

HILTON

GRAND VACATIONS

July 3, 2020

VIA CERTIFIED MAIL

Rapid Response Unit

Employment Security Division

Nevada Department of Employment, Training and Rehabilitation

2800 E. St. Louis Ave.

Las Vegas, NV 89104

Dear Rapid Response Unit Representative:

This letter is to inform you that on March 27, 2020, Hilton Grand Vacations (the “Company”) was forced to place Team Members of the Company located at the Hilton Grand Vacations Elara (██████████), 80 E. Harmon Ave., Las Vegas, NV 89109 on furloughs and cease, for the most part, operations at the property due to the unforeseen business circumstances resulting from the sudden and unprecedented effects of the COVID-19 pandemic. We anticipate fully reopening the property when the climate allows sometime in the future. As we navigate these unprecedented events, at this point, we cannot reasonably predict when that will occur.

When we initially furloughed employees on March 27, 2020, we believed that we would be able to return the affected employees to work shortly after. While we continue to hope these furloughs will be temporary, in light of the current and unexpected circumstances, we are now unsure when we will be able to return the affected employees to work on a consistent basis. Accordingly, and in an abundance of caution, effective July 1, 2020, we want to let you know that although we still expect these furloughs to be temporary, we simply cannot predict a return date at this juncture and the furloughs now may, or may not, extend beyond 6 months. Enclosed is a listing of the job titles of the positions to be affected and the number of affected employees in each job classification.

We apologize that we were unable to provide to you more advance notice of your employment status. As you know this is a terrible time in the hospitality industry. The speed and vast reach of the COVID-19 pandemic, as well as the State’s continued extension of its initial closure orders and the phased reopening plan has forced us to re-evaluate our plans. Recently issued State guidance regarding the phased reopening makes it clear that the impacts on the hospitality industry in Nevada will be for an extended period of time and drastically impact the

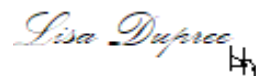
Company's business and ability to continue operating at this time. Similarly, State and local guidance on business opening plans make clear the Company's unique set-up will pose challenges that will require significant and potentially lengthy structural changes at this juncture. In addition, the recent surge in COVID-19 cases in Nevada makes it clear now that there will be additional challenges posed to the travel and hospitality industries in Nevada. After reviewing our staffing and business needs, we are providing this notice to you at the earliest possible time.

There are no bumping rights related to these temporary furloughs at this property.

Some of the affected employees are represented by Culinary Workers Union Local 226. The chief elected officer of the Culinary Workers Union Local 226 is Ted Pappageorge and can be contacted at 1630 S. Commerce St., Las Vegas, NV 89102. The chief elected officer of Teamsters Local 986 is Sean Harren and may be contacted at 1430 E. Holt Ave., Covina CA 91724.

If you require further information, please contact Lisa M. Dupuree, (407) 613-3715 or Lisa.Dupuree@hgv.com.

Very truly yours,

A handwritten signature in blue ink that reads "Lisa Dupree". To the right of the signature is a small blue ink mark that looks like a stylized "H" or a similar symbol.

Lisa M. Dupuree
Sr. Director Team Member Relations

Enclosure:

Exhibit 1 List of impacted positions by job title and number of impacted employees in each job title

Exhibit 1 - List of impacted positions by job title and number of impacted employees in each job title

Position/Dept	# Employees
Administration Elara	2
Administration Las Vegas	1
Common Area Elara	4
Contracts Las Vegas Boulevard	19
Front Desk Elara	39
Housekeeping Elara	131
IT Run (GA)	1
Lobby Bar Elara	1
Maintenance Elara	10
Marketing Greeter Elara	1
Marketing In House Elara	5
Marketing In House Las Vegas Boulevard	12
Marketing Overhead Dispatch Las Vegas Boulevard	7
Marketing Overhead Las Vegas	1
Pool Bar Elara	23
Quality Assurance Las Vegas Boulevard	10
Room Service Elara	18
Sales Centralized Elara	4
Sales Executive In House Elara	55
Sales Gallery Elara	4
Sales Gallery Las Vegas Boulevard	7
Sales Manager In House Elara	5
Security Elara	12
Starbucks Elara	14
Grand Total	386