

MARRIOTT INTERNATIONAL INC /MD/

Form 11-K

June 22, 2010

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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 11-K**

**ANNUAL REPORT**

Pursuant to Section 15(d) of the

Securities Exchange Act of 1934

(Mark One):

**ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the plan year ended December 31, 2009

OR

**TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 1-12188

- A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

**MARRIOTT INTERNATIONAL, INC. EMPLOYEES**

**PROFIT SHARING, RETIREMENT AND SAVINGS PLAN AND TRUST**

- B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

**MARRIOTT INTERNATIONAL, INC.**

**10400 Fernwood Road**

**Bethesda, Maryland 20817**

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**REQUIRED INFORMATION**

Financial Statements and Exhibits as follows:

1. Financial statements

Report of Independent Registered Public Accounting Firm - Thompson, Cobb, Bazilio and Associates

Statements of Net Assets Available for Benefits as of December 31, 2009 and December 31, 2008

Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2009

Notes to Financial Statements

Certain schedules have been omitted because they are not applicable, not material or because the information is included in the financial statements or the notes thereto.

2. Supplemental Schedule

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

3. Signatures

4. Exhibits

23.1 - Consent of Independent Registered Public Accounting Firm - Thompson, Cobb, Bazilio and Associates

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Employees Profit Sharing,  
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Financial Statements and  
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**Report of Independent Registered Public Accounting Firm**

The Profit Sharing Committee

Marriott International, Inc. Employees

Profit Sharing, Retirement and Savings Plan and Trust

We have audited the accompanying statements of net assets available for benefits of the Marriott International, Inc. Employees Profit Sharing, Retirement and Savings Plan and Trust (the Plan) as of December 31, 2009 and 2008, and the related statement of changes in net assets available for benefits for the year ended December 31, 2009. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2009 and 2008, and the changes in its net assets available for benefits for the year ended December 31, 2009, in conformity with U.S. generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2009 is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/Thompson, Cobb, Bazilio & Associates, PC

Washington, DC  
June 18, 2010

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## MARRIOTT INTERNATIONAL, INC. PROFIT SHARING, RETIREMENT AND

## SAVINGS PLAN AND TRUST

## STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2009 AND 2008

	<b>December 31</b>	
	<b>2009</b>	<b>2008</b>
<b>Assets</b>		
Investment in Marriott International, Inc. Pooled Investment Trust for Participant Directed Accounts, at fair value	\$ 2,855,636,101	\$ 2,242,910,899
Participant loans	80,369,154	76,959,793
Total investments	2,936,005,255	2,319,870,692
<b>Receivables:</b>		
Due from Marriott International, Inc. for Company contribution	95,803,650	110,110,186
Total assets	3,031,808,905	2,429,980,878
<b>Liabilities</b>		
Accrued expenses	275,439	557,087
Total liabilities	275,439	557,087
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(28,646,680)	(509,142)
Net assets available for benefits	\$ 3,002,886,786	\$ 2,428,914,649

*See accompanying notes.*

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MARRIOTT INTERNATIONAL, INC. PROFIT SHARING, RETIREMENT AND  
 SAVINGS PLAN AND TRUST  
 STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS  
 FOR THE YEAR ENDED DECEMBER 31, 2009

<b>Additions</b>	
Interest	\$ 4,889,046
Investment gain from participation in Marriott International, Inc. Pooled Investment Trust for Participant Directed Accounts	505,751,373
Participant contributions	166,085,737
Employer contributions	98,547,453
Total additions	775,273,609
<b>Deductions</b>	
Benefits paid to participants	197,916,724
Administrative expenses	3,384,748
Total deductions	201,301,472
Net increase	573,972,137
Net assets available for benefits at beginning of year	2,428,914,649
Net assets available for benefits at end of year	\$ 3,002,886,786

*See accompanying notes.*



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MARRIOTT INTERNATIONAL, INC. PROFIT SHARING, RETIREMENT AND

SAVINGS PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

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**NOTE 1: DESCRIPTION OF THE PLAN**

The following description of the Marriott International, Inc. (the Company) Employees Profit Sharing, Retirement and Savings Plan and Trust (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

***General***

The Plan is a defined contribution plan covering eligible employees of the Company who are at least 21 years of age and have completed at least one year of service. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

The Plan's assets are held and invested on a commingled basis in the Marriott International, Inc. Pooled Investment Trust for Participant Directed Accounts (the Master Trust) (see Note 4).

***Contributions***

Each pay period, participants may contribute up to 80% or a fixed dollar amount (minimum of \$3 per week) of compensation. The Company's contribution to the Plan is based on a fixed match of 100% on the first 3% of annual compensation contributed, and 50% on the next 3% of annual compensation contributed. In general, Company contributions are allocated among participants' accounts after the close of the Plan year based on compensation contributed. Contributions are subject to certain limitations.

Additional Company contributions of a fixed dollar amount per work-week are made on behalf of certain associate groups at specified locations. These contributions are limited to non-management associates who are otherwise eligible to participate in the Plan.

***Participant Accounts***

Each participant's account is credited with the participant's contributions and allocations of (a) the Company's contributions and (b) Plan earnings or losses, and charged with an allocation of administrative expenses. Forfeitures of terminated participants' nonvested accounts are to be used to pay administrative expenses or to reduce future Company contributions. Allocations are based on participant compensation contributed or account balances, as defined in the Plan document. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

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MARRIOTT INTERNATIONAL, INC. PROFIT SHARING, RETIREMENT AND  
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**NOTE 1: DESCRIPTION OF THE PLAN (Continued)**

***Vesting***

Participants are immediately vested in their contributions plus actual earnings thereon. Participants are immediately 100% vested in Company contributions attributable to the 2001 Plan year and thereafter and earnings thereon. Vesting in the Company contributions prior to 2001 and earnings thereon is based on years of service.

***Participant Loans***

Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. Loan terms range from 1 to 4 years or up to 10 years for the purchase of a primary residence. The loans are collateralized by the vested balance in the participant's account and bear interest at the prime rate published by the *Wall Street Journal* plus 100 basis points. Interest rates range from 4.25% to 10.5%. Principal and interest are paid ratably through weekly or bi-weekly after-tax payroll deductions. Participants generally are limited to one outstanding loan; participants who had an outstanding loan under both the Plan and The Ritz-Carlton Hotel Company, L.L.C. Special Reserve Plan, at the time of its merger with the Plan, in June 2006, were permitted to maintain the total outstanding balance under a new promissory note. As of December 31, 2009 and 2008, participant loans totaled \$80,369,154 and \$76,959,793, respectively, and are included in investments, at fair value in the statements of net assets available for benefits.

***Payment of Benefits***

A participant with an account balance greater than \$5,000 can elect to receive a lump sum amount, partial distributions or installment payments equal to the value of the participant's vested interest in his or her account. If a participant's Plan account balance is at least \$1,000, but not more than \$5,000, the participant's vested account balance will be rolled over into an individual retirement account established by the Plan if the participant does not elect, within time frames established by the Plan administrator, to receive a lump sum cash distribution or to make a direct rollover. The Plan provides for automatic lump sum distribution for participants who terminate employment with a vested account balance of less than \$1,000.

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**NOTE 1: DESCRIPTION OF THE PLAN (Continued)**

***Forfeited Accounts***

On termination of service, the unvested portion of a participant's Company contribution account is forfeited after five consecutive one-year breaks in service or, if earlier, when the participant takes a distribution of his entire account balance. Forfeitures are used to pay Plan expenses or to reduce future Company contributions. As of December 31, 2009 and 2008, forfeiture credit balances of \$494,435 and \$506,266, respectively, were available to pay Plan expenses.

***Administration***

The Profit Sharing Committee serves as the named fiduciary of the Plan. Administration of the Plan is under the direction of (i) the Profit Sharing Committee, all of whom are members of senior management of the Company; (ii) a trustee who is a corporate officer of the Company; and (iii) a Plan administrator, who is an employee of the Company. The trustee and the investment managers appointed by the Profit Sharing Committee are responsible for investment of the Plan assets.

***Administrative and Investment Expenses***

To the extent not paid by the Company or from forfeitures, certain administrative and all investment expenses are paid by the Plan and are allocated to participants based on account balances.

***Plan Termination***

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

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MARRIOTT INTERNATIONAL, INC. PROFIT SHARING, RETIREMENT AND

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NOTES TO FINANCIAL STATEMENTS

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**NOTE 1: DESCRIPTION OF THE PLAN (Continued)**

***Investment Options***

Upon enrollment in the Plan, a participant may direct employer and employee contributions in any of the available investment options. Participants may change their investment options on a daily basis.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Accounting***

The financial statements of the Plan are prepared under the accrual method of accounting.

***Use of Estimates***

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

***Investments Valuation and Income Recognition***

The Plan's investments are stated at fair value. Securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the Plan year. Listed securities for which no sale was reported on that date are valued at the average of the last reported bid and ask prices. Shares of mutual funds are valued at quoted market prices, which represent the net asset value of shares held by the Plan at year-end. The fair value of the participation units in common collective trusts is based on quoted redemption values on the last business day of the Plan's year-end. Participant loans are valued at their unpaid balances, which approximate fair value.

As described in Financial Accounting Standards Board Staff Position (FSP) AAG INV-1 and SOP 94-4-1, *Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans* (the FSP), investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Master Trust invests in fully benefit-responsive guaranteed investment contracts (GICs) and synthetic investment contracts (synthetic GICs). As required by the FSP, the statements of net assets available for benefits present the fair value of the fully benefit-responsive investment contracts and the adjustment from fair value to contract value for fully benefit-responsive investment contracts.

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DECEMBER 31, 2009 AND 2008

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Investments Valuation and Income Recognition (Continued)*

The Company Stock Fund (the Stock Fund) is tracked on a unitized basis. The Stock Fund consists of Marriott International, Inc. common stock, funds held in the Northern Trust Company Collective Short-Term Investment Fund sufficient to meet the Stock Fund's daily cash needs, as well as interest and dividends receivable. Unitizing the Stock Fund allows for daily trades. The value of a unit reflects the combined market value of Marriott International, Inc. common stock, valued at its quoted market price, and the cash investments and receivables held by the Stock Fund. At December 31, 2009, 20,959,280 units were outstanding with a value of \$18.0923 per unit. At December 31, 2008, 21,071,129 units were outstanding with a value of \$12.8301 per unit.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

**NOTE 3: RISKS AND UNCERTAINTIES**

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

**NOTE 4: MASTER TRUST**

The Plan's custodian is The Northern Trust Company (Northern Trust). The assets of the Plan are principally held and invested on a commingled basis in the Master Trust, which was established for the investment of the assets of the Plan and another retirement plan sponsored by the Company, Marriott International, Inc. Employees' 401(k) Plan.

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## MARRIOTT INTERNATIONAL, INC. PROFIT SHARING, RETIREMENT AND

## SAVINGS PLAN AND TRUST

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

**NOTE 4: MASTER TRUST (Continued)**

The assets, interest and dividend income, investment expenses, and realized and unrealized appreciation (depreciation) in fair value of investments of the Master Trust are allocated to the participating plans based on the number of units outstanding in each fund in which the Plan invests at the conclusion of each business day, except for participant loans, which are based on actual loan balances of each plan's participants. Participant loans are considered to be an asset held outside of the Master Trust. In addition, only the Plan's participants can invest in the Marriott Common Stock Fund. At December 31, 2009 and 2008, the Plan's overall interest in the net assets of the Master Trust was 99.66% and 99.64% respectively. The Plan's interest in each fund in the Master Trust is as follows:

Stable Value Fund	99.55%
Bond Fund	99.80
Balanced Fund	99.55
Dodge & Cox Stock Fund	99.24
SSga S&P 500 Fund	98.98
Large-Cap Equity Fund	99.98
Fidelity Contrafund	99.94
Large-Cap Growth Fund	99.66
Mid-Cap Growth Fund	99.41
Small-Cap Equity Fund	99.71
Morgan Stanley International Equity Fund	99.80
Marriott Common Stock Fund	100.00
Vanguard Target Retirement 2005 Fund	99.65
Vanguard Target Retirement 2015 Fund	99.70
Vanguard Target Retirement 2025 Fund	99.76
Vanguard Target Retirement 2035 Fund	99.79
Vanguard Target Retirement 2045 Fund	99.84
Vanguard Target Retirement Income Fund	99.99

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**NOTE 4: MASTER TRUST (Continued)**

The following table presents the net assets of the Master Trust as of December 31, 2009 and 2008:

	2009	2008
<b>Assets</b>		
Investments, at fair value	\$ 2,861,769,412	\$ 2,245,370,588
Receivables:		
Receivables from sale of investments	933,586	2,697,484
Accrued interest and dividends	4,526,851	5,145,295
Total receivables	5,460,437	7,842,779
Total assets	2,867,229,849	2,253,213,367
<b>Liabilities</b>		
Accounts payable on investments purchased	696,719	1,246,859
Custodian and advisor fees payable	1,197,459	959,883
Total liabilities	1,894,178	2,206,742
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(28,777,122)	(511,599)
Net assets available for benefits	\$ 2,836,558,549	\$ 2,250,495,026

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**NOTE 4: MASTER TRUST (Continued)**

The following table presents the net investment gain of the Master Trust for the year ended December 31, 2009:

Net realized and unrealized appreciation (depreciation) in fair value of investments:	
Investments at fair value as determined by quoted market prices:	
Mutual funds	\$ 93,798,002
Common/collective trusts	17,790,080
Marriott International, Inc. common stock	111,820,420
Other common stock (including foreign common stock)	204,293,318
Corporate bonds, notes, and other obligations	17,375,419
U.S. Government obligations	(428,853)
Government mortgage-backed obligations	2,078,345
Total net appreciation in fair value of investments	446,726,731
Interest and dividend income	64,903,116
Investment expenses	(4,394,563)
Net investment gain	\$ 507,235,284

The net investment gain of the Master Trust is comprised of the net investment gain for the Plan of \$505,751,373 and net investment gain for the Marriott International Inc., Employees 401(k) Plan of \$1,483,911 and is based on each plan's participant-directed activity.

**NOTE 5: FAIR VALUE MEASUREMENTS**

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures* (formally Statement of Financial Accounting Standards No. 157, *Fair Value Measurements*), establishes a framework for measuring fair value. This framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements), the next priority to quoted values based on observable inputs (Level 2 measurements), and the lowest priority to values based on unobservable inputs (Level 3 measurements).



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**NOTE 5: FAIR VALUE MEASUREMENTS (Continued)**

The three levels of the fair value hierarchy under ASC 820 are briefly described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access. For example, stocks listed on a recognized exchange or listed mutual funds.

Level 2 Inputs to the valuation methodology include:

Quoted prices for similar assets or liabilities in active markets;

Quoted prices for identical or similar assets or liabilities in inactive markets;

Inputs other than quoted prices that are observable for the asset or liability;

Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified contractual term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement. For example, real estate using an independent appraisal process would be Level 3.

The asset's or liability's fair value measurement level with the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value as of December 31, 2009 and 2008.

*Mutual funds and common/collective trusts* Valued at the net asset value ( NAV ) of shares held by the Plan at year end.

*Common stock, corporate bonds and U.S. government securities* Valued at the closing price reported on the active market on which the individual securities are traded.

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**NOTE 5: FAIR VALUE MEASUREMENTS (Continued)**

*Government mortgage-backed obligations* The fair value is based on whether the security is liquid and available quotes and trades in the market. Additionally, other factors considered are the structure, age, quality, burnout rate and other qualitative factors that can influence the price.

*Guaranteed investment contracts* Valued at fair value by discounting the related cash flows based on the net present value of expected future payments, which include interest and a lump sum contract amount, discounted at a rate determined by the quality of the investment and the average remaining life.

*Participant loans* Valued at the sum of all outstanding balances without accrued interest.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2009.

	Assets at Fair Value as of December 31, 2009			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 144,345,674	\$	\$	\$ 144,345,674
Common/collective trusts	44,545,111			44,545,111
Marriott International, Inc. common stock	375,148,697			375,148,697
Other common stock (including foreign common stock)	1,309,598,931			1,309,598,931
Corporate bonds, notes and other obligations	10,297,663	109,456,306	718,634,670	838,388,639
U.S. Government obligations		31,066,396		31,066,396
Government mortgage- backed obligations		112,542,653		112,542,653
Participant loans			80,369,154	80,369,154
Company contribution receivable	95,803,650			95,803,650
Total assets at fair value	\$ 1,979,739,726	\$ 253,065,355	\$ 799,003,824	\$ 3,031,808,905

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**NOTE 5: FAIR VALUE MEASUREMENTS (Continued)**

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2008.

	Assets at Fair Value as of December 31, 2008			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 116,797,336	\$	\$	\$ 116,797,336
Common/collective trusts	31,451,346			31,451,346
Marriott International, Inc. common stock	267,153,258			267,153,258
Other common stock (including foreign common stock)	924,026,649			924,026,649
Corporate bonds, notes and other obligations	9,650,536	101,350,035	668,563,591	779,564,162
U.S. Government obligations		11,253,520		11,253,520
Government mortgage- backed obligations		112,664,628		112,664,628
Participant loans			76,959,793	76,959,793
Company contribution receivable	110,110,186			110,110,186
Total assets at fair value	\$ 1,459,189,311	\$ 225,268,183	\$ 745,523,384	\$ 2,429,980,878

The following tables set forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended December 31, 2009.

	Level 3 Assets	
	Year Ended December 31, 2009	
	Participant Loans	Fixed Rate Fund/GIC
Balance, beginning of the year	\$ 76,959,793	\$ 668,563,592
Unrealized gains (losses)		
Interest and dividend income	4,889,048	32,294,733
Purchases and sales	(1,479,687)	17,776,345
Balance, end of year	\$ 80,369,154	\$ 718,634,670

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MARRIOTT INTERNATIONAL, INC. PROFIT SHARING, RETIREMENT AND

SAVINGS PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

**NOTE 6: PARTY-IN-INTEREST**

The Plan may, at the discretion of Plan participants, invest an unlimited amount of its assets in securities issued by the Company. The Plan held 14,017,177 and 13,735,386 shares of common stock of the Company as of December 31, 2009 and 2008, respectively. Dividends on Marriott International, Inc. common stock were \$2,439,003 and \$4,562,681 for the years ended December 31, 2009 and 2008, respectively.

**NOTE 7: GUARANTEED INVESTMENT CONTRACTS**

The Master Trust is invested in certain investment contracts with banks and insurance companies. The investment manager of these investment contracts is T. Rowe Price. The investment contracts for synthetic GICs are credited with earnings on the underlying investments and charged for Plan withdrawals and administrative expenses. Traditional GICs are generally credited with a fixed rate of interest and not charged for administrative expenses. The Master Trust invests in both traditional GICs and synthetic GICs. The contracts are carried at contract value (which represents contributions made under the contract, plus earnings, less withdrawals and administrative expenses if applicable) because they are fully benefit-responsive. There are no reserves against contract value for credit risk of the contract issuer or otherwise.

The fair values for the traditional GICs have been estimated based on a discounted cash flow analysis. The estimated fair value is calculated based on the net present value of expected future payments, which include interest and a lump sum contract amount, discounted at a rate determined by the quality of the GICs and the average remaining life. This calculation is necessary, as traditional GICs are not actively traded investments for which a daily fair value is readily available.

The issuers of the traditional GICs are generally insurance companies. Where there are no underlying assets collateralizing the investment, the Master Trust's ultimate realization of amounts invested in traditional GICs is dependent on the continued financial stability of the issuers of the GICs.

The Master Trust owns the assets underlying the synthetic GICs, which consist primarily of U.S. government securities, corporate debt obligations, and mortgage-backed and other asset-backed securities. Fair values of the underlying securities are determined by closing prices on the last business day of the year for those securities traded on national exchanges, at the average bid quotations for

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MARRIOTT INTERNATIONAL, INC. PROFIT SHARING, RETIREMENT AND

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NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

**NOTE 7: GUARANTEED INVESTMENT CONTRACTS (Continued)**

those securities traded in over-the-counter markets or at fair value as determined by the investment manager for securities for which there is not an established market. Synthetic GICs utilize a benefit-responsive wrapper contract issued by a financially responsible third party that provides market and cash flow risk protection to the Master Trust. The fair value of the wrap contracts for the synthetic GICs is determined using the market approach discounting methodology that incorporates the difference between current market level rates for contract level wrap fees and the wrap fee being charged. The difference is calculated as a dollar value and discounted by the prevailing interpolated swap rate as of period end.

Traditional GICs typically have fixed crediting interest rates. The synthetic GICs have crediting interest rates that reset, typically on a quarterly basis, based on a formula specified in the individual contracts. The minimum guaranteed rate is not less than 0%. The crediting rate is primarily based on the current yield-to-maturity of the covered investments, plus or minus amortization of the difference between the market value and contract value of the covered investments over the duration of the covered investments at the time of computation. The crediting rate is most affected by the change in the annual effective yield to maturity of the underlying securities, but is also affected by the difference between the contract value and the market value of the covered investments. This difference is amortized over the duration of the covered investments. Depending on the change in duration from reset period to reset period, the magnitude of the impact to the crediting rate of the contract to market difference is heightened or lessened.

Certain events limit the ability of the Master Trust to transact at contract value with the issuer. Such events include the following:

(i) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan) (ii) changes to the Plan's prohibition on competing investment options of deletion or equity wash provisions; (iii) bankruptcy of the Plan sponsor or other Plan sponsor events (e.g. divestitures or spin-offs of a subsidiary) which cause a significant withdrawal from the Plan or (iv) the failure of the Master Trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The Plan administrator does not believe that the occurrence of any such event, which would limit the Plan's ability to transact at contract value with participants, is probable.

Generally, traditional GICs cannot be terminated by the issuer prior to maturity without cause. Synthetic GIC issuers retain the right to request release from the contract without cause. If this occurs, T. Rowe Price may seek a successor contract issuer or may require scheduled termination of the contract at book value over a period of time generally equal to the contract duration. Examples of events that would allow the Synthetic GIC contract issuer to request release and immediately terminate the contract at market value with cause would be an ERISA prohibited transaction, termination or disqualification of the Plan, violation of the Investment Guidelines that is not cured, manager failure to provide information such as portfolio reports required by the contract, failure of any contractholder representations in the contract, material misrepresentations, and termination of the manager without issuer consenting to the successor manager.

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**NOTE 7: GUARANTEED INVESTMENT CONTRACTS (Continued)**

As described in Note 2, because the GICs and synthetic GICs are fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the GIC and synthetic GICs. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

	2009	2008
Average yields for GICs and synthetic GICs:		
Based on actual earnings	4.56%	5.01%
Based on interest rate credited to participants	4.69%	4.26%

**NOTE 8: INCOME TAX STATUS**

The Plan has received a determination letter from the Internal Revenue Service (IRS), dated October 12, 2007, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the Code), and therefore, the related trust is exempt from taxation. Subsequent to this determination by the IRS, the Plan was amended. The Plan is required to operate in conformity with the Code to maintain its qualification. The Plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Code, and therefore, believes that the Plan, as amended, is qualified and the related trust is tax-exempt.

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**NOTE 9: RECONCILIATION OF FINANCIAL STATEMENTS AND FORM 5500**

The following is a reconciliation of net assets available for benefits as reported in the financial statements to the Form 5500:

	December 31	
	2009	2008
Net assets available for benefits as reported in financial statements	\$ 3,002,886,786	\$ 2,428,914,649
Less: distributions payable to terminated employees	(2,624,822)	(1,303,471)
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	25,971,665	(1,185,342)
Net assets available for benefits as reported in Form 5500	\$ 3,026,233,629	\$ 2,426,425,836

The following is a reconciliation of benefits paid to participants as reported in the financial statements to the Form 5500 for the year ended December 31, 2009:

Benefits paid to participants as reported in the financial statements	\$ 197,916,724
Add: amounts allocated to withdrawing participants at year-end	2,624,822
Less: amounts allocated to withdrawing participants at prior year-end	(1,303,471)
Benefits paid to participants as reported in the Form 5500	\$ 199,238,075

Amounts allocated to withdrawing participants are recorded on the Form 5500 for benefit claims that have been processed and approved for payment prior to year-end but not yet paid as of that date.

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**NOTE 9: RECONCILIATION OF FINANCIAL STATEMENTS AND FORM 5500 (Continued)**

The following is a reconciliation of the change in net assets available for benefits as reported in the financial statements to the Form 5500 for the year ended December 31, 2009:

Net increase in net assets available for benefits as reported in the financial statements	\$ 573,972,137
Less: amounts allocated to withdrawing participants at year-end	(2,624,822)
Add: amounts allocated to withdrawing participants at prior year-end	1,303,471
Adjustment from fair value to contract value for fully benefit-responsive investment contracts at year-end	25,971,665
Adjustment from fair value to contract value for fully benefit-responsive investment contracts at prior year-end	1,185,342
Net increase in net assets available for benefits as reported in the Form 5500	\$ 599,807,793

The accompanying financial statements present fully benefit-responsive contracts at contract value. The Form 5500 requires synthetic GIC fully benefit-responsive investment contracts to be reported at fair value. Therefore, the adjustment from fair value to contract value for synthetic GIC fully benefit-responsive investment contracts represents a reconciling item.

**NOTE 10: SUBSEQUENT EVENT**

Effective with the 2010 Plan year, the Plan no longer provides a fixed match on contributions, and now offers a discretionary match on the first 6% of annual compensation contributed. Employees must be employed as of the last day of the Plan year to be eligible for the match, although employees whose employment ends due to retirement, disability or death will be eligible for a match on their contributions for the Plan year. As a result, the Plan will be subject to nondiscrimination testing under Code sections 401(k) and 401(m) beginning with the 2010 Plan year. The Plan Administrator may limit contributions by highly compensated employees to ensure satisfaction of nondiscrimination tests.



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**NOTE 10: SUBSEQUENT EVENT (Continued)**

In preparing these financial statements, the Plan has evaluated events and transactions for potential recognition or disclosure through June 18, 2010, the date the financial statements were issued.

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SUPPLEMENTAL SCHEDULE

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**Marriott International, Inc. Profit Sharing, Retirement and  
Savings Plan and Trust**

EIN: 52-2055918; Plan No.: 002

Schedule H, Line 4i Schedule of Assets (Held at End of Year)

December 31, 2009

**Identity of Issue, Borrower,**

<b>Lessor, or Similar Party</b>	<b>Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value</b>	<b>Cost</b>	<b>Current Value</b>
Participant loans *	Interest rates range from 4.25% to 10.5%; varying maturities	\$	\$ 80,369,154

\* Party-in-interest to the Plan

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**SIGNATURES**

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

MARRIOTT INTERNATIONAL, INC. EMPLOYEES PROFIT SHARING,  
RETIREMENT AND SAVINGS PLAN AND TRUST

Dated: June 22, 2010

/s/ Tracey Ballow

**Tracey Ballow  
Plan Administrator**