

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

STARWOOD HOTELS & RESORTS  
WORLDWIDE, INC.,

Plaintiffs,

*-against-*

HILTON HOTELS CORPORATION,  
ROSS KLEIN, AND AMAR LALVANI,

Defendants.

No. 09-cv-3862 (SCR) (ECF Case)

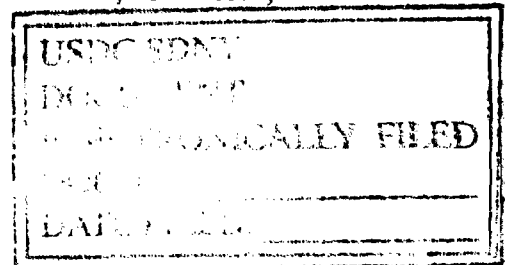
**PRELIMINARY INJUNCTION  
AND ORDER ENTERED ON  
CONSENT OF ALL  
DEFENDANTS**

**WHEREAS**, on April 16, 2009, plaintiff Starwood Hotels & Resorts Worldwide, Inc. (“Starwood”) filed this action, alleging, among other things, that defendants Hilton Hotels Corporation (“Hilton”), Ross Klein (“Klein”) and Amar Lalvani (“Lalvani”) improperly obtained documents and electronic information from Starwood (the “Starwood Information”), including confidential and/or trade secret information, and, among other things, used Starwood Information in the development of Hilton’s Denizen Hotels brand;

**WHEREAS**, on April 17, 2009, the Court entered an Order directing Hilton, Klein and Lalvani to show cause why an order should not be entered permitting Starwood to conduct expedited discovery in aid of Starwood’s bringing on a motion for a preliminary injunction;

**WHEREAS**, Hilton represents that, on April 20, 2009, Hilton received a grand jury subpoena from the United States Attorney’s Office for the Southern District of New York requesting, among other things, documents relating to the Starwood Information;

**WHEREAS**, Hilton represents that, on April 21, 2009, Hilton placed Klein, Lalvani, and their entire luxury and lifestyle team, including Leah Corradino, Jeff Darnell, Erin Green,



Stephanie Heer, Christopher Kochuba, Susan Manrao, Eric Shaffer and Elie Younes, on paid administrative leave of absence, and suspended all further development of the Denizen Hotels brand;

**WHEREAS**, Hilton is reviewing the matters alleged in Starwood's Complaint;

**WHEREAS**, nothing in this Stipulation shall be deemed an admission by Hilton, Klein and Lalvani of the truth of any of Starwood's allegations, nor a waiver of any of their constitutional rights; and

**WHEREAS**, Hilton, Klein and Lalvani each, being represented by and having had the opportunity to consult with counsel, expressly consents to the entry of this Preliminary Injunction and Order;

**NOW THEREFORE, IT IS HEREBY STIPULATED, AGREED, AND ORDERED:**

1. Defendants Hilton, Klein and Lalvani, and their respective officers, agents, servants, employees and in-house attorneys, and all other persons who are in active concert or participation with them (including without limitation designers, architects, consultants and advisors engaged by Hilton in connection the Project Global 21 or Denizen Hotels brand) who receive actual notice of this order by personal service or otherwise, are hereby preliminarily enjoined from knowingly using directly or indirectly in any way the Starwood Information, including without limitation any information contained therein or derived therefrom.

2. Within 15 days from the date of entry of this Preliminary Injunction and Order, Defendant Hilton shall return to Starwood (c/o its counsel in this action) any and all Starwood Information in its possession, custody, or control, wherever located, subject only to the need to retain such documents or copies of such documents by its counsel to comply with any lawful subpoena or for purposes of their defense of this action or any parallel action, including the

grand jury investigation. In all events, Hilton shall provide to Starwood full and complete copies and a full and complete listing of any and all Starwood Information (or copies) so retained, and Hilton's counsel shall take possession of and employ all appropriate measures to safeguard the confidentiality of any and all Starwood Information (or copies) so retained. In the event further Starwood Information is discovered after the 15 day period, then Defendant Hilton shall promptly (within five business days) return all such Starwood Information subject only to the two immediately preceding sentences.

3. Counsel for Klein and Lalvani shall immediately take possession of and shall preserve any and all Starwood Information in their client's possession, custody and control, including electronic information and computer hardware containing Starwood Information, and said counsel shall employ all appropriate measures to safeguard the confidentiality of any and all such Starwood Information. In the event Klein or Lalvani produces any Starwood Information in response to lawful subpoena, said counsel shall simultaneously return the Starwood Information to Starwood in accordance with paragraph 2.

4. Defendants Hilton, Klein and Lalvani, and their respective officers, agents, servants, employees and attorneys, and all other persons who are in active concert or participation with them who receive actual notice of this order by personal service or otherwise, shall preserve all documents and information of any kind or description relating in any way to (i) the efforts to collect and return Starwood Information to Starwood, (ii) the recruiting and hiring by Hilton of Klein, Lalvani, Leah Corradino, Jeff Darnell, Erin Green, Stephanie Heer, Christopher Kochuba, Susan Manrao, Eric Shaffer and Elie Younes, and (iii) the claims alleged in Starwood's Complaint, including without limitation all electronic information and computer hardware containing Starwood information.

5. Defendants Hilton, Klein and Lalvani, and their respective officers, agents, servants, employees and attorneys, and all other persons who are in active concert or participation with them who receive actual notice of this order by personal service or otherwise, shall preserve all documents and information of any kind or description derived in any way directly or indirectly, in whole or in part, from any Starwood Information, including without limitation all documents and materials relating in any way to Denizen Hotels brand, including without limitation the design, branding, development, promotion, programming, staffing and marketing thereof.

6. Defendants Hilton, Klein and Lalvani, and their respective officers, agents, servants, employees and attorneys, and all other persons who are in active concert or participation with them who receive actual notice of this order by personal service or otherwise, are hereby preliminarily enjoined and shall cease all further development of the Denizen Hotels brand (formerly known as Project Global21), including without limitation all internal and external design, branding, development, promotion, programming, staffing and marketing of the Denizen Hotels brand, including without limitation any discussions or negotiations with prospective owners, developers and/or franchisees relating thereto.

7. Defendant Hilton is ordered forthwith to serve a true and complete copy of this Preliminary Injunction on (i) Leah Corradino, Jeff Darnell, Erin Green, Stephanie Heer, Christopher Kochuba, Susan Manrao, Eric Shaffer and Elie Younes, and (ii) all designers, architects, consultants and other advisors working with Hilton on Project Global21 or the Denizen Hotels brand, who upon such actual notice shall be bound hereby.

**IT IS FURTHER HEREBY STIPULATED, AGREED, AND ORDERED**, on the consent of all Defendants that the Court finds that ten dollars (\$10.00) security by Starwood is

good and sufficient in the circumstances the posting of which is waived. Defendants waive any and all rights to other or additional security.

**IT IS FURTHER HEREBY STIPULATED, AGREED, AND ORDERED**, that this Preliminary Injunction and Order shall remain in full force and effect for a period of not less than ninety (90) days, and shall remain in full force and effect thereafter until further order of this Court on notice to all parties.

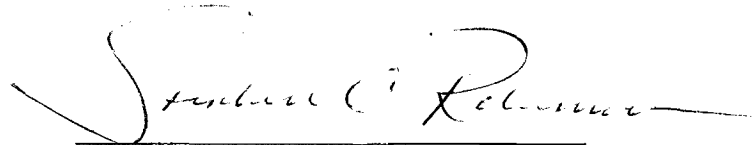
**IT IS FURTHER HEREBY STIPULATED, AGREED, AND ORDERED**, that Starwood's pending application is withdrawn without prejudice, that the time in which Defendants have to answer, move or otherwise respond to the Complaint shall be extended for a period of ninety (90) days or until further order of this Court, and that Starwood and Hilton may proceed to serve discovery requests and the time for Hilton and Starwood to respond thereto is adjourned pending further order of this Court.

**IT IS FURTHER HEREBY STIPULATED, AGREED, AND ORDERED**, that all proceedings in this action are stayed and the time to do all manner of things under the Federal Rules of Civil Procedure and the Local Rules of this Court is adjourned without date pending further order of this Court.

**IT IS FURTHER HEREBY STIPULATED, AGREED, AND ORDERED**, that this Preliminary Injunction and Order shall become effective immediately upon its entry.

**SO ORDERED.**

April 23, 2009

  
\_\_\_\_\_  
Hon. Stephen C. Robinson  
UNITED STATES DISTRICT JUDGE

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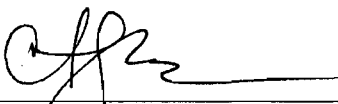
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