/or this clause (iv), if the Post-Spin Credit Facility has otherwise been terminated; and

1.21 New Certain ERISA Matters. The Credit Agreement is hereby amended by inserting the following Section 8.12, "Certain ERISA Matters" in the appropriate numerical order:

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and its respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of 29 CFR § 2510.3-101, as modified by Section 3(42) of ERISA) of one or more Benefit Plans in connection with the Loans,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans and this Agreement,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B)

such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or such Lender has not provided another representation, warranty and covenant as provided in sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and its respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that:

(i) Neither the Administrative Agent or any of its Affiliates is a fiduciary with respect to the assets of such Lender (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Fundamental Document or any documents related to hereto or thereto),

(ii) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans and this Agreement is independent (within the meaning of 29 CFR § 2510.3-21) and is a bank, an insurance carrier, an investment adviser, a broker-dealer or other person that holds, or has under management or control, total assets of at least $50 million, in each case as described in 29 CFR § 2510.3-21(c)(1)(i)(A)-(E),

(iii) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans and this Agreement is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies (including in respect of the Obligations),

(iv) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans and this Agreement is a fiduciary under ERISA or the Code, or both, with respect to the Loans and this Agreement and is responsible for exercising independent judgment in evaluating the transactions hereunder, and

(v) no fee or other compensation is being paid directly to the Administrative Agent or its Affiliates for investment advice (as opposed to other services) in connection with the Loans or this Agreement.

(c) The Administrative Agent hereby informs the Lenders that it is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and it has a financial interest in the transactions contemplated hereby in that it or any of its Affiliates (i) may receive interest or other payments with respect to the Loans and this Agreement, (ii) may recognize a gain if it extended the Loans or the Letters of Credit for an amount less than the amount being paid for an interest in the Loans by such Lender or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Fundamental Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing.

1.22 **The Collateral Agent**. Each of the Lenders party hereto hereby irrevocably agrees, authorizes and directs that the Administrative Agent:

(a) shall also act as the "collateral agent" under the Fundamental Documents, and each of such Lenders and Issuing Lenders thereby irrevocably appoints and authorizes the Administrative Agent to act as the agent of such Lender and the Issuing Lenders for purposes of acquiring, holding and enforcing any and all Liens on Collateral to secure any of the Obligations, together with such powers and discretion as are reasonably incidental thereto, and directs the Administrative Agent to enter into each Collateral Document for the benefit of the Lenders and the other Secured Parties and any related intercreditor agreement reasonably satisfactory to the Administrative Agent. In this connection, the Administrative Agent, as "collateral agent" and any co-agents, sub-agents and attorneys-in-fact appointed by the Administrative Agent pursuant to Section 8.7 of the Credit Agreement for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Collateral Documents, or for exercising any rights and remedies thereunder at the direction of the Administrative Agent), shall be entitled to the benefits of all provisions of Article 8 of the Credit Agreement and Article 10 of the Credit Agreement (including Sections 10.4 and 10.5 of the Credit Agreement, as though such co-agents, sub-agents and attorneys-in-fact were the "collateral agent" under the Fundamental Documents) as if set forth in full herein with respect thereto.

(b) at its option and in its discretion, to release any Lien on any property granted to or held by the Administrative Agent under any Fundamental Document (i) upon termination of the Commitments and payment in full of all Obligations at any time arising under or in respect of the Credit Agreement or the other Fundamental Documents or the transactions contemplated thereby, (ii) that is sold or otherwise disposed of or to be sold or otherwise disposed of as part of or in connection with any sale or other disposition permitted by the

Credit Agreement (including, without limitation the release of any Lien on property of Hotels Spinco and its Subsidiaries securing the Obligations hereunder upon the consummation of the Hotels Spin-Off), (iii) if the Obligations are no longer required to be secured pursuant to Section 6.3(k) and/or (iv) if approved, authorized or ratified in writing in accordance with Section 10.9 of the Credit Agreement. Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release its interest in particular types or items of property pursuant to this Section. The Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon, or any certificate prepared by the Borrower or any Subsidiary in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral.

SECTION 2. **Conditions to Effectiveness**. This Agreement shall become effective upon the date on which the Administrative Agent shall have received counterparts of this Agreement duly executed and delivered by each of the Borrower, the Administrative Agent and the Required Lenders. The parties hereto agree that upon effectiveness this Agreement shall constitute a Fundamental Document.

SECTION 3. **Representations and Warranties**. The Borrower reaffirms and restates the representations and warranties made by it in the Credit Agreement, in each case, after giving effect to the amendments to the Credit Agreement contemplated hereby, and all such representations and warranties are true and correct in all material respects on the date of this Agreement with the same force and effect as if made on such date (except to the extent (i) such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall be true and correct as of such earlier date, and (ii) any representation or warranty that is already by its terms qualified as to "materiality", "Material Adverse Effect" or similar language shall be true and correct in all respects after giving effect to such qualification). The Borrower additionally represents and warrants (which representations and warranties shall survive the execution and delivery hereof) that no Default or Event of Default has occurred and is continuing.

SECTION 4. **Costs and Expenses**. The Borrower acknowledges and agrees that its payment obligations set forth in Section 10.4 of the Credit Agreement include the out-of-pocket costs and expenses incurred by the Administrative Agent in connection with the preparation, execution and delivery of this Agreement and any other documentation contemplated hereby (whether or not this Agreement becomes effective or the transactions contemplated hereby are consummated and whether or not a Default or Event of Default has occurred or is continuing), including, but not limited to, the reasonable fees and disbursements of Davis Polk & Wardwell LLP, counsel to the Administrative Agent.

SECTION 5. **Ratification**. The Credit Agreement, as amended by this Agreement, and the other Fundamental Documents remain in full force and effect and are hereby ratified and affirmed. This Agreement shall be limited precisely as written and, except as expressly provided herein, shall not be deemed (i) to be a consent granted pursuant to, or a waiver, modification or forbearance of, any term or condition of the Credit Agreement, any other Fundamental Document or any of the instruments or agreements referred to in any thereof or a waiver of any Default or Event of Default, whether or not known to the Administrative Agent or any of the Lenders, or (ii) to prejudice any right or remedy which the Administrative Agent or any of the Lenders may now have or have in the future against any Person under or in connection with the Credit Agreement, any of the instruments or agreements referred to therein or any of the transactions contemplated thereby.

SECTION 6. **Modifications**. Neither this Agreement, nor any provision hereof, may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the parties hereto.

SECTION 7. **References**. Each reference in the Credit Agreement to "this Agreement," "hereunder," "hereof," "herein," or words of like import, and each reference in each other Fundamental Document (and the other documents and instruments delivered pursuant to or in connection therewith) to the "Credit Agreement", "thereunder", "thereof" or words of like import, shall mean and be a reference to the Credit Agreement as modified hereby and as each may in the future be amended, restated, supplemented or modified from time to time.

SECTION 8. **Counterparts**. This Agreement may be executed by the parties hereto individually or in combination, in one or more counterparts, each of which shall be an original and all of which shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page by telecopier or electronic mail (in a .pdf format) shall be effective as delivery of a manually executed counterpart.

SECTION 9. **Successors and Assigns**. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 10. **Severability**. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or enforceability without in any manner affecting the validity or enforceability of such provision in any other jurisdiction or the remaining provisions of this Agreement in any jurisdiction.

SECTION 11. **Governing Law**. THIS AGREEMENT HAS BEEN EXECUTED AND DELIVERED IN THE STATE OF NEW YORK AND SHALL IN ALL RESPECTS BE CONSTRUED IN ACCORDANCE WITH, AND GOVERNED BY, THE LAWS OF SUCH STATE APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED WHOLLY WITHIN SUCH STATE AND, IN THE CASE OF PROVISIONS RELATING TO INTEREST RATES, ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA.

SECTION 12. **Headings**. Section headings in this Agreement are included for convenience of reference only and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

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IN WITNESS WHEREOF, the Borrower, the Administrative Agent and the Lenders party hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

WYNDHAM WORLDWIDE CORPORATION,
as Borrower

By: /s/ Jeffrey R. Leuenberger
Jeffrey R. Leuenberger
Senior Vice President and Treasurer

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

By: /s/ Nadeige Dang
Nadeige Dang
Executive Director

JPMORGAN CHASE BANK, N.A.,
as Lender

By: /s/ Nadeige Dang
Nadeige Dang
Executive Director

BANK OF AMERICA, N.A.,
as Lender

By: /s/ Suzanne E. Pickett
Suzanne E. Pickett
Vice President

THE BANK OF NOVA SCOTIA,
as Lender

By: /s/ Michael Grad
Michael Grad
Director

SUNTRUST BANK,
as Lender

By: /s/ Sheryl Kerley
Sheryl Kerley
Vice President

U.S. BANK NATIONAL ASSOCIATION,
as Lender

By: /s/ Allison Burgun
Allison Burgun
Vice President

WELLS FARGO BANK, N.A.,
as Lender

By: /s/ James Travagline
James Travagline
Managing Director

BRANCH BANKING AND TRUST COMPANY,
as Lender

By: /s/ Jeff Skalka
Jeff Skalka
Vice President

COMERICA BANK,
as Lender

By: /s/ Timothy O'Rourke
Timothy O'Rourke
Vice President

Exhibit 10.4

FOURTH AMENDMENT TO CREDIT AGREEMENT

FOURTH AMENDMENT, dated as of March 28, 2018 (this "Agreement"), to the Credit Agreement, dated as of March 26, 2015, among WYNDHAM WORLDWIDE CORPORATION (the "Borrower"), the several lenders and letter of credit issuers from time to time party thereto (collectively, the "Lenders"), BANK OF AMERICA, N.A., as Administrative Agent, and the other parties thereto (as heretofore and as may hereafter be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement.

WHEREAS, the Borrower has requested that the Required Lenders consent to the amendments of the Credit Agreement set forth herein.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in reliance on the representations, warranties and covenants herein contained, the parties hereto agree as follows:

SECTION 1. Amendments to Credit Agreement. Subject to all of the terms and conditions set forth in this Agreement and the Credit Agreement:

1.1 New Definition of Amendment No. 4 Effective Date. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Amendment No. 4 Effective Date" in the appropriate alphabetical order:

"Amendment No. 4 Effective Date" means March 28, 2018.

1.2 New Definition of Bail-In Action. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Bail-In Action" in the appropriate alphabetical order:

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

1.3 New Definition of Bail-In Legislation. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Bail-In Legislation" in the appropriate alphabetical order:

"Bail-In Legislation" means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

1.4 **New Definition of Benefit Plan**. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Benefit Plan" in the appropriate alphabetical order:

"Benefit Plan" means any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

1.5 **New Definition of Collateral**. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Collateral" in the appropriate alphabetical order:

"Collateral" means all of the "Collateral" or similar term referred to in the Collateral Documents and all of the other property and assets that are or are required under the terms of this Agreement to be subject to Liens in favor of the Administrative Agent for the benefit of the Secured Parties .

1.6 **New Definition of Collateral Documents**. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Collateral Documents" in the appropriate alphabetical order:

"Collateral Documents" means, collectively, the security agreement, pledge agreement or similar agreement, instruments or other documents delivered to the Administrative Agent that creates or purports to create a Lien in favor of the Administrative Agent for the benefit of the Secured Parties hereunder.

1.7 **Definition of Defaulting Lender**. The definition of "Defaulting Lender" contained in Section 1 of the Credit Agreement is hereby amended by (i) deleting the word "or" at the end of clause (d) of the first sentence thereof and replacing it with a comma (","), (ii) deleting the semi-colon (";") at the end of clause (d) of the first sentence thereof and replacing it with "or" and (iii) inserting the following new clause (iii) immediately prior to the proviso at the end of the first sentence thereof:

(iii) become the subject of a Bail-in Action;

1.8 **Definition of Consolidated Net Income**. The definition of "Consolidated Net Income" contained in Section 1 of the Credit Agreement is hereby amended by (i) deleting the word "and" at the end of clause (iii) of the proviso thereof and replacing it with a comma (","), (ii) replacing the period at the end of clause (iv) thereof with " and" and (iii) inserting the following new clause (v) at the end thereof immediately prior to the period (".") at the end thereof:

(v) any net charge, expense or loss with respect to (x) any disposed, abandoned, divested and/or discontinued asset, property, operation or business (other than, at the option of the Borrower, the Borrower's European vacation rental business pending the sale thereof)

and/or (y) any disposal, abandonment, divestiture and/or discontinuation of any asset, property, operation or business.

1.9 New Definition of EEA Financial Institution. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "EEA Financial Institution" in the appropriate alphabetical order:

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

1.10 New Definition of EEA Member Country. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "EEA Member Country" in the appropriate alphabetical order:

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

1.11 New Definition of EEA Resolution Authority. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "EEA Resolution Authority" in the appropriate alphabetical order:

"EEA Resolution Authority" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

1.12 Definition of ERISA. The definition of "ERISA" contained in Section 1 of the Credit Agreement is hereby amended and restated in its entirety as follows:

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

1.13 New Definition of EU Bail-In Legislation Schedule. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "EU Bail-In Legislation Schedule" in the appropriate alphabetical order:

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

1.14 Definition of Fundamental Documents. The definition of "Fundamental Documents" contained in Section 1 of the Credit Agreement is hereby amended by inserting ", any

Collateral Documents, any intercreditor agreement," immediately prior to the words "any Notes" in the first line thereof.

1.15 Definition of Hotels Spin-Off. The definition of "Hotels Spin-Off" contained in Section 1 of the Credit Agreement is hereby amended and restated in its entirety as follows:

"Hotels Spin-Off" has the meaning assigned to the term "Parent Spin" in the LQ Acquisition Agreement.

1.16 New Definition of Hotels Spinco. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Hotels Spinco" in the appropriate alphabetical order:

"Hotels Spinco" has the meaning assigned to the term "Parent Spinco" in the LQ Acquisition Agreement.

1.17 New Definition of Hotels Spin Indebtedness. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Hotels Spin Indebtedness" in the appropriate alphabetical order:

"Hotels Spin Indebtedness" shall mean Indebtedness of Hotels Spinco and its Subsidiaries in connection with the LQ Acquisition and/or the Hotels Spin-Off and any Guaranty Obligations and contingent liabilities incurred or assumed in connection therewith.

1.18 New Definition of LQ Acquisition. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "LQ Acquisition" in the appropriate alphabetical order:

"LQ Acquisition" means the merger of a wholly-owned Subsidiary of the Borrower, with and into La Quinta Holdings Inc., a Delaware corporation, in accordance with the LQ Acquisition Agreement, and all transactions related or ancillary thereto.

1.19 New Definition of LQ Acquisition Agreement. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "LQ Acquisition Agreement" in the appropriate alphabetical order:

"LQ Acquisition Agreement" means the Agreement and Plan of Merger, dated as of January 17, 2018, by and among the Borrower, WHG BB Sub, Inc. and La Quinta Holdings Inc., as amended, restated, supplemented or otherwise modified from time to time (but without giving effect to any amendment, restatement, supplementation or modification that is materially adverse to the Lenders or the Administrative Agent).

1.20 New Definition of Post-Spin Credit Facility. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Post-Spin Credit Facility" in the appropriate alphabetical order:

"Post-Spin Credit Facility" means the credit facilities that may be obtained by the Borrower at any time on or after the date of the Hotels Spin-Off in an aggregate principal amount not less than (i) if at such time, the sale of the Borrower's European vacation rental business has been consummated, and the Borrower has received the net cash proceeds from such sale, $1,000,000,000 or (ii) otherwise, $1,500,000,000 (excluding, in each case, any Securitization Indebtedness).

1.21 New Definition of PTE. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "PTE" in the appropriate alphabetical order:

"PTE" means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

1.22 New Definition of Secured Parties. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Secured Parties" in the appropriate alphabetical order:

"Secured Parties" means, collectively, the Administrative Agent, the Lenders (including, for the avoidance of doubt, the Issuing Lenders), and each co-agent or sub-agent appointed by the Administrative Agent pursuant to Article 8.

1.23 New Definition of Write-Down and Conversion Powers. Section 1 of the Credit Agreement is hereby amended by inserting the following definition of "Write-Down and Conversion Powers" in the appropriate alphabetical order:

"Write-Down and Conversion Powers" means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

1.24 Mandatory Termination of Revolving Commitments. Section 2.14 of the Credit Agreement is hereby amended by inserting the following new clauses (i) and (j) at the end thereof:

(i) Immediately upon the incurrence or effectiveness of any Post-Spin Credit Facility, the Revolving Commitments of all of the Lenders shall be automatically terminated in their entirety.

(j) Immediately upon the later of (x) consummation of the sale of the Borrower's European vacation rental business and the receipt by the Borrower of the net cash proceeds from such sale and (y) the consummation of the Hotels Spin-Off, the Revolving Commitments shall be automatically reduced by $500 million.

1.25 Reallocation of Revolving Percentages to Reduce Fronting Exposure. Section 2.31(a)(iv)(x) of the Credit Agreement is hereby amended by (i) deleting the word "Neither"

at the beginning of clause (B) in the proviso thereto and (ii) inserting "Subject to Section 10.21, neither" at the beginning of clause (B) of the proviso thereto.

1.26 Compliance with ERISA. Section 3.13 of the Credit Agreement is hereby amended by (i) changing the existing Section 3.13 into the new clause (a) of Section 3.13, (ii) replacing the period at the end thereof with "; and" and (iii) inserting the following new clause (b) at the end thereof:

(b) The Borrower represents and warrants as of the Closing Date that the Borrower is not and will not be using "plan assets" (within the meaning of 29 CFR § 2510.3-101, as modified by Section 3(42) of ERISA) of one or more Benefit Plans in connection with the Loans, the Letters of Credit or the Revolving Commitments.

1.27 EEA Financial Institutions. The Credit Agreement is hereby amended by inserting the following Section 3.19, "EEA Financial Institutions" in the appropriate numerical order:

Section 3.19 The Borrower is not an EEA Financial Institution.

1.28 Limitation on Indebtedness. Section 6.1 of the Credit Agreement is hereby amended by (i) deleting the word "and" at the end of clause (k) thereof, (ii) replacing the period at the end of clause (l) thereof with "; and" and (iii) inserting the following new clause (m) at the end thereof:

(m) Hotels Spin Indebtedness.

1.29 Limitations on Liens. Section 6.3 of the Credit Agreement is hereby amended by (i) deleting the word "and" at the end of clause (i) thereof, (ii) replacing the period at the end of clause (j) thereof with "; and" and (iii) inserting the following new clause (k) at the end thereof:

(k) Liens on property of Hotels Spinco and its Subsidiaries securing (i) Hotels Spin Indebtedness and (ii) any Indebtedness for borrowed money of the Borrower existing as of the Amendment No. 4 Effective Date, in each case to the extent the Borrower has caused the Obligations to be, or will make effective a provision pursuant to which the Obligations are, secured on an equal and ratable (or prior) basis to the Hotels Spin Indebtedness, for so long as (x) the Hotels Spin Indebtedness is secured and/or (y) Hotels Spinco is a Subsidiary of the Borrower.

1.30 New Certain ERISA Matters. The Credit Agreement is hereby amended by inserting the following Section 8.13, "Certain ERISA Matters" in the appropriate numerical order:

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the

Administrative Agent and its respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of 29 CFR § 2510.3-101, as modified by Section 3(42) of ERISA) of one or more Benefit Plans in connection with the Loans or the Letters of Credit,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans or the Letters of Credit and this Agreement,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or such Lender has not provided another representation, warranty and covenant as provided in sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and its respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that:

(i) Neither the Administrative Agent or any of its Affiliates is a fiduciary with respect to the assets of such Lender (including in connection with the reservation or

exercise of any rights by the Administrative Agent under this Agreement, any Fundamental Document or any documents related to hereto or thereto),

(ii) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit and this Agreement is independent (within the meaning of 29 CFR § 2510.3-21) and is a bank, an insurance carrier, an investment adviser, a broker-dealer or other person that holds, or has under management or control, total assets of at least $50 million, in each case as described in 29 CFR § 2510.3-21(c)(1)(i)(A)-(E),

(iii) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit and this Agreement is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies (including in respect of the Obligations),

(iv) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit and this Agreement is a fiduciary under ERISA or the Code, or both, with respect to the Loans, the Letters of Credit and this Agreement and is responsible for exercising independent judgment in evaluating the transactions hereunder, and

(v) no fee or other compensation is being paid directly to the Administrative Agent or its Affiliates for investment advice (as opposed to other services) in connection with the Loans, the Letters of Credit or this Agreement.

(c) The Administrative Agent hereby informs the Lenders that it is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and it has a financial interest in the transactions contemplated hereby in that it or any of its Affiliates (i) may receive interest or other payments with respect to the Loans, the Letters of Credit and this Agreement, (ii) may recognize a gain if it extended the Loans or the Letters of Credit for an amount less than the amount being paid for an interest in the Loans or the Letters of Credit by such Lender or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Fundamental Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing.

1.31 **New Acknowledgement and Consent to Bail-In of EEA Financial Institutions**. The Credit Agreement is hereby amended by inserting the following Section 10.21,

"Acknowledgement and Consent to Bail-In of EEA Financial Institutions" in the appropriate numerical order:

Notwithstanding anything to the contrary in any Fundamental Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Lender that is an EEA Financial Institution arising under any Fundamental Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Lender that is an EEA Financial Institution; and

(i) the effects of any Bail-in Action on any such liability, including, if applicable:

(ii) a reduction in full or in part or cancellation of any such liability;

(iii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Fundamental Document; or

(iv) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

1.32 **The Collateral Agent**. Each of the Lenders party hereto hereby irrevocably agrees, authorizes and directs that the Administrative Agent:

(a) shall also act as the "collateral agent" under the Fundamental Documents, and each of such Lenders and Issuing Lenders thereby irrevocably appoints and authorizes the Administrative Agent to act as the agent of such Lender and the Issuing Lenders for purposes of acquiring, holding and enforcing any and all Liens on Collateral to secure any of the Obligations, together with such powers and discretion as are reasonably incidental thereto, and directs the Administrative Agent to enter into each Collateral Document for the benefit of the Lenders and the other Secured Parties and any related intercreditor agreement reasonably satisfactory to the Administrative Agent. In this connection, the Administrative Agent, as "collateral agent" and any co-agents, sub-agents and attorneys-in-fact appointed by the Administrative Agent pursuant to Section 8.7 of the Credit Agreement for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Collateral Documents, or for exercising any rights and remedies thereunder at the direction of the Administrative Agent), shall be entitled to the benefits of all provisions of

Article 8 of the Credit Agreement and Article 10 of the Credit Agreement (including Sections 10.4 and 10.5 of the Credit Agreement, as though such co-agents, sub-agents and attorneys-in-fact were the "collateral agent" under the Fundamental Documents) as if set forth in full herein with respect thereto.

(b) at its option and in its discretion, to release any Lien on any property granted to or held by the Administrative Agent under any Fundamental Document (i) upon termination of the Revolving Commitments and payment in full of all Obligations and the expiration or termination of all Letters of Credit at any time arising under or in respect of the Credit Agreement or the other Fundamental Documents or the transactions contemplated thereby, (ii) that is sold or otherwise disposed of or to be sold or otherwise disposed of as part of or in connection with any sale or other disposition permitted by the Credit Agreement (including, without limitation the release of any Lien on property of Hotels Spinco and its Subsidiaries securing the Obligations hereunder upon the consummation of the Hotels Spin-Off), (iii) if the Obligations are no longer required to be secured pursuant to Section 6.3(k) and/or (iv) if approved, authorized or ratified in writing in accordance with Section 10.9 of the Credit Agreement. Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release its interest in particular types or items of property pursuant to this Section. The Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon, or any certificate prepared by the Borrower or any Subsidiary in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral.

SECTION 2. **Conditions to Effectiveness**. This Agreement shall become effective upon the date on which the Administrative Agent shall have received counterparts of this Agreement duly executed and delivered by each of the Borrower, the Administrative Agent and the Required Lenders. The parties hereto agree that upon effectiveness this Agreement shall constitute a Fundamental Document.

SECTION 3. **Representations and Warranties**. The Borrower reaffirms and restates the representations and warranties made by it in the Credit Agreement, in each case, after giving effect to the amendments to the Credit Agreement contemplated hereby, and all such representations and warranties are true and correct in all material respects on the date of this Agreement with the same force and effect as if made on such date (except to the extent (i) such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall be true and correct as of such earlier date, and (ii) any representation or warranty that is already by its terms qualified as to "materiality", "Material Adverse Effect" or similar language shall be true and correct in all respects after giving effect to such qualification). The Borrower additionally represents and warrants (which representations and warranties shall survive the execution and delivery hereof) that no Default or Event of Default has occurred and is continuing.

SECTION 4. **Costs and Expenses**. The Borrower acknowledges and agrees that its payment obligations set forth in Section 10.04 of the Credit Agreement include the out-of-pocket costs and expenses incurred by the Administrative Agent in connection with the preparation, execution and delivery of this Agreement and any other documentation contemplated hereby (whether or not this Agreement becomes effective or the transactions contemplated hereby are consummated and whether or not a Default or Event of Default has occurred or is continuing), including, but not limited to, the reasonable fees and disbursements of Davis Polk & Wardwell LLP, counsel to the Administrative Agent.

SECTION 5. **Ratification**. The Credit Agreement, as amended by this Agreement, and the other Fundamental Documents remain in full force and effect and are hereby ratified and affirmed. This Agreement shall be limited precisely as written and, except as expressly provided herein, shall not be deemed (i) to be a consent granted pursuant to, or a waiver, modification or forbearance of, any term or condition of the Credit Agreement, any other Fundamental Document or any of the instruments or agreements referred to in any thereof or a waiver of any Default or Event of Default, whether or not known to the Administrative Agent or any of the Lenders, or (ii) to prejudice any right or remedy which the Administrative Agent or any of the Lenders may now have or have in the future against any Person under or in connection with the Credit Agreement, any of the instruments or agreements referred to therein or any of the transactions contemplated thereby.

SECTION 6. **Modifications**. Neither this Agreement, nor any provision hereof, may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the parties hereto.

SECTION 7. **References**. Each reference in the Credit Agreement to "this Agreement," "hereunder," "hereof," "herein," or words of like import, and each reference in each other Fundamental Document (and the other documents and instruments delivered pursuant to or in connection therewith) to the "Credit Agreement", "thereunder", "thereof" or words of like import, shall mean and be a reference to the Credit Agreement as modified hereby and as each may in the future be amended, restated, supplemented or modified from time to time.

SECTION 8. **Counterparts**. This Agreement may be executed by the parties hereto individually or in combination, in one or more counterparts, each of which shall be

an original and all of which shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page by telecopier or electronic mail (in a .pdf format) shall be effective as delivery of a manually executed counterpart.

SECTION 9. **Successors and Assigns**. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 10. **Severability**. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or enforceability without in any manner affecting the validity or enforceability of such provision in any other jurisdiction or the remaining provisions of this Agreement in any jurisdiction.

SECTION 11. **Governing Law**. THIS AGREEMENT HAS BEEN EXECUTED AND DELIVERED IN THE STATE OF NEW YORK AND SHALL IN ALL RESPECTS BE CONSTRUED IN ACCORDANCE WITH, AND GOVERNED BY, THE LAWS OF SUCH STATE APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED WHOLLY WITHIN SUCH STATE AND, IN THE CASE OF PROVISIONS RELATING TO INTEREST RATES, ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA.

SECTION 12. **Headings**. Section headings in this Agreement are included for convenience of reference only and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

[The remainder of this page left blank intentionally]

IN WITNESS WHEREOF, the Borrower, the Administrative Agent and the Lenders party hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

WYNDHAM WORLDWIDE CORPORATION,
as Borrower

By: /s/ Jeffrey R. Leuenberger
Jeffrey R. Leuenberger
Senior Vice President and Treasurer

BANK OF AMERICA, N.A.,
as Administrative Agent

By: /s/ Suzanne E. Pickett
Suzanne E. Pickett
Vice President

BANK OF AMERICA, N.A.,
as Lender

By: /s/ Suzanne E. Pickett
Suzanne E. Pickett
Vice President

JPMORGAN CHASE BANK, N.A.,
as Lender

By: /s/ Nadeige Dang
Nadeige Dang
Executive Director

BARCLAYS BANK PLC,
as Lender

By: /s/ Craig Malloy
Craig Malloy
Director

DEUTSCHE BANK AG, NEW YORK,
as Lender

By: /s/ J.T. Johnston Coe
J.T. Johnston Coe
Managing Director

By: /s/ James Rolison
James Rolison
Managing Director

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., NEW YORK BRANCH,
as Lender

By: /s/ Lawrence Elkins
Lawrence Elkins
Vice President

CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH,
as Lender

By: /s/ William O'Daly
William O'Daly
Authorized Signatory

By: /s/ Stefan Hummel
Stefan Hummel
Authorized Signatory

GOLDMAN SACHS BANK USA,
as Lender

By: /s/ Chris Lam
Chris Lam
Authorized Signatory

THE BANK OF NOVA SCOTIA,
as Lender

By: /s/ Michael Grad
Michael Grad
Director

SUNTRUST BANK,
as Lender

By: /s/ Sheryl Kerley
Sheryl Kerley
Vice President

U.S. BANK NATIONAL ASSOCIATION,
as Lender

By: /s/ Allison Burgun
Allison Burgun
Vice President

WELLS FARGO BANK, N.A.,
as Lender

By: /s/ James Travagline
James Travagline
Managing Director

AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED,
as Lender

By: /s/ Robert Grillo
Robert Grillo
Director

BRANCH BANKING AND TRUST COMPANY,
as Lender

By: /s/ Jeff Skalka
Jeff Skalka

COMERICA BANK,
as Lender

By: /s/ Timothy O'Rourke
Timothy O'Rourke
Vice President

DANSKE BANK A/S,
as Lender

By: /s/ Merete Ryvald-Christensen
Merete Ryvald-Christensen
Chief Loan Manager

By: /s/ Jesper Larsen
Jesper Larsen
Senior Loan Manager

Exhibit 10.5

EIGHTH AMENDMENT

Dated as of April 6, 2018

to

AMENDED AND RESTATED INDENTURE
AND SERVICING AGREEMENT

Dated as of October 1, 2010

by and among

SIERRA TIMESHARE CONDUIT RECEIVABLES FUNDING II, LLC,

as Issuer

and

WYNDHAM CONSUMER FINANCE, INC.,

as Servicer

and

WELLS FARGO BANK, NATIONAL ASSOCIATION,

as Trustee

and

U.S. BANK NATIONAL ASSOCIATION,

as Collateral Agent

EIGHTH AMENDMENT

to

AMENDED AND RESTATED INDENTURE AND SERVICING AGREEMENT

THIS EIGHTH AMENDMENT dated as of April 6, 2018 (this "Amendment") amends that **AMENDED AND RESTATED INDENTURE AND SERVICING AGREEMENT** dated as of October 1, 2010, as amended by that First Amendment dated as of June 28, 2011, that Second Amendment dated as of May 17, 2012, that Third Amendment dated as of August 30, 2012, that Fourth Amendment dated as of August 29, 2013, that Fifth Amendment dated as of August 28, 2014, that Sixth Amendment dated as of August 27, 2015, and that Seventh Amendment dated as of August 23, 2016 (the Amended and Restated Indenture and Servicing Agreement together with the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, the Sixth Amendment and the Seventh Amendment thereto, the "Original Indenture") and both this Amendment and the Original Indenture are by and among **SIERRA TIMESHARE CONDUIT RECEIVABLES FUNDING II, LLC**, a limited liability company organized under the laws of the State of Delaware, as issuer, **WYNDHAM CONSUMER FINANCE, INC**., a Delaware corporation, as servicer, **WELLS FARGO BANK, NATIONAL ASSOCIATION**, a national banking association, as trustee and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association, as collateral agent.

RECITALS

WHEREAS, the Issuer, the Servicer, the Trustee and the Collateral Agent desire to amend the Original Indenture as provided herein.

WHEREAS, in accordance with (x) Section 15.1(b) of the Original Indenture, upon the Amendment Effective Date (as defined herein) the Required Facility Investors have consented to such amendment of the Original Indenture, (y) Section 15.1(g) of the Original Indenture, each Funding Agent and each Non-Conduit Committed Purchaser has consented to such amendment of the Original Indenture and (z) Section 15.16 of the Original Indenture, the Deal Agent has consented to such amendment of the Original Indenture.

WHEREAS, capitalized terms used in this Amendment and not otherwise defined herein or amended hereby shall have the meanings assigned to such terms in the Original Indenture.

NOW THEREFORE, in consideration of the mutual agreements herein contained, each party agrees as follows for the benefit of the other parties and for the benefit of the Noteholders.

SECTION 1. Amendment to Definitions. The definition of each of the following terms contained in Section 1.1 of the Original Indenture is hereby amended and restated to read in its entirety as follows:

"Advance Rate" shall mean,

(i) prior to but excluding the October 2010 Payment Date, 51%;

(ii) as of the October 2010 Payment Date to but excluding June 28, 2011, 51.5%

(iii) as of June 28, 2011 to but excluding the August 2012 Amendment Effective Date, 52%;

(iv) as of August 30, 2012 to but excluding the August 2013 Amendment Effective Date, 58%;

(v) as of the August 2013 Amendment Effective Date to but excluding the August 2016 Amendment Effective Date, 58.5%;

(vi) as of the August 2016 Amendment Effective Date to but excluding the August 2018 Amendment Effective Date, 59.5%; provided, however, that if as of any Payment Date the Three Month Rolling Average Loss to Liquidation Ratio exceeds 16.5%, then on such Payment Date and thereafter the Advance Rate will equal 55%; provided further that on any subsequent Payment Date that is the third consecutive Payment Date for which the Three Month Rolling Average Loss to Liquidation Ratio is less than 16.0%, the Advance Rate will return to 59.5%; and

(vii) as of the April 2018 Amendment Effective Date and thereafter, 59.5%; provided, however, that if as of any Payment Date the Three Month Rolling Average Loss to Liquidation Ratio exceeds 20.0%, then on such Payment Date and thereafter the Advance Rate will equal 55%; provided further that on any subsequent Payment Date that is the third consecutive Payment Date for which the Three Month Rolling Average Loss to Liquidation Ratio is less than 20.0%, the Advance Rate will return to 59.5%.

"Default Percentage" shall mean for any Payment Date, the percentage equivalent of a fraction (i) the numerator of which is the sum of (x) the aggregate outstanding Loan Balance on such date of all Pledged Loans that became Defaulted Loans during the related Due Period *plus* (y) the the positive difference if any of (1) the sum for all Pledged Loans that were repurchased or substituted by the Servicer, the Depositor or a Seller during the related Due Period that were Delinquent Loans at the time of such repurchase of the Loan Balances of such Pledged Loans on the date of such repurchase or substitution *minus* (2) the sum of the Proportional Delinquent Loan Balances with respect to all Release Dates that occurred during the related Due Period and (ii) the denominator of which is the Aggregate Loan Balance on such Payment Date (without giving effect to any transfers of Additional Pledged Loans to the Collateral Agent following the last day of the related Due Period).

"Maturity Date" shall mean the April 2035 Payment Date.

"Revolving Credit Agreement" shall mean the Credit Agreement dated as of May 22, 2013 among Wyndham Worldwide, as borrower, the lenders party to the agreement from time to time, JPMorgan Chase Bank, N.A., as syndication agent, The Bank of Nova Scotia, Deutsche Bank Securities Inc., The Royal Bank of Scotland PLC, Credit Suisse AG, Cayman Islands Branch, Compass Bank, U.S. Bank National Association and SunTrust Bank as co-documentation agents, and Bank of America, N.A., as administrative agent, as amended, restated, replaced or refinanced from time to time.

SECTION 2. Addition of Definitions. Section 1.1 of the Original Indenture is hereby amended by adding the following definition thereto in the appropriate alphabetical order:

"April 2018 Amendment Effective Date" shall mean April 6, 2018.

"Eligible Loan Release Percentage" shall mean, with respect to any release of Eligible Loans from the lien of this Indenture, the percentage equivalent of a fraction (i) the numerator of which is the aggregate Loan Balance on the applicable Release Date of all such Eligible Loans being released from the lien of this Indenture and (ii) the denominator of which is the aggregate outstanding Loan Balance on such Release Date of all Eligible Loans subject to the lien of this Indenture immediately prior to giving effect to such release.

"Proportional Delinquent Loan Balance" shall mean, with respect to any release of Eligible Loans from the lien of this Indenture, the product of (i) the Eligible Loan Release Percentage in respect of such release *multiplied by* (ii) the aggregate outstanding Loan Balance of all Delinquent Loans as of the Release Date in respect of such release (without giving effect to the release of any Pledged Loans on such Release Date).

SECTION 3. Amendment to Section 2.12(a). The second sentence of Section 2.12(a) of the Original Indenture is hereby amended and restated to read in its entirety as follows:

The maximum principal amount of the Series 2008-A Notes on and after the April 2018 Amendment Effective Date is and shall be $800,000,000, subject to any changes in the Facility Limit made in accordance herewith and with the Note Purchase Agreement.

SECTION 4. Amendment to Section 10.1(t). Section 10.1(t) of the Original Indenture is hereby amended and restated to read in its entirety as follows:

(t) the Three Month Rolling Average Loss to Liquidation Ratio as calculated for any Payment Date exceeds 25.0%;

SECTION 5. Amendment to Section 15.3. Section 15.3 of the Original Indenture is hereby amended and restated to read in its entirety as follows:

Section 15.3 Governing Law; Waiver of Jury Trial; Submission to Jurisdiction

(a) THIS INDENTURE IS GOVERNED BY AND SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, INCLUDING BUT NOT LIMITED TO §5-1401 AND §5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW, BUT OTHERWISE WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES. EACH OF THE PARTIES HERETO AND THEIR ASSIGNEES AGREES TO THE NON-EXCLUSIVE JURISDICTION OF ANY FEDERAL COURT LOCATED WITHIN THE STATE OF NEW YORK.

(b) TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH OF THE PARTIES HERETO AND THEIR ASSIGNEES WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF, CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP BETWEEN ANY OF THE PARTIES HERETO IN CONNECTION WITH THIS INDENTURE OR THE TRANSACTIONS CONTEMPLATED HEREBY.

SECTION 6. No Other Amendments. Except as expressly amended, modified and supplemented hereby, the provisions of the Original Indenture are and shall remain in full force and effect.

SECTION 7. FATCA. For purposes of determining withholding taxes imposed under the Foreign Account Tax Compliance Act, as contained in Sections 1471 through 1474 of the Code, from and after the effective date of this Amendment, the Issuer shall treat, and hereby authorizes the Trustee to treat, the Notes as not qualifying as a "grandfathered obligation" within the meaning of Treasury Regulation section 1.1471-2(b)(2)(i).

SECTION 8. Governing Law. This Amendment is governed by and shall be construed in accordance with the laws of the State of New York and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with such laws.

SECTION 9. Counterparts. This Amendment may be executed in two or more counterparts (and by different parties on separate counterparts), each of which shall be an original, but all of which together shall constitute one and the same instrument.

SECTION 10. Headings. The headings herein are for purposes of reference only and shall not otherwise affect the meaning or interpretation of any provision hereof.

SECTION 11. Effectiveness. This Amendment shall be effective upon the date (the “Amendment Effective Date”) that is the later of (i) the date hereof and (ii) the first date on which each of the following conditions precedent shall have been satisfied:

(a) This Amendment shall have been executed and delivered by each of the parties hereto;

(b) The Trustee shall have received the written consent of the Required Facility Investors, each Funding Agent, each Non-Conduit Committed Purchaser and the Deal Agent to this Amendment;

(c) The Trustee shall have received any Opinions of Counsel required by the Trustee to be delivered to the Trustee; and

(d) The Eighth Amendment to the Note Purchase Agreement dated as of April 6, 2018 shall have been executed and delivered by each party thereto.

[signature page follows]

IN WITNESS WHEREOF, Issuer, the Servicer, the Trustee and the Collateral Agent have caused this Indenture to be duly executed by their respective officers as of the day and year first above written.

SIERRA TIMESHARE CONDUIT RECEIVABLES FUNDING II, LLC,
as Issuer

By: _/s/ Joseph M. Hollingshead_____
Name: Joseph M. Hollingshead
Title: President

WYNDHAM CONSUMER FINANCE, INC.,
as Servicer

By: _/s/ Joseph M. Hollingshead_____
Name: Joseph M. Hollingshead
Title: President

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee

By: _/s/ Jennifer C. Westberg_____
Name: Jennifer C. Westberg
Title: Vice President

[Eighth Amendment - 2008-A Indenture]

U.S. BANK NATIONAL ASSOCIATION, as
as Collateral Agent

By: _/s/ Tamara Schultz-Fugh_____
Name: Tamara Schultz-Fugh
Title: Vice President

Exhibit 12

WYNDHAM WORLDWIDE CORPORATION
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(Dollars in millions)

	Three Months Ended March 31,	
	2018	**2017**
Earnings available to cover fixed charges:		
Income before income taxes	$ 121	$ 153
Less: Income from equity investees	1	1
	120	152
Plus: Fixed charges	68	57
Amortization of capitalized interest	1	2
Less: Capitalized interest	—	1
Earnings available to cover fixed charges	$ 189	$ 210
Fixed charges (*):		
Interest	$ 64	$ 52
Capitalized interest	—	1
Interest portion of rental expense	4	4
Total fixed charges	$ 68	$ 57
Ratio of earnings to fixed charges	2.78x	3.68x

(*) Consists of interest expense on all indebtedness (including costs related to the amortization of deferred financing costs), capitalized interest and the portion of operating lease rental expense that is representative of the interest factor.

* * *

Exhibit 15

May 2, 2018

Wyndham Worldwide Corporation
22 Sylvan Way
Parsippany, New Jersey 07054

We have reviewed, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the unaudited interim condensed consolidated financial information of Wyndham Worldwide Corporation and subsidiaries for the three-month periods ended March 31, 2018 and 2017, as indicated in our report dated May 2, 2018 (which included an explanatory paragraph regarding the retrospective adjustment for a change in the Company's method of accounting for revenue from contracts with customers under Financial Accounting Standards Board Accounting Standards Codification 606, *Revenues from Contracts with Customers*). As indicated in such report, because we did not perform an audit, we expressed no opinion on that information.

We are aware that our report referred to above, which is included in your Quarterly Report on Form 10-Q for the quarter ended March 31, 2018, is incorporated by reference in Registration Statement No. 333-136090 on Form S-8 and Registration Statement No. 333- 223859 on Form S-3.

We also are aware that the aforementioned report, pursuant to Rule 436(c) under the Securities Act of 1933, is not considered a part of the Registration Statement prepared or certified by an accountant or a report prepared or certified by an accountant within the meaning of Sections 7 and 11 of that Act.

/s/ Deloitte & Touche LLP
Parsippany, New Jersey

* * *

Exhibit 31.1

CERTIFICATION

I, Stephen P. Holmes, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Wyndham Worldwide Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 2, 2018

/S/ STEPHEN P. HOLMES

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Exhibit 31.2

CERTIFICATION

I, David B. Wyshner, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Wyndham Worldwide Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 2, 2018

/S/ DAVID B. WYSHNER

CHIEF FINANCIAL OFFICER

Exhibit 32

CERTIFICATION OF CHAIRMAN AND CEO AND CFO PURSUANT TO
18 U.S.C. SECTION 1350

In connection with the Quarterly Report of Wyndham Worldwide Corporation (the "Company") on Form 10-Q for the period ended March 31, 2018, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Stephen P. Holmes, as Chairman and Chief Executive Officer of the Company, and David B. Wyshner, as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

(1.) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2.) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/S/ STEPHEN P. HOLMES

STEPHEN P. HOLMES
CHAIRMAN AND CHIEF EXECUTIVE OFFICER
MAY 2, 2018

/S/ DAVID B. WYSHNER

DAVID B. WYSHNER

CHIEF FINANCIAL OFFICER
MAY 2, 2018