

Terms of contract

Dear customers,

the firm **Cilentano – M. Baldauf & R. Mankau GbR, Margartenstr. 14, D-93047 Regensburg, Tel. 09 41/ 56 76 46-0, Fax 09 41/ 56 76 46-1** –, abbreviated "**Cilentano**" in the following, acts as a representative of the proprietors of holiday homes, holiday apartments, country estates and hotels. Although **Cilentano** therefore acts as an **agent**, the contract we make with you is subject to §§ 651a ff. Bürgerliches Gesetzbuch (Civil Code) according to German jurisdiction. Thus we give you the full guarantee of a German tour operator for your booking. To be able to do this, strict legal agreements are necessary - apart from the quality of the object - for a successful holiday and the best possible handling of your booking. These agreements are reached with you - in the following called "the guest" - through the arrangement of the following terms of booking. These will be the conditions of the contract being made between you and us.

Please read these terms carefully.

Please note: For your safety you receive - as client of *Cilentano* - a bankruptcy insurance policy ("Sicherheitsschein") with your confirmation of booking (according to § 651 k BGB). Many agents of holiday homes do not do this and therefore often violate effective law.

1. Legal grounds

1.1 The contractive relations between the guest and *Cilentano* are subject to all regulations set out in §§ 651a ff. Bürgerliches Gesetzbuch on package tour contracts taking into special consideration the hire contract character of *Cilentano*'s performance.

1.2 In the legal relationship between owner and *Cilentano*, *Cilentano* is the agent of the property.

1.3 All agreements between *Cilentano* and the guest have priority over legal regulations - except for binding legal rules.

2. Booking and conclusion of contract

Bookings can **only** be made **in writing** on the original *Cilentano* **booking form**. By transmitting the booking form, filled in and signed by the guest, all guests named in the booking form propose to *Cilentano* the conclusion of a **binding** contract subject to all information and notes stated in the advertisement belonging to the respective rental object, as well as subject to these terms of contract. The contract with all guests stated in the booking form is concluded by *Cilentano*'s acceptance of the guest's booking form, of which *Cilentano* informs the guest through the confirmation of booking.

3. First instalments, payment, deposit

3.1 Together with the booking confirmation the guest receives a **bankruptcy insurance policy** ("Sicherheitsschein") according to § 651 k Abs. 4 BGB. It will secure all payments by the guest made in compliance with the legal regulations.

3.2 With the conclusion of the contract (i.e. at the date of the guest's receipt of the confirmation of booking), however not until the receipt of the bankruptcy insurance policy ("Sicherheitsschein"), a **first instalment of 30 per cent of the total price** falls due. It must reach *Cilentano* **within 7 days** and will be credited to the total price. The remaining amount is to be transferred to the *Cilentano* account **at the latest 4 weeks prior to the beginning of the rental period** without further request by *Cilentano*, as *Cilentano* must likewise transfer payments early to the proprietor. Measure for the punctuality of the payment is always the entry of the payment with *Cilentano*.

3.3 If the time period between the guest's receipt of the confirmation of booking and the beginning of the rental period is **less than 40 days**, the total price falls due immediately without previous first instalment.

3.4 Insofar as the bankruptcy insurance policy ("Sicherheitsschein") has been handed over and *Cilentano* is willing and capable of the performance, there can be no claim to the property and further benefits of the contract without previous payment of the total price and *Cilentano* is entitled - after sending a reminder fixing a deadline - to withdraw from the contract and to charge the guest with a lump cancellation fee subject to clause 5 of these terms of contract.

3.5 If stated in the brochure, a deposit must be paid on the spot upon the handing-over of the keys. The amount of the deposit is stated in the confirmation of booking.

4. Performances

4.1 *Cilentano* is under contract to let the booked property in the state and with the equipment as announced in the advertisement, in accordance with all notes and explanations stated in the prospectus, resp. in the property description including supplementary notes and specifications.

4.2 Excluding legal duty of information and duty of care non-accidentally neglected by *Cilentano*, *Cilentano* is not under contract to guarantee all circumstances which are not in direct relation to the property and the contractive performances, especially the surrounding of the property, state of beaches and further local conditions of the holiday resort.

4.3 All information stated in advertisements and the prospectus which regard local conditions, especially shopping and leisure-time possibilities are carefully enquired and compiled by *Cilentano*. *Cilentano* does not guarantee these descriptions, especially changes which have come to existence after publication.

5. Withdrawal from the contract by the guest, substitute guest, transfer of booking

5.1 The guest can withdraw from the contract any time before the beginning of the rental period. On account of self-interest and reasons of evidence, *Cilentano* strongly recommends to declare the withdrawal to *Cilentano* in writing.

5.2 Does the guest withdraw from the contract or does he not commence the journey or does he not appear upon the beginning of the rental period, *Cilentano* is entitled to charge a reasonable reimbursement for preparations made and its expenses. The reimbursement is calculated by deducting from the total price generally saved expenses, as well as the sum that may be recovered by letting the property to another guest. *Cilentano* may charge this entitlement either specifically according to verified expenses or in a lump sum. *Cilentano* may charge the following lump cancellation fees:

- a) 10 per cent of the total price in case of withdrawal up to 90 days prior to the beginning of the rental period or start of the tour.
- b) 30 per cent of the total price in case of withdrawal between the 89th and the 60th day prior to the beginning of the rental period or start of the tour.
- c) 50 per cent of the total price in case of withdrawal between the 59th and the 30th day prior to the beginning of the rental period or start of the tour.
- d) 80 per cent of the total price in case of withdrawal 29 days prior to the beginning of the rental period or start of the tour or less.

The guest always has the possibility - even when charged the lump cancellation fee - of proving that no or substantially less damage than the asserted cancellation fee charged by *Cilentano* has been caused.

We strongly recommend taking out a cancellation insurance!

5.3 Should the guest not be able to commence his journey, he has until the beginning of the rental period the possibility of providing for a substitute guest, who enters instead of him into the rights and duties of the contract and who has to be announced to *Cilentano* before. *Cilentano* reserves the right to reject that substitute guest, should he not meet the special requirements of the tour or should his participation be impossible due to organizational causes or should his participation violate legal regulations or official orders. The substitute guest entering the contract and the original guest are liable to *Cilentano* for the total price and all additional costs originating from the entry of the substitute guest.

5.4 If the guest wishes to alter his booking, such as rental period or dates of arrival and departure, after conclusion of the agreement, *Cilentano* will charge an alteration fee of EURO 27.00 for any feasible change in booking up to 90 days prior to the beginning of the rental period. Changes in booking after this deadline, if feasible at all, must be made by withdrawing from the contract on the conditions stated above and booking again.

5.5 In case of belated arrival or early departure there is no claim to a total or partial refund.

6. Withdrawal on account of *Cilentano*

6.1 *Cilentano* or by proxy the explicitly authorised proprietor may terminate the contract after the beginning of the rental period if a guest continues to disturb the materialization of the contractive agreements despite a warning on account of *Cilentano*, the proprietor or a local proxy of *Cilentano* or if a guest acts in a way which justifies instant termination of the contract. This is especially true if despite a warning the guest continues to occupy the property contrary to contractive agreements,

such as overcrowding, or if he infringes residential rules or considerably disturbs the domestic peace, or if the contractive property is damaged wilfully or due to gross negligence. Excess persons may be evicted from the contractive property by the proprietor in case of overcrowding.

6.2 If *Cilentano* is forced to terminate the contract in these cases, *Cilentano* keeps the claim to the total price; however, *Cilentano* must credit the saved expenses and benefits *Cilentano* receives thanks to a new occupancy of the property.

7. Special duties of the guest, treatment of the property, liability of the guest

7.1 The contractive property may only be used for holiday purposes and may only be occupied by the persons stated in the contract. In the case of overcrowding *Cilentano* is entitled to lay claim to a reasonable compensation for the time of the overcrowding irrespective of the right to terminate the contract. The unannounced persons have to leave the property without delay.

7.2 The guest is obliged to take good care of the property and air it frequently and to indicate to *Cilentano*, the proprietor or the local proxy of *Cilentano* all damages and defects immediately during the rental period. The guest is liable for damages caused during the rental period, he has to compensate for them. If additional damage is caused due to belated notification by the guest, the guest is held responsible. In case of imminent danger the proprietor is authorized by *Cilentano* to enter the contractive property and take first countermeasures.

7.3 In the possible case of disturbance of performance the guest is obliged to do everything possible to help remove the disturbance and keep possible damages as little as possible. If the client culpably omits to report a defect, a claim to diminution does not arise.

7.4 The guest is also obliged to **regularly clean the rented property**, especially before departure. The final cleaning possibly contained in the price does not include the cleaning of the dishwasher, the stove, the oven, the refrigerator nor the kitchen appliances; they must be left in impeccable and clean state. If an additional cleaning is necessary, the cleaning time will be charged by the proprietor or his proxy. Pollution not removable with normal detergents or damages of the furnishings are charged separately. Potential damages due to the regulations stated above and payable by the guest must be paid to the proprietor or his proxy before departure.

7.5 Animals and pets may only be brought after previous permission. Species and size must be stated.

7.6 Occupancy of the lodging on the day of arrival is to take place at the times given in the confirmation of booking. There is no claim to keys and occupancy on the day of arrival in the case of belated arrival. A belated arrival must be announced in any case especially if the proprietor or the local proxy is exceptionally prepared for a belated handing over. Possible additional costs for the owner and/or overnight expenses of the guest due to belated arrival must be paid by the guest himself. The property must be cleared in accordance with the contractive agreement by 10.30 a.m. on the day of departure.

8. Obligations and notice of the guest, term of exclusion

8.1 Should the tour not be performed according to the contractive agreement or should the rental property not be handed over in order, the guest may ask for remedy, while *Cilentano* may refuse the remedy, if it requires irrelatively high expenses. *Cilentano* may also provide for remedy by delivering an equal or superior substitute. Defects always have to be announced immediately to the local tour guide or *Cilentano* under the address below and remedy has to be claimed there.

8.2 *Cilentano* informs about the duty of the guest to announce immediately an occurring defect and that prior to the termination of the agreement (§ 651e BGB) a reasonable deadline always has to be set for remedy, unless remedy is impossible or refused by *Cilentano* or if the immediate notice is justified due to a special interest. If the tour or the stay is severely impaired due to a defect and *Cilentano* does not provide for remedy within the reasonable deadline, the guest may terminate the contractive agreement within the legal regulations. A written declaration of notice is recommended for reasons of evidence.

8.3 The guest is obliged to assert to *Cilentano* at the address below any claims from the contract within one month after the contractive end of the occupancy or the contractive end of the tour. With the deadline expired only claims can be asserted if the guest has been prevented from asserting them before the deadline or in case of offence claims.

9. Liability, restriction of liability

9.1 The contractive liability of *Cilentano* for damages not being physical injuries is limited to three

times the total price, if the damage to the guest has been caused by *Cilentano* neither intentionally nor through gross negligence or if *Cilentano* is liable for the damages caused owing to the fault of the proprietor as performer or another actor of fulfilment.

9.2 *Cilentano* is not liable for prices and services by a third party whose services have been explicitly marked in the prospectus and booking confirmation as services of a third party.

10. Statutory periods of limitation, impossibility of assignment, miscellaneous
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10.1 Any claims on *Cilentano* on part of the guest, no matter for which point of law – however with the exception of claims for unlawful act on part of the guest – comes under the statute of limitations one year after the end of rent or tour as set out in the contract. Any pending negotiations between the guest and *Cilentano* concerning asserted claims or concerning circumstances establishing a claim will delay the statutory period of limitation until the guest or *Cilentano* rejects to continue the negotiations. Limitation can first become effective three months after the end of the delay.

10.2 An assignment of any claims from this contract by a guest to a third party is impossible.

10.3 If one of the above-mentioned regulations is or becomes invalid, the remaining regulations will stay valid and the contract stays in effect.

10.4 Any proceedings against *Cilentano* on account of the guest must exclusively be taken at the legal domicile Regensburg.

10.5 For any proceedings against the guest on account of *Cilentano* the legal domicile is Regensburg if the guest is "Vollkaufmann" or legal entity of civil law or public law or does not have a legal domicile in Germany.

as of: March 2007

Cilentano – M. Baldauf & R. Mankau GbR
Margaretenstr. 14, D-93047 Regensburg