

MARRIOTT INTERNATIONAL INC /MD/  
Form PRE 14A  
March 10, 2006  
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**SCHEDULE 14A**

**(RULE 14a-101)**

**INFORMATION REQUIRED IN PROXY STATEMENT**

**SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Under Rule 14a-12

**Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

**Marriott International, Inc.**

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(Name of Registrant as Specified in Its Charter)

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(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

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Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1. Title of each class of securities to which transaction applies:
2. Aggregate number of securities to which transaction applies:
3. Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
4. Proposed maximum aggregate value of transaction:
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Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

1. Amount previously paid:
2. Form, Schedule or Registration Statement No.:
3. Filing Party:
4. Date Filed:

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Corporate Headquarters:  
10400 Fernwood Road  
Bethesda, Maryland 20817

Mailing Address:  
Marriott Drive  
Washington, D.C. 20058

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS TO BE HELD FRIDAY, APRIL 28, 2006**

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*To our Shareholders:*

March [27], 2006

The 2006 annual meeting of shareholders of Marriott International, Inc. (the *Company*) will be held at the JW Marriott Hotel, 1331 Pennsylvania Avenue, N.W., Washington, D.C. on Friday, April 28, 2006, beginning at 10:30 a.m. Doors to the meeting will open at 9:30 a.m. At the meeting, shareholders will act on the following matters:

- (1) Election of three directors, each for a term of three years;
- (2) Ratification of the appointment of Ernst & Young LLP as the Company's principal independent auditor for fiscal 2006;
- (3) Consideration of one management proposal to declassify the Board of Directors and establish annual election of all directors;
- (4) Consideration of one shareholder proposal to require election of directors by a majority of votes cast, if properly presented at the meeting; and
- (5) Any other matters that properly come before the meeting.

Shareholders of record at the close of business on March 7, 2006 will be entitled to notice of and to vote at this meeting.

For the convenience of our shareholders, proxies may be given either by telephone, electronically through the Internet, or by completing, signing, and returning the enclosed proxy card. In addition, shareholders may elect to receive future shareholder communications, including proxy materials, through the Internet. Instructions for each of these options can be found in the enclosed materials.

By order of the Board of Directors,

Terri L. Turner

Secretary

**PLEASE REFER TO THE OUTSIDE BACK COVER FOR DIRECTIONS TO THE MEETING AND INFORMATION ON  
PARKING, PUBLIC TRANSPORTATION AND LODGING.**

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**MARRIOTT INTERNATIONAL, INC. 10400 FERNWOOD ROAD, BETHESDA, MARYLAND 20817**

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**PRELIMINARY PROXY STATEMENT**

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This proxy statement contains information related to the annual meeting of shareholders of Marriott International, Inc. ( *we*, *us*, or the *Company* ) to be held on Friday, April 28, 2006, beginning at 10:30 a.m., at the JW Marriott Hotel, 1331 Pennsylvania Avenue, N.W., Washington, D.C., and at any postponements or adjournments of the meeting. This proxy statement is first being mailed to shareholders by the Company on March [27], 2006.

**ABOUT THE MEETING**

***What is the purpose of the annual meeting?***

At our annual meeting, shareholders will act upon the matters described in the accompanying notice of meeting. These actions include the election of three directors, ratification of the appointment of the independent registered public accounting firm ( *independent auditor* ), consideration of a management proposal for annual election of directors, and if properly presented at the meeting, consideration of one shareholder proposal. In addition, our management will report on the Company's performance during fiscal 2005 and respond to questions from shareholders.

***Who is entitled to vote?***

Only shareholders of record at the close of business on the record date, March 7, 2006, are entitled to receive notice of and to vote at the meeting, or any postponement or adjournment of the meeting. Each outstanding share of the Company's Class A common stock entitles its holder to cast ten votes on each matter to be voted upon.

***Who can attend the meeting?***

All shareholders of record at the close of business on the record date, or their duly appointed proxies, may attend the meeting. Cameras, recording devices and other electronic devices will not be permitted at the meeting.

You will find directions to the meeting, and information on parking, public transportation and lodging, on the back cover of this proxy statement.

***What constitutes a quorum?***

The presence at the meeting, in person or by proxy, of the holders of a majority of the shares of Class A common stock of the Company outstanding on the record date and entitled to vote will constitute a quorum. A quorum is required for business to be conducted at the meeting. As of the March 7, 2006 record date, 205,633,944 shares of our Class A common stock were outstanding and entitled to vote. If you submit a properly executed proxy card, even if you abstain from voting, then you will be considered part of the quorum.

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### ***How do I vote?***

You may vote either by casting your vote in person at the meeting, or by marking, signing and dating each proxy card you receive and returning it in the prepaid envelope. Your shares will be voted as you indicate on the proxy card. If you return your signed proxy card but do not mark the boxes indicating how you wish to vote, your shares will be voted FOR items 1, 2, 3 and 4.

### ***What does the Board recommend?***

The Board's recommendations are set forth after the description of each item in this proxy statement. In summary, the Board recommends a vote:

- FOR election of the nominated directors (see Item 1 on page 8);
- FOR ratification of the appointment of the independent auditor (see Item 2 on page 31);
- FOR the management proposal for approval of amendments to the charter to declassify the Board of Directors and establish annual election of all Directors (see Item 3 on page 31); and
- FOR the shareholder proposal to require election of directors by a majority of votes cast at an annual meeting (see Item 4 on page 33).

Unless you give other instructions, the persons named as proxy holders on the proxy card will vote in accordance with the Board's recommendations.

### ***Can I vote by telephone or electronically?***

You may vote by telephone or electronically through the Internet by following the instructions attached to your proxy card.

The telephone and Internet voting procedures are designed to authenticate votes cast by use of a personal identification number. The procedures, which are designed to comply with Delaware law, allow shareholders to appoint a proxy to vote their shares and to confirm that their instructions have been properly recorded.

If you hold your shares in street name through a broker or other nominee, you may be able to vote by telephone or electronically through the Internet in accordance with the voting instructions provided by that institution.

*Can I change my vote after I return my proxy card, or after I vote by telephone or electronically?*

Yes. Even after you have submitted your proxy, you may change your vote at any time before the proxy is exercised at the meeting. Regardless of the way in which you submitted your original proxy, you may change it by:

- (1) Returning a later-dated signed proxy card;
- (2) Delivering a written notice of revocation to Proxy Services, c/o Computershare Investor Services, P.O. Box 43102, Providence, Rhode Island 02940-5068;
- (3) Voting by telephone or the Internet; or
- (4) Voting in person at the meeting.

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If your shares are held through a broker or other nominee, you will need to contact that institution if you wish to change your voting instructions.

### ***How do I vote my 401(k) shares?***

If you participate in the Company's Employees' Profit Sharing, Retirement and Savings Plan and Trust (the "401(k) Plan") or the Sodexo Employee Savings Plan, you may give voting instructions as to the number of share equivalents allocated to your account as of the record date. You may provide voting instructions to the trustee under the applicable plan by completing and returning the proxy card accompanying this proxy statement. The trustee will vote your shares in accordance with your duly executed instructions if they are received by 12:00 p.m. Eastern Time, April 26, 2006. If you do not send instructions, the trustee will vote the number of shares equal to the share equivalents credited to your account in the same proportion that it votes shares for which it did receive timely instructions.

### ***What vote is required to approve each item?***

If you hold your shares in street name through a broker or other nominee, your broker or nominee may not be permitted to exercise voting discretion on some of the items to be acted upon. Thus, if you do not give your broker or nominee specific instructions, your shares may not be voted on those items and will not be counted in determining the number of shares necessary for approval for each item. Shares represented by such broker non-votes will, however, be counted in determining whether there is a quorum.

In the election of directors, the three nominees who receive the highest number of FOR votes will be elected. A WITHHELD vote does not affect the election of directors.

For management's proposal to declassify the Board of Directors and provide for annual election of all directors, our certificate of incorporation and bylaws require the affirmative vote of the holders of at least 66 2/3% of the outstanding shares of our Class A common stock for approval. Accordingly, abstentions and broker non-votes will have the same effect as a vote AGAINST the proposal.

For each other item, when a quorum is present, the affirmative vote of the holders of a majority of the shares of Class A common stock represented in person or by proxy and entitled to vote on the item will be required for approval. Instructions to ABSTAIN with respect to any item will not be voted on that item, although they will be counted for purposes of determining the number of shares represented and entitled to vote. Accordingly, an abstention will have the effect of a vote AGAINST such item. Broker non-votes will not have any effect on the outcome of votes for these items.

### ***Who will count the vote?***

Representatives of Computershare Trust Company, N.A., our independent stock transfer agent, will count the votes and act as the inspector of election.

*What shares are included on my proxy card(s)?*

The shares on your proxy card(s) represent ALL of your shares of Class A common stock that the Company's stock transfer records indicate that you hold, including (i) any shares you may hold through the DirectSERVICE Investment Program administered by Computershare Trust Company, N.A.; (ii) if you are a Marriott employee, any shares that may be held for your account by The Northern Trust

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Company as custodian for the 401(k) Plan; and (iii) if you are a Sodexo Inc. employee, any shares that may be held for your account by State Street Bank and Trust Company as trustee for the Sodexo Employee Savings Plan. If you have shares in the 401(k) Plan or the Sodexo Employee Savings Plan and do not vote by proxy, or return your proxy card with an unclear voting designation or no voting designation at all, then the 401(k) Plan trustee or State Street, as applicable, will vote your shares in proportion to the way the other 401(k) Plan participants or Sodexo Employee Savings Plan participants, as applicable, voted their shares. Shares that are held in street name through a broker or other nominee are not included on the proxy card(s) furnished by the Company, but the institution will provide you a voting instruction form.

### ***What does it mean if I receive more than one proxy card?***

If your shares are registered under different names or are in more than one account, you will receive more than one proxy card. To ensure that all your shares are voted, please sign and return all proxy cards, or if you choose, vote by telephone or through the Internet using the personal identification number printed on each proxy card. We encourage you to have all accounts registered in the same name and address (whenever possible). You can accomplish this by contacting our transfer agent, Computershare Trust Company, N.A., at (800) 311-4816.

### ***How will voting on any other business be conducted?***

Although we currently do not know of any business to be considered at the 2006 annual meeting other than the proposals described in this proxy statement, if any other business is properly presented at the annual meeting, your proxy gives authority to J.W. Marriott, Jr. and William J. Shaw to vote on such matters at their discretion.

### ***When are shareholder proposals for the 2007 annual meeting of shareholders due?***

To be considered for inclusion in our proxy statement for the 2007 annual meeting of shareholders, shareholder proposals must be received at our offices no later than November 27, 2006. Proposals must comply with Rule 14a-8 under the Securities Exchange Act of 1934, and must be submitted in writing to the Corporate Secretary, Marriott International, Inc., Department 52/862, Marriott Drive, Washington, D.C. 20058.

In addition, our bylaws require that, if a shareholder desires to introduce a shareholder proposal or nominate a director candidate from the floor of the 2007 annual meeting of shareholders, the shareholder must submit such proposal or nomination in writing to the Company's Secretary at the above address not later than January 28, 2007. The written proposal or nomination must comply with our bylaws. The Chairman of the meeting may refuse to acknowledge or introduce any shareholder proposal or the nomination of any person made after January 28, 2007, or that does not comply with our bylaws. If a shareholder fails to meet these deadlines or satisfy the requirements of Rule 14a-4 under the Securities Exchange Act of 1934, the proxies we solicit allow us to vote on such proposals as we deem appropriate. You may obtain a copy of our bylaws by submitting a request to the Secretary, Marriott International, Inc., Department 52/862, Marriott Drive, Washington, D.C. 20058.

### ***How much did this proxy solicitation cost and who paid that cost?***

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The Company paid for this proxy solicitation. We hired MacKenzie Partners, Inc. to assist in the distribution of proxy materials and solicitation of votes for an estimated fee of \$7,500, plus

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reimbursement of certain out-of-pocket expenses. We also reimburse brokerage houses and other custodians, nominees and fiduciaries for their reasonable out-of-pocket expenses for forwarding proxy and solicitation materials to shareholders. Proxies will be solicited by mail, telephone, or other means of communication. Our directors, officers and regular employees who are not specifically employed for proxy solicitation purposes and who will not receive any additional compensation for such activities may also solicit proxies.

***Can I receive future shareholder communications electronically through the Internet?***

Yes. You may elect to receive future notices of meetings, proxy materials and annual reports electronically through the Internet. If you have previously consented to electronic delivery, your consent will remain in effect until withdrawn. To consent to electronic delivery:

- If your shares are registered in your own name, and not in street name through a broker or other nominee, fill out the consent form at the Internet site maintained by our transfer agent, Computershare Trust Company, N.A., at [www.econsent.com/mar](http://www.econsent.com/mar).
- If your shares are registered in street name through a broker or other nominee, you must first vote your shares using the Internet, at [www.proxyvote.com](http://www.proxyvote.com), and immediately after voting, fill out the consent form that appears on-screen at the end of the Internet voting procedure.

You may withdraw this consent at any time and resume receiving shareholder communications in print form.

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The following table sets forth the beneficial ownership of Class A common stock by our directors and executive officers as of January 31, 2006, as well as additional information about beneficial owners of 5% or more of the Company's Class A common stock. Ownership consists of sole voting and sole investment power, except as indicated in the notes below, and except for shares registered in the name of children sharing the same household or subject to any community property laws.

<u>Name</u>	<u>Shares Beneficially Owned</u>	<u>Percent of Class(1)</u>
<b>Directors:</b>		
J.W. Marriott, Jr.	31,220,479(2)(3)(4)(5)	14.9
John W. Marriott III	6,936,161(3)(4)(6)	3.4
Richard S. Braddock	13,452(7)(8)	*
Lawrence W. Kellner	1,000(8)	*
Debra L. Lee	1,000(8)	*
Floretta Dukes McKenzie	1,308(7)(8)	*
George Muñoz	5,004(7)(8)	*
Harry J. Pearce	4,213(8)	*
Roger W. Sant	38,035(7)(8)	*
William J. Shaw	1,769,694(7)(9)	*
Lawrence M. Small	88,049(7)(8)(10)	*
<b>Other Named Executive Officers:</b>		
Joseph Ryan	674,593(7)	*
Arne M. Sorenson	631,112(7)(9)	*
James M. Sullivan	942,304(7)(9)	*
<b>All Directors and Executive Officers as a Group:</b>		
(20 persons including the foregoing)	36,013,062(11)	16.9
<b>Other 5% Beneficial Owner:</b>		
Richard E. Marriott	24,831,053(2)(4)(12)	12.1

\* Less than 1 percent.

- (1) Based on the number of shares outstanding (205,620,853) on January 31, 2006, plus the number of shares acquirable by the specified person(s) within 60 days of January 31, 2006 (as described in footnotes (5)(a), (6)(a) and (7) below).
- (2) Includes the following 11,440,899 shares which both J.W. Marriott, Jr. and his brother Richard E. Marriott report as beneficially owned: (a) 2,974,677 shares held by 16 trusts for the benefit of their children, for which J.W. Marriott, Jr. and Richard E. Marriott serve as co-trustees; (b) 5,149,305 shares owned by The J. Willard & Alice S. Marriott Foundation, a charitable foundation, for which J.W. Marriott, Jr. and Richard E. Marriott serve as co-trustees; (c) 3,099,039 shares held by a charitable annuity trust created by the will of J. Willard Marriott, Sr., in which J.W. Marriott, Jr. and Richard E. Marriott have a remainder interest and for which they serve as co-trustees; and (d) 217,878 shares held by two trusts established for the benefit of J.W. Marriott Jr., for which Richard E. Marriott serves as trustee.
- (3) Includes the following 5,927,862 shares which both J.W. Marriott, Jr. and John W. Marriott III report as beneficially owned: (a) 5,413,980 shares owned by JWM Family Enterprises, L.P. whose general partner is a corporation in which J.W. Marriott, Jr. is a controlling shareholder and John

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- W. Marriott III is the chief executive officer; (b) 160,000 shares owned by JWM Associates Limited Partnership, in which J.W. Marriott, Jr. is a general partner and in which John W. Marriott III is a limited partner; (c) 329,360 shares held by a trust for the benefit of John W. Marriott III, for which J.W. Marriott, Jr. s wife and an unrelated person serve as co-trustees; and (d) 24,522 shares owned by three trusts for the benefit of John W. Marriott III s children, for which the spouses of John W. Marriott III and J.W. Marriott, Jr. serve as co-trustees. These shares and the shares described in footnote (4) are included only once in reporting the number of shares owned by all directors and executive officers as a group.
- (4) Includes 385,480 shares held in two trusts for the benefit of John W. Marriott III, for which Richard E. Marriott and J.W. Marriott, Jr. serve as co-trustees. J.W. Marriott, Jr., Richard E. Marriott and John W. Marriott III all report these shares as beneficially owned. These shares and the shares described in footnote (3) are included only once in reporting the number of shares owned by all directors and executive officers as a group.
- (5) Includes the following 11,954,458 shares which J.W. Marriott, Jr. reports as beneficially owned, in addition to the shares referred to in footnotes (2), (3) and (4): (a) 3,804,134 shares subject to options currently exercisable or exercisable within 60 days after January 31, 2006; (b) 139,735 shares owned by J.W. Marriott, Jr. s wife (Mr. Marriott disclaims beneficial ownership of such shares); (c) 1,332,534 shares owned by four trusts for the benefit of J.W. Marriott, Jr. s children, in which his wife serves as a co-trustee; (d) 48,728 shares owned by six trusts for the benefit of J.W. Marriott, Jr. s grandchildren, in which his wife serves as a co-trustee; (e) 6,600,000 shares owned by JWM Argent Family Limited Partnership, whose general partner is J.W. Marriott, Jr.; and (h) 29,327 shares owned by the J. Willard Marriott, Jr. Foundation, in which J.W. Marriott, Jr. and his wife serve as trustees. J.W. Marriott, Jr. s address is Marriott International, Inc., 10400 Fernwood Road, Bethesda, Maryland 20817.
- (6) Includes the following 224,222 shares which John W. Marriott III reports as beneficially owned, in addition to the shares referred to in footnote (3): (a) 130,740 shares subject to options currently exercisable or exercisable within 60 days after January 31, 2006; (b) 12,000 shares of unvested restricted stock awarded under the Company s 2002 Comprehensive Stock and Cash Incentive Plan (the *2002 Incentive Plan* ) (holders of restricted stock are entitled to vote their shares, see Executive Compensation: Summary Compensation Table at page 21); (c) 15,605 shares owned by John W. Marriott III s wife (Mr. Marriott disclaims beneficial ownership of such shares); and (d) 65,877 shares held as trustee of three trusts for the benefit of John W. Marriott III s children, for which John W. Marriott III serves as trustee.
- (7) Includes shares subject to options currently exercisable or exercisable within 60 days after January 31, 2006, as follows: Mr. Braddock: 1,452 shares; Dr. McKenzie: 438 shares; Mr. Muñoz: 4,004 shares; Mr. Sant: 14,850 shares; Mr. Shaw: 1,600,815 shares; Mr. Small: 15,586 shares; Mr. Ryan: 605,695 shares; Mr. Sorenson: 557,116 shares; and Mr. Sullivan: 872,906 shares.
- (8) Does not include non-employee director annual deferred share awards or stock units representing fees that non-employee directors have elected to defer under our 2002 Incentive Plan. The combined numbers of shares (a) subject to deferred share awards and (b) in stock unit accounts of non-employee directors as of January 31, 2006, were as follows: Mr. Braddock: 966; Mr. Kellner: 3,425; Ms. Lee: 966; Dr. McKenzie: 18,291; Mr. Muñoz: 4,589; Mr. Pearce: 23,659; Mr. Sant: 20,288; and Mr. Small: 19,459. Share awards and stock units do not carry voting rights and are not transferable. Dividend equivalents are credited to stock unit accounts in the form of additional stock units. Share awards and stock units are distributed following retirement as a director.

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- (9) Includes shares of unvested restricted stock awarded under the 2002 Incentive Plan as follows: Mr. Shaw: 39,000 shares; Mr. Sorenson: 35,500 shares; and Mr. Sullivan: 24,000 shares. Holders of restricted stock are entitled to vote their shares. See Executive Compensation: Summary Compensation Table at page 21.
- (10) Includes 5,400 shares held by two trusts for the benefit of Mr. Small's two children, for which Mr. Small serves as trustee.
- (11) The shares described in footnotes (3) and (4) are reported as beneficially owned by each of J.W. Marriott, Jr. and John W. Marriott III, but are included only once in reporting the number of shares owned by all directors and executive officers as a group. All directors, nominees and executive officers as a group, other than J.W. Marriott, Jr. and John W. Marriott III, beneficially owned an aggregate of 4,169,764 shares, or 2.0 percent of our Class A common stock outstanding as of January 31, 2006.
- (12) Includes the following 2,971,083 shares which Richard E. Marriott reports as beneficially owned, in addition to the shares referred to in footnotes (2) and (4): (a) 137,933 shares owned by Richard E. Marriott's wife (Richard E. Marriott disclaims beneficial ownership of these shares); (b) 1,105,477 shares owned by four trusts for the benefit of Richard E. Marriott's children, in which his wife serves as a co-trustee; (c) 1,691,346 shares owned by First Media, L.P., a limited partnership whose general partner is a corporation in which Richard E. Marriott is the controlling shareholder; and (d) 36,327 shares owned by the Richard E. and Nancy P. Marriott Foundation, in which Richard E. Marriott and his wife serve as directors and officers. Richard E. Marriott is the brother of J.W. Marriott, Jr. and is a former director and officer of the Company. Richard E. Marriott's address is Host Marriott Corporation, 10400 Fernwood Road, Bethesda, Maryland 20817.

**Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Securities Exchange Act of 1934, as amended (the *Exchange Act*), requires the Company's directors and executive officers and persons who own more than 10% of a registered class of the Company's equity securities to file with the U.S. Securities and Exchange Commission (the *SEC*) and the New York Stock Exchange (the *NYSE*) reports on Forms 3, 4 and 5 concerning their ownership of and transactions in the common stock and other equity securities of the Company, generally within two business days of a reportable transaction. As a practical matter, the Company seeks to assist its directors and executives by monitoring transactions and completing and filing reports on their behalf.

Based upon a review of filings with the SEC and written representations that no other reports were required, we believe that all of our directors, all of our officers and all of our 10% beneficial owners who are subject to the reporting requirements of Section 16(a) of the Securities Exchange Act of 1934 complied with such reporting requirements during fiscal 2005, except for untimely reporting of (i) a stock sale by a trust for which J.W. Marriott, Jr. and Richard E. Marriott are co-trustees (due to a Company administrative error), (ii) a stock option exercise and three related stock sales by John W. Marriott III (due to a Company administrative error), and (iii) a charitable gift by a trust over which J.W. Marriott, Jr. and Richard E. Marriott have beneficial ownership.

**ITEM 1 ELECTION OF DIRECTORS**

The Board of Directors presently consists of 11 directors, divided into three classes, with approximately one-third of the directors standing for election each year for a three-year term. Sterling D. Colton holds the title of director emeritus.

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**Directors Standing for Election**

Three directors are standing for election: Richard S. Braddock, Floretta Dukes McKenzie, and Lawrence M. Small. Richard S. Braddock, who was first named to the Board in 2004, was initially recommended to the Nominating and Corporate Governance Committee by J.W. Marriott, Jr., our Chairman and Chief Executive Officer. Each of these nominees currently serves on the Board and has consented to serve for an additional term ending at the 2009 annual meeting of shareholders, or when their successor is duly elected and qualified. As discussed further below at Item 3, if management's proposal to declassify the Board of Directors and establish annual election of all directors is approved, each nominee for director at the 2006 Annual Meeting as well as each director who was elected at the 2005 Annual Meeting has agreed to resign effective at the 2007 Annual Meeting, such that each of our directors would then stand for election at the 2007 Annual Meeting.

We do not know of any reason why any of the nominees would be unable to serve. However, if any of the nominees should become unavailable to serve as a director, the Board may designate a substitute nominee. In that case, the persons named as proxies will vote for the substitute nominee designated by the Board.

Roger W. Sant, whose term ends with this annual meeting, is not standing for reelection as a director. The Board wishes to thank Mr. Sant for his service to the Company. Because of Mr. Sant's impending departure, the Board of Directors has reduced the size of the Board from 11 to 10 directors, effective as of the 2006 annual meeting of shareholders.

**The Board recommends a vote FOR the nominees.**

The following are the nominees for director for three-year terms ending in 2009 (the age shown for each director is as of April 28, 2006, the date of the annual meeting of shareholders):

Richard S. Braddock

Age: 64

Mr. Braddock is Chairman of MidOcean Partners, a private equity firm. He is also Chairman of Fresh Direct, an internet grocer. Prior to his positions at MidOcean Partners and Fresh Direct, Mr. Braddock served as Chairman of priceline.com Incorporated, a position he held from August 1998 through April 2004. He also served as Chief Executive Officer at priceline.com Incorporated from August 1998 through June 2000. Previously, Mr. Braddock served as Chairman of True North Communications, a global advertising and communications firm, from July 1997 to January 1999, and was a Principal in the private equity investment firm of Clayton, Dubilier & Rice from June 1994 to September 1995. Earlier, Mr. Braddock was Chief Operating Officer at Medco Containment Services, Inc., from January 1993 to October 1993. Mr. Braddock joined Citicorp in 1973, serving as Chief Operating Officer of the company and its principal subsidiary, Citibank, N.A. from January 1990 through October 1992. He serves on the Board of Directors of the following publicly traded companies: Cadbury Schweppes plc, Eastman Kodak Company, Mphasis-BFL Limited (India). He also serves on the board of directors of Lenox Hill Hospital and the Lincoln Center for the Performing Arts. Mr. Braddock became a director of the Company in 2004.

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Floretta Dukes McKenzie

Age: 70

Dr. McKenzie is Senior Advisor to the American Institute for Research. She was the Chairman of The McKenzie Group, Inc. (an educational consulting firm) from 1997 until 2004. From 1981 to 1988, she served as Superintendent of the District of Columbia Public Schools and Chief State School Officer. Dr. McKenzie is a director of Pepco Holdings, Inc., a publicly traded company. She is also a director or trustee of UNIFI Mutual Holding Company (Ameritas/Acacia and Union Central Mutual Insurance Companies), The McKenzie Group, Inc., the National Geographic Society, CareFirst (Blue Cross/Blue Shield), Howard University, the White House Historical Association, the Marriott Foundation for People with Disabilities, the American Institute for Research, and Harvard Graduate School of Education Urban Superintendents Program. Dr. McKenzie has served as a director of the Company or its predecessors since 1992.

Lawrence M. Small

Age: 64

Mr. Small is the Secretary of the Smithsonian Institution, the world's largest combined museum and research complex, a position he assumed in January 2000. From 1991 until he became the 11th Secretary of the Smithsonian, he served as President and Chief Operating Officer of Fannie Mae. Before joining Fannie Mae, Mr. Small served as Vice Chairman and Chairman of the executive committee of the boards of directors of Citicorp and Citibank, N.A. Mr. Small is a director of The Chubb Corporation, a publicly traded company. He is also a director or trustee of New York City's Spanish Repertory Theatre, the John F. Kennedy Center for the Performing Arts, the National Gallery of Art, the National Building Museum, and the Woodrow Wilson International Center for Scholars. Mr. Small has served as a director of the Company or its predecessors since 1995.

**Directors Continuing in Office**

J.W. Marriott, Jr.

(Chairman of the Board)

Age: 74

Mr. Marriott is Chairman of the Board of Directors and our Chief Executive Officer. He joined Marriott Corporation in 1956, became President and a director in 1964, Chief Executive Officer in 1972 and Chairman of the Board in 1985. Mr. Marriott also is a director of the Naval Academy Endowment Trust and chairman of the President's Export Council. He serves on the board of trustees of the National Geographic Society and The J. Willard & Alice S. Marriott Foundation, and is a member of the executive committee of the World Travel & Tourism Council and the National Business Council. Mr. Marriott has served as our Chairman and Chief Executive Officer since the Company's inception in 1997, and served as Chairman and Chief Executive Officer of the Company's predecessors from 1985. He is the father of John W. Marriott III. Mr. Marriott has been a director of the Company or its predecessors since 1964, and is currently serving a term expiring at the 2008 annual meeting of shareholders.

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<p>John W. Marriott III (Vice Chairman of the Board)  Age: 45</p>	<p>Mr. Marriott is Chief Executive Officer of JWM Family Enterprises, L.P., a private partnership which develops and owns hotels. He was appointed Vice-Chairman of the Company's Board of Directors in October 2005. Until December 30, 2005, Mr. Marriott was the Company's Executive Vice President Lodging and President of North American Lodging. Over the past 30 years, Mr. Marriott also served in a number of other positions with the Company and its predecessors, including Executive Vice President of Sales &amp; Marketing, Brand Management, and Operations Planning and Support, Senior Vice President for Marriott's Mid-Atlantic Region, Vice President of Development, Director of Finance, General Manager, Director of Food &amp; Beverage, restaurant manager and cook. In April 2002, Mr. Marriott was named by the U.S. Department of Commerce and the Japanese government to co-chair a special taskforce to promote travel between the United States and Japan. In January 2004, he was named one of the most influential executives by Business Travel News. John W. Marriott III is the son of J.W. Marriott, Jr. Mr. Marriott has been a director of the Company since 2002 and is currently serving a three-year term expiring at the 2007 annual meeting of shareholders.</p>
<p>Lawrence W. Kellner  Age: 47</p>	<p>Mr. Kellner is Chairman of the Board and Chief Executive Officer of Continental Airlines, Inc. He served as President and Chief Operating Officer of Continental Airlines from March 2003 to December 30, 2004, as President from May 2001 to March 2003 and a member of Continental Airlines' board of directors since 2001. He joined the airline in 1995 as Senior Vice President and Chief Financial Officer. Prior to joining Continental Airlines, he was Executive Vice President and Chief Financial Officer of American Savings Bank and, prior to American Savings Bank, he was Executive Vice President and Chief Financial Officer of The Koll Company. Mr. Kellner is a past Chairman and current director of the YMCA of Greater Houston and a director on the executive advisory board for the Houston Minority Business Council. Mr. Kellner is also a director of the Spring Branch Education Foundation, Boy Scouts of America, Greater Houston Partnership and the Air Transport Association. Mr. Kellner has been a director of the Company since 2002 and is currently serving a three-year term expiring at the 2007 annual meeting of shareholders.</p>
<p>Debra L. Lee  Age: 51</p>	<p>Ms. Lee is Chairman and Chief Executive Officer of BET Networks, a media and entertainment subsidiary of Viacom, Inc. that owns and operates Black Entertainment Television and several other ventures. She joined BET in 1986 and served in a number of executive posts before ascending to her present position in January 2006, including President and Chief Executive Officer from June 2005, President and Chief Operating Officer from 1995 to May 2005, Executive Vice President and General Counsel, and Vice President and General Counsel. Prior to joining BET, Ms. Lee was an attorney with Washington, D.C.-based law firm Steptoe &amp; Johnson. She serves on the boards of directors of the following publicly traded companies: Eastman Kodak Company, WGL Holdings, Inc., and Revlon, Inc. She is also a director of the following professional and civic organizations: the National Cable &amp; Telecommunications Association,</p>

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Center for Communication, Girls, Inc., the Kennedy Center's Community & Friends, the National Symphony Orchestra, and the Alvin Ailey Dance Theater. She is a Trustee Emeritus at Brown University. Ms. Lee has been a director of the Company since 2004 and is currently serving a term expiring at the 2008 annual meeting of shareholders.

George Muñoz

Mr. Muñoz is a principal in the Washington, D.C.-based firm Muñoz Investment Banking Group, LLC. He is also a partner in the Chicago-based law firm Tobin, Petkus & Muñoz LLC. He served as President and Chief Executive Officer of Overseas Private Investment Corporation from 1997 to January 2001. Mr. Muñoz was Chief Financial Officer and Assistant Secretary of the U.S. Treasury Department from 1993 until 1997. Mr. Muñoz is a certified public accountant and an attorney. He is a director of the following publicly traded companies: Altria Group, Inc., Anixter International, Inc. and Archipelago Holdings, Inc. He also serves on the board of trustees of the National Geographic Society. Mr. Muñoz has been a director of the Company since 2002 and is currently serving a term expiring at the 2008 annual meeting of shareholders.

Age: 54

Harry J. Pearce

Mr. Pearce is Chairman of Nortel Networks Corporation. Mr. Pearce was Chairman of Hughes Electronics Corporation, a subsidiary of General Motors Corporation, from May 2001 until the sale by General Motors of its interest in Hughes in December 2003. He had served on the Hughes Electronics Corporation board since 1992. He was Vice Chairman and a director of General Motors Corporation from 1996 until his retirement from General Motors Corporation on June 1, 2001. Mr. Pearce is a director of a publicly traded company, MDU Resources Group, Inc. He also is Chairman of the National Defense University Foundation, a member of the board of directors of The New York Bone Marrow Foundation and president and director of The Leukemia & Lymphoma Society Research Foundation. He also serves on the board of trustees of Howard University and Northwestern University. Mr. Pearce has been a director of the Company or its predecessors since 1995 and is currently serving a three-year term expiring at the 2007 annual meeting of shareholders.

Age: 63

William J. Shaw

Mr. Shaw has served as President and Chief Operating Officer of the Company or its predecessors since March 1997. He joined Marriott Corporation in 1974, was elected Corporate Controller in 1979 and a Vice President in 1982. In 1986, Mr. Shaw was elected Senior Vice President Finance and Treasurer of Marriott Corporation. He was elected Chief Financial Officer and Executive Vice President of Marriott Corporation in April 1988. In February 1992, he was elected President of the Marriott Service Group. Mr. Shaw serves on the board of trustees of the University of Notre Dame and the Suburban Hospital Foundation. He also serves on the Wolf Trap Foundation for the Performing Arts board of directors and the NCAA Leadership Advisory Board. Mr. Shaw has been a director of the Company or its predecessors since 1997 and is currently serving a term expiring at the 2008 annual meeting of shareholders.

Age: 60

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### **Director Retiring from the Board**

Roger W. Sant

Age: 74

Mr. Sant is Chairman Emeritus and director of The AES Corporation, a global power company, which he co-founded in 1981. He chairs the board of The Summit Foundation and The Summit Fund, serves as a Regent of the Smithsonian Institution and is a board member of World Wildlife Fund-US, The Anacostia Waterfront Corporation, The DC College Access Program and The National Symphony Orchestra. He was Board Chairman of the World Wildlife Fund-US from 1994 to 2000. Mr. Sant has been a director of the Company or its predecessors since 1993 and is currently serving a three-year term expiring at the 2006 annual meeting of shareholders, at which time he will be retiring from the Board.

The Board of Directors met four times in person and one time telephonically in 2005. The Company encourages all directors to attend the annual meeting of shareholders. All directors attended the Company's annual shareholders meeting in 2005. No director attended fewer than 75% of the total number of meetings of the Board and Committees on which such director served.

### **Committees of the Board of Directors**

The Board of Directors has five standing committees: Audit; Compensation Policy; Nominating and Corporate Governance; Committee for Excellence; and Executive.

#### **Audit Committee**

*Members:* Lawrence M. Small (Chair), Lawrence W. Kellner, George Muñoz, and Roger W. Sant (until the 2006 annual meeting of shareholders).

- The members of the Committee are not employees of the Company. The Board of Directors has determined that the members of the Committee are independent as defined under the NYSE Listing Standards and applicable Securities and Exchange Commission Rules and the Company's Governance Principles adopted by the Board ( *Governance Principles* ).
- The Committee met four times in person and three times telephonically in 2005.
- There is unrestricted access between the Audit Committee and the independent auditors and internal auditors.
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