

Group Sales Agreement Template

Washington State University and Red Lion Hotels

Approved Master Agreement

Effective July 9, 2009 RED LION HOTEL [INSERT NAME OF HOTEL LOCATION]

GROUP SALES AGREEMENT

Tentative\_\_ Date\_\_\_\_\_\_\_

Definite\_\_\_ Date\_\_\_\_\_\_\_

Revision\_\_ Date\_\_\_\_\_\_\_

This Agreement is made and entered into as of \_\_\_\_\_\_\_\_\_\_\_\_[date], by and between Red Lion Hotel [NAME OF HOTEL LOCATION] (hereinafter referred to as “Hotel”) and [LEGAL NAME OF GROUP OR PERSON] (hereinafter referred to as “Group”). Group agrees that the terms of this Agreement are based upon the information provided by Group below.

SECTION ONE : DESCRIPTION OF THE EVENT

* Company/Organization or Sponsor’s Name:
* Event Name and general description of event:

* **Contact Name**:
* **Contact Phone**: day:  evening:  Fax:
* **Contact Address**:  e mail:

#### SECTION TWO: GROUP ROOM RESERVATIONS

**2.1. Guest Room Accommodations**: Hotel will hold the following block of rooms for Group’s use. Unless as indicated in this Agreement, Hotel does not guarantee any particular room type nor does it guarantee that rooms will be in proximity to each other.

DAY DATE NUMBER OF ROOMS NUMBER OF SUITES

CHECK IN TIME: \_\_\_\_\_\_ CHECK OUT DATE/TIME: \_\_\_\_\_\_ TOTAL NUMBER OF ROOM NIGHTS: \_\_\_\_\_\_\_\_\_

**Cut off Date:** **[INSERT DATE**]. After this date, rooms not covered by a rooming list or individual reservations shall be released from Group’s room block and Hotel may contract with other parties for the use of such rooms. Hotel may continue to accept reservations from Group’s attendees after that date at the prevailing room rate, subject to availability.

**2.2.** **Special Guest Room Requests**: Hotel will grant Group the following special guestroom requests. Hotel will not guarantee any special requests except those set forth below:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**2.3. Guest Room Rates**

* **[OPTION ONE]** The Hotel is pleased to confirm the following room rates for this group:

Single Occupancy: $ Double Occupancy $

Triple Occupancy: $ Quad Occupancy $

One Bedroom Suites: $ Presidential Suite: $

Other (describe) $ Additional person $

**[OPTION TWO]** Hotel will guarantee room rates one year prior to arrival. Current rates are as set forth below. Both parties agree to review the contracted guest room commitment on an annual basis to make adjustments in the block based on annual meetings leading up to your event. Adjustments in the block may be made (either increased or decreased) and the block lowered up to 20% without penalty. The meeting room space will also be reviewed and adjusted (based upon availability) in accordance with the same percentage increase or decrease the room block was adjusted Final consideration for block adjustments must be made \_\_\_\_ months prior to your event. After that date, cancellation and attrition penalties will apply based on final agreement of the guest room block at the percentages outlined in this Agreement.

Single Occupancy: $ Double Occupancy $

Triple Occupancy: $ Quad Occupancy $

One Bedroom Suites: $ Presidential Suite: $

Other (describe) $ Additional person $

* Hotel room rates are subject to applicable state and local taxes. If Group is tax-exempt, it must present all documentation required by Hotel and pay in the manner specified by Hotel. If Group is claiming tax-exempt status, Group hereby accepts all liability and agrees to indemnify Hotel for all taxes paid and all costs incurred, including attorney fees, if a taxing authority requires that the Hotel remit tax for the room nights covered by this Agreement. Otherwise, Group will be charged all applicable taxes.
* **[OPTION ONE**] All rates are net non-commissionable.
* **[OPTION TWO]** The party indicated below (“Commission Recipient”) shall be paid a \_\_\_\_ % commission upon payment in full of all outstanding invoices due Hotel from Group, exclusive of all taxes and service charges. The Commission Recipient agrees to take full responsibility for determining whether full disclosure of commissions is required to Group or others and for making such disclosures. By Commission Recipient’s signature below, Commission Recipient agrees that it will indemnify Hotel for all costs and liabilities incurred by Hotel in any way relating to any commission payment to Commission Recipient. Notwithstanding the above, absent any written agreement between Commission Recipient to the contrary or any requirement, Hotel will not be under any obligation to keep the fact and amount of the commission confidential and Hotel will not be liable for any disclosure of such fact and/or amount.

Commission Recipient (or authorized agent for Commission Recipient)

Print name:

**2.4. Reservations**

* **[OPTION ONE] : INDIVIDUAL RESERVATIONS**: Each individual guest must make their own reservations by calling [**PHONE NUMBER**] by [**CUT-OFF DATE**]. They must identify themselves as members of the Group. All reservations must be guaranteed and accompanied by a first night room deposit or guaranteed with a major credit card.
* **[OPTION TWO]: ROOMING LIST**. Group must submit a room list to Hotel by [**CUT-OFF DATE**]. This list must be provided to and approved by Hotel and indicate the name and “share withs” of each guest, the types of sleeping rooms desired (single, double), the arrival and departure dates and the smoking and non-smoking requirements for each guest (hereafter “Rooming List”). Reservations made by Rooming List will only be allowed if Group is approved for a Master Account pursuant to Section 4.1

All reservations made by Rooming List will be automatically guaranteed for late arrival by Group. If guests identified on the Rooming List do not check in, Group’s Master Account will be charged for the first night of all no-shows and cancellations that occur prior to \_\_\_\_ hours of arrival.

* **[OPTION THREE]: ON-LINE RESERVATIONS:** Group members may make reservations through the internet by accessing our website at [\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_](http://www.webaddress.com) and completing the on-line reservation form.

NOTE: All attendees must identify themselves as a member of the Group to receive the Group rate and to have their reservation credited to your block. Any reservations made outside of the Group block will not be considered for purposes of complimentary allocations, attrition, meeting room rental, or any other provision of this agreement contingent on room pick-up.

#### SECTION THREE

#### MEETING ROOM/BALLROOM AND CATERING SERVICES

*[****DELETE SECTION AND WRITE-IN “N/A” IF INAPPLICABLE BUT RETAIN HEADING]***

**3.1.** **MEETING ROOMS**: Upon the signature of this Agreement, Hotel reserves and Group guarantees payment for the following meeting room space for the specified days/times:

**Function # of People Day/Date Time Set Rental**

* Hotel reserves the right to assign and change specific meeting room space at its discretion, so long as Group receives meeting space adequate to meet its needs as a result of any such change. Group must obtain final approval from Hotel before publishing meeting room names.
* **CHARGES**
* Group will be charged a fee of $\_\_\_\_\_ per \_\_\_\_\_(room/chair) for the set-up.
* Meeting Room Rental for the above space is normally $\_\_\_\_ per day, plus applicable taxes. Notwithstanding anything to the contrary in Section 3.1, based upon the Guaranteed Amount (as defined below under Catering Services in section 3.2), Hotel will offer the meeting room on the following sliding scale:

90 – 100% of Guaranteed Amount $ \_\_\_\_ per day

70 – 89% of Guaranteed Amount $ \_\_\_\_ per day

50 – 69% of Guaranteed Amount $ \_\_\_\_ per day

30 – 49% of Guaranteed Amount $ \_\_\_\_ per day

29% AND LESS: of Guaranteed Amount $ \_\_\_\_ per day

**3.2 CATERING SERVICES**: A minimum of $\_\_\_\_\_\_\_ in food and beverage must be spent at your function (the “Guaranteed Amount”). This Guaranteed Amount does not include room rental, meeting space rental, no-host bar, service charges, tax and labor charges, audio-visual, parking or any other miscellaneous charges incurred. Group is required to pay Hotel the full Guaranteed Amount, regardless of whether Group actually charges that amount. Group is also required to pay Hotel any amounts it incurs exceeding the Guaranteed Amount.

* [**OPTIONAL**] In addition to the Guaranteed Amount, Group shall be required to pay the following service charges per person: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. Such charges will be billed to the Master Account or are estimated at a total of $\_\_\_\_\_\_ and are payable prior to the function date.

**3.3 FOOD & BEVERAGE POLICY**

* Due to licensing and insurance requirements, all food and beverage to be served on Hotel property must be supplied and prepared by Hotel or its agents. In addition, no remaining food or beverage shall be removed from the premises. At the conclusion of the function, such food and beverage becomes the property of Hotel.
* Menu prices will be confirmed \_\_\_\_\_\_\_\_ months prior to scheduled function.
* Food and beverage prices are subject to an \_\_\_\_\_\_% service charge and applicable taxes.
* Final menu selections must be submitted to Hotel’s Catering Officer at least \_\_\_\_\_\_\_\_ weeks/days/months in advance; otherwise, items selected cannot be guaranteed. At the time final menu selections are made, Group shall review, approve and initial the final menu. Other than specifically stated in the approved menu (or otherwise agreed in a separate writing signed by Group and the Hotel (General Manager or General Manager’s designee), Hotel will not be responsible for any specific dietary requests or requirements.
* The Catering Office must be notified of the number of people attending the event no later than noon \_\_\_ days prior to the scheduled function (“Guaranteed Attendance”). Guaranteed Attendance for functions scheduled Monday or Tuesday must be received by noon on the preceding Friday. Hotel agrees to set \_\_\_\_\_\_\_\_ percent over the Guaranteed Attendance for banquets. Guaranteed Attendance is not subject to reduction and Hotel will charge the Master Account, at a minimum, the amount due in accordance with the Guaranteed Attendance.

##### SECTION FOUR

##### BILLING/CREDIT PROCEDURES

* 1. **MASTER ACCOUNT**: The manner of payment of the Master Account shall be established upon approval of Group for Direct Billing. If Group has been approved for Direct Billing, all charges authorized under this agreement will be billed to the Master Account and will be direct billed to Group and paid as provided herein.
  2. **RESERVATION FEE**: Hotel requires a non-refundable reservation fee in the amount of 5% of the estimated charges (in the amount of $\_\_\_\_\_) which Hotel must receive by [**INSERT DATE**] in order to guarantee a hold on Group’s room block and/or meeting space. If reservation fee is not received by the above date, Hotel will no longer be required to continue to hold the room block or meeting space requested by Group. Final payment will be made on the final day of Group’s event.

Days prior to arrival / Date Amount due

**4.3 INCIDENTALS**: Incidental expenses of Group members will be the responsibility of each guest. The guest will be expected to leave a valid credit card or a cash deposit in the amount of $\_\_\_\_\_ with the hotel at the time of check-in. It will be Group’s responsibility to inform its members of this requirement.

**4.4 BILL REVIEW**: In order to assure the most accurate billing and thus alleviate any delays in payment which may result in your organization incurring unnecessary finance charges, the Group will be expected to:

* Request and Review its bill on a daily basis
* Request, review and sign all Banquet Event Orders prior to the event.
* Request, review and sign all event Banquet checks at the conclusion of the event.
* Request and review final bill prior to check-out.

###### SECTION FIVE: CANCELLATION/MODIFICATION

**5.1 CANCELLATION OF ROOM RESERVATIONS**:

* **OPTION ONE:** Guests are responsible for paying for their own accommodations.  Reservation Fees (taken either in cash or by credit card) are refunded or credited only if notice is received \_\_\_ hours prior to arrival date and cancellation number must be obtained by guest.
* **OPTION TWO:** Group is responsible for payment of guests’ accommodations through a Master Account.
* **OPTION THREE:** Group will specify which guests will be placed on the Group’s Master Account for payment of guests’ accommodations through a rooming list. Other guests of the group are responsible for paying for their own accommodations. Reservation Fees (taken either in cash or by credit card) are refunded or credited only if notice is received \_\_\_ hours prior to arrival date and cancellation number must be obtained by guest.

**5.2 GROUP’S CANCELLATION OR ATTRITION**:

Group and Hotel have entered into a binding commitment. The Hotel is committed to providing the rooms and services specified in this Agreement and the Hotel has offered special rates and other concessions based upon anticipated revenues for your event. The anticipated revenue includes the revenue from the total number of sleeping rooms you have requested as well as the revenue received from the food and beverage services you may have requested and any ancillary services, such as in-room movies, telephone tolls, room service and other charges.

If Hotel cancels this Agreement or is unable to provide the requested rooms or meeting space, the Hotel will work with Group to arrange alternative, comparable accommodations and space at the prices set forth herein. Hotel will arrange for comparable space in the same vicinity of the Hotel and shall provide, without charge, necessary transportation between the alternative site and the Hotel. Hotel’s liability is limited to these remedies and Hotel shall not be liable for any consequential, punitive or special damages.

If Group cancels this Agreement, reduces the size of its meeting and/or attendance, or reduces the amount of food and beverage services, Group agrees that Hotel will suffer damages. Such damages will be a result of Hotel’s inability to offer Group’s unused space or services to another group and /or the cost to Hotel of trying to re-sell this space/services. The exact amount of damages will be difficult to determine. Therefore, Group agrees that the liquidated damages set forth below are a reasonable effort by the parties to agree in advance on the amount of damages. It is agreed that these amounts will be due to the Hotel regardless of the Hotel’s ultimate ability to re-sell some or all of the space or services.

The Hotel agrees that if Group rebooks a similar event (i.e. similar in size, rates, rentals and anticipated revenues) to take place within twelve (12) months of cancellation, the Hotel will apply fifty-percent (50%) of the cancellation fee as a credit to the re-booking.

**CANCELLATION:**

The closer to arrival the cancellation occurs, the greater the damages will be. Therefore, Group agrees to pay Hotel at the time of cancellation a liquidated damages fee, as follows (less any reduction for resold space):

(For groups of 51 rooms or more)

More than 6 months prior $\_\_\_\_\_\_\_[$$ amount equal to 50% of total anticipated revenue

More than 90 days, up to 6 months prior to arrival date: $\_\_\_\_\_\_\_[$$ amount equal to 70% of total anticipated revenue]

90 days or less prior to arrival date: $\_\_\_\_\_\_\_[$$ amount equal to 80% of total anticipated revenue]

(For groups of 26 to 50 rooms)

More than 60 days, up to 90 days prior to arrival date: $\_\_\_\_\_\_\_ [$$ amount equal to 25% of total anticipated revenue]

More than 30 days, up to 60 days prior to arrival date: $\_\_\_\_\_\_\_ [$$ amount equal to 50% of total anticipated revenue]

30 days or less prior to arrival date: $ \_\_\_\_\_\_ [$$ amount equal to 100% of total anticipated revenue]

(For groups of 25 or less rooms)

More than 30 days, up to 90 days prior to arrival date: $ [$$ amount equal to 25% of total anticipated revenue])

30 days or less prior to arrival date: $ [$$ amount equal to 100% of total anticipated revenue])

**ATTRITION:**

The parties agree that Group and Hotel will share in the loss of revenues suffered by the Hotel in the event of the Group’s failure to utilize all of the rooms and services agreed to herein. The Group therefore agrees to pay to the Hotel a percentage of lost revenue as outlined in this paragraph.

For sleeping room revenue, the lost revenue will be calculated by multiplying the number of rooms not utilized out of the Group’s block times the average room rate of rooms actually utilized, plus tax. For food, beverage, meeting rooms and other services revenue, lost revenue will be calculated by subtracting the exact amount of food and beverage provided from the total anticipated food and beverage agreed to herein. The lost revenues for food, beverage, meeting rooms and other services and for sleeping rooms will be calculated separately and provided as a total sum.

The Group will be responsible for paying the amount indicated by the chart below:

Percentage of rooms/services not utilized Group Pays

**20% or less -0-**

**21 to 30% 40% of lost revenues**

**31 to 60% 60% of lost revenues**

**over 60% 100% of lost revenues**

Notwithstanding this Section 5, if Group takes any action resulting in the cancellation of the rooms or catering to be provided under this Agreement, Hotel will in good faith consider waiving all or a portion of the liquidated damages to which Hotel might otherwise be entitled under the Agreement, provided that Group has provided Hotel with substantial evidence that it has booked or will book other business with Hotel that, in Hotel's discretion, mitigates the damages Hotel would incur through the cancellation of the rooms or catering that would otherwise be provided under this Agreement.

SECTION SIX: MISCELLANEOUS

**6.1 SIGNS AND DISPLAYS/USE OF HOTEL NAME**: Group shall not display signs in Hotel nor use the name/logo of the Hotel in any promotional brochures or ads without prior approval of the General Manager of Hotel. It is further agreed that no sign, banner or display shall be affixed to any part of Hotel. Any damages caused to the walls, fixtures or carpet will be billed to Group.

**6.2 SECURITY**: Hotel may, in its sole discretion, require Group to take certain security measures in order to maintain security in light of the size or nature of the function. Such security measures may include the requirement to hire sufficient security personnel from a reputable agency that is approved by Hotel prior to the function. Hotel may cancel any Group event if security is not adequate in Hotel’s sole discretion.

**6.3 SHIPPING AND RECEIVING**: In the event Group will be shipping packages to Hotel, Group must notify Hotel at least one week in advance. All packages sent to Hotel should include the name of Group, date of program and number of items. Shipment should arrive no earlier than three (3) days prior to event. Hotel accepts no responsibility or liability other than for gross negligence of hotel management as it relates to the delivery, security or condition of the packages. Hotel agrees to keep the packages in a secure location at Hotel until Group’s arrival.

**6.4 PARKING**: Hotel parking is available on a space-available basis at the then prevailing rates. [**INSERT any special rate/arrangements here**]

**6.5** **SIGNING AUTHORITY.** The following individuals have the proper authority to sign for the Master Account and/or act on behalf of and bind the Group pursuant to the terms of this Agreement:

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**6.6** **HOTEL CONTACT/NOTICES**: All notices, offers, acceptances, requests and other communications hereunder shall be in writing and shall be deemed delivered if hand delivered or sent by Federal Express, or certified or registered mail to the Group contact on the first page of this Agreement, or, if to Hotel, to the following address: Hotel Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Attn: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. Hotel may change Hotel’s designated contact at any time upon notice. Hotel will not be bound by any notice unless delivered to Hotel in the manner specified herein.

##### SECTION SEVEN: GENERAL PROVISIONS

**7.1** **DAMAGE CLAUSE:** In the unlikely event that damage to any Hotel property occurs as a result of any negligent act or omission of Group, Group agrees to assume all related liability and expense**.** Group shall, to the extent allowed by law, indemnify and hold harmless Hotel and its officers, directors, partners, affiliates, members and employees from and against all demands, claims, damages to persons and/or property, losses and liabilities, including reasonable attorney fees (collectively “Claims”) arising out of or caused by Group’s negligent acts or omissions. Group shall not have waived or be deemed to have waived, by reason of this paragraph, any defense that it may have with respect to such claims.

**7.2** **GROUP’S PROPERTY**: Group agrees and acknowledges that Hotel will not be responsible for the safe-keeping of equipment, supplies, written material or other valuable items left in function rooms, guest rooms or anywhere on Hotel property other than the Hotel safe. State laws will govern Hotel’s liability for items stolen in guestrooms or items kept in Hotel’s safe. Group may not rely on any verbal or written assurances provided by Hotel staff, other than as provided in this Agreement.

**7.3** **INSURANCE**: Property of Group is the sole responsibility of the Group and/or its owner. Group agrees that it has either procured sufficient property and casualty insurance to cover the loss of such property or is self-insured and will assume the risk for the same. A certificate of general liability insurance naming Hotel as additional insured and acceptable to Hotel in its sole reasonable discretion will be provided upon request of Hotel. Group hereby waives any claims under Hotel’s insurance policy for the loss of Group’s property to the extent such loss is not caused by the Hotel’s negligence or misconduct.

**7.4** **FORCE MAJEURE**: The performance of this Agreement is subject to any circumstances making it illegal or impossible for the Hotel to provide Hotel facilities or for the Group to hold its event, including but not limited to Acts of God, war, government regulations, disaster, strikes, civil disorder or curtailment of transportation facilities. This Agreement may be terminated for any one of the above reasons by written notice to Group by Hotel or to Hotel by Group.

**7.5 DISPUTE RESOLUTION**: Hotel and Group agree to use their reasonable efforts to resolve any disputes under this Agreement through informal means. In the unlikely event that formal action must be taken, this Agreement will be interpreted in accordance with the laws of the State of Washington, and each party shall bear its own legal costs and attorney fees.

**7.6 ENTIRE AGREEMENT**: This Agreement and any Exhibits hereto constitutes the entire agreement between the parties and supersedes any previous communications, representations or agreements, whether written or oral. Any changes to this Agreement must be made in writing and signed by authorized representative of each party.

**7.7** **MISCELLANEOUS**: The persons signing this Agreement for Hotel and Group each warrant that they are authorized to bind the Hotel and Group, respectively. Any provision of this Agreement that is deemed unenforceable shall be ineffective to the extent of such unenforceability without invalidating or rendering the remainder of this Agreement invalid. Each party shall execute such other and further documents as may be necessary to carry out the intention as well as to comply with the provisions of this Agreement.

**7.8** **NO ASSIGNMENT**: Neither party may assign or transfer this Agreement or any part thereof without the prior written consent of the other party.

**7.9** **RIGHT OF HOTEL TO TERMINATE**: If any material information is falsely provided by Group to Hotel regarding Group’s activities, purpose, or any other material information about Group, Hotel may terminate this Agreement in whole or part and Group will be liable for all payments due pursuant to Section 5 above.

* 1. **RIGHT OF INSPECTION/ENTRY**: Hotel will have the right to enter and inspect all functions. If Hotel observes any illegal activity or activity that may, in Hotel’s reasonable discretion, result in harm to persons or objects, Hotel has the right to immediately notify Group to cease such activity. In the event the Group does not cease or alter such activity to remove the potential harm, Hotel may order the Group’s guests and invitees to immediately cease the activity and vacate the premises, as Hotel may determine in its sole reasonable discretion. In such event, Group will remain liable for all fees and charges related to the function pursuant to the terms of this Agreement.

To serve as our mutual agreement this document must be signed and returned by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. If the signed Agreement is not received by the date requested all rooms and space may be released for sale.

IN WITNESS WHEREOF, Hotel and Group have executed this Agreement in manner and form sufficient to bind them as of the date and year set forth on page one of this Agreement:

**HOTEL [INSERT GROUP NAME]**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**DIRECTOR OF SALES**: \_\_\_\_\_\_\_ Initial