TERMS AND CONDITIONS FOR ACCOMMODATION CONTRACTS

(Scope of Application)

Article 1 Contrac

- 1 Contracts for Accommodation and related agreements to be entered into between this Ryokan/Hotel and the Guest to be accommodated shall be subject to these Terms and Conditions. And any particulars not provided for herein shall be governed by laws and regulations and/or generally accepted practices.
- In the case when the Ryokan/Hotel has entered into special contract with the Guest insofar as such special contract does not violate laws and regulations and generally accepted practices, notwithstanding the preceding Paragraph, the special contract shall take precedence over the provisions of these Terms and Conditions.

(Application for Accommodation Contracts)

Article 2 A Guest who intends to make an application for an Accommodation Contract with the Ryokan/Hotel shall notify the Ryokan/Hotel of the following particulars:

- (1) Name of the guest(s);
- (2) Date of accommodation and estimated time of arrival:
- (3) Accommodation charges (based, in principle, on the Basic Accommodation Charges listed in the attacked Table №1); and
- (4) Other particulars deemed necessary by the Ryokan/Hotel.
- 2. In the case where the guest requests, during his stay, extension of the accommodation beyond the date in Subparagraph (2) of the preceding Paragraph, it shall be regarded as an application for a new Accommodation Contact at the time such request is made.

(Conclusion of Accommodation Contacts, etc.)

Article

- 3 A Contacts for Accommodation shall be deemed to have been concluded when the Ryokan/Hotel has duly accepted the application as stipulated in the preceding Article. However, the same shall not apply when it has been proved that the Ryokan/Hotel has not accepted the application.
 - 2. When a Contact for Accommodation has been concluded in accordance with the provisions of the preceding Paragraph, the Guest is requested to pay an accommodation deposit fixed by the Ryokan/Hotel within the limits of Basic Accommodation Charges covering the Guest's entire period of stay (3 days when the period of stay exceeds 3 days) by the date specified by the Ryokan/Hotel.
 - 3. The deposit shall be first used for the Total Accommodation Charges to be paid the Guest, them secondly for the cancellation charges under Article 6 and thirdly for the reparations under Article 18 if applicable, and the remainder, if any, shall be refunded at the time of payment of the Accommodation Charges as stated in Article 12.
 - 4. When the Guest has failed to pay the deposit by the date as stipulated in Paragraph 2 the Ryokan/Hotel shall treat the Accommodation Contact as invalid. However, the same shall apply only in the case when the Guest is thus informed by the Ryokan/Hotel when the period of payment of the deposit is specified.

(Special Contacts Requiring No Accommodation deposit)

Article 4

- 4 Notwithstanding the provisions of Paragraph 2 of the preceding Article, the Ryokan/Hotel may enter into a special contract requiring no accommodation deposit after the Contract has been concluded as stipulated in the same Paragraph.
- 2. in the case when the Ryokan/Hotel has not requested the payment of the deposit as stipulated in Paragraph 2 of the preceding Article and/or has not specified the date of the payment of the deposit at the time the application for an Accommodation Contract has been accepted, it shall be construed as that the Ryokan/Hotel has accepted a special contact prescribed in the preceding Paragraph.

(Refusing Accommodations)

Article 5 We reserve the right to refuse accommodations in the following instances:

- (1) When a request for accommodations does not comply with the Terms and Conditions herein;
- (2) When the facility is fully booked and no room is available;
- (3) When a group or person seeking accommodations is, belongs to, or is associated with a designated organized crime group as provided in the Law for the Prevention of Wrongful Acts by Organized Crime Groups (Law No. 77 of 1991), or any other antisocial group [collectively referred to herein as "Criminal Group(s)"];
- (4) When a group or person seeking accommodation is or belongs to a company or other group whose business activities are controlled by a Criminal Group;
- (5) When a group or person seeking accommodations is or belongs to a company that has a person associated with a Criminal Group serving as a director;
- (6) When a person seeking accommodations is deemed liable to engage in conduct that is likely to cause considerable annoyance or inconvenience to other guests, or is acknowledged to have engaged in such behavior in the past;
- (7) When a person seeking accommodations has engaged in acts of violence, intimidation, blackmail or coercion against our business or any of our employees, or has demanded unreasonable claims, or is acknowledged to have engaged in such behavior in the past:
- (8) When a person seeking accommodations is obviously suffering from a communicable disease;
- (9) When accommodations cannot be provided due to natural disasters, facility malfunctions or failures, or other unavoidable reasons;
- (10) When Article 15 of the Nagano Prefecture Hotel and Ryokan Business Law enforcement ordinance applies.

(Refusing Banquets and Functions)

- 2. We reserve the right to refuse reservations for banquets or functions in the following instances:
 - (1)When a group or person seeking to make a reservation for a banquet or function, or when a guest who is to attend the banquet or function:
 - i. is, belongs to, or is associated with a designated organized crime group as provided in the Law for the Prevention of Wrongful Acts by Organized Crime Groups (Law No. 77 of 1991), a member of or associated with a designated organized crime group, or any other antisocial group [collectively referred to herein as "Criminal Group(s)"].
 - ii. is or belongs to a company or other group whose business activities are controlled by a Criminal Group;
 - iii. is or belongs to a company that has a person associated with a Criminal Group serving as a director;
 - iv. is deemed liable to engage in conduct that violates laws or public order and morals.
 - (2) When a group or person engages in any act of violence, intimidation, blackmail or coercion against our business or any of our employees, has demanded unreasonable claims, or is acknowledged to have engaged in such behavior in the past;

(Right to Cancel Accommodation Contracts by the Guest)

article 6 The Guest is entitled to cancel the Accommodation Contract by so notifying the Ryokan/Hotel.

2. In the case when the Guest has canceled the Accommodation Contract in whole or in part due to causes for which the Guest is liable(except in the case when the Ryokan/Hotel has requested the payment of the deposit during the specified period as prescribed in Paragraph 2 of Article 3 and the Guest has

canceled before the payment), the Guest shall pay cancellation charges as listed in the attacked Table N $\!\!$ 2. However, in the case when a special contract as prescribed in Paragraph 1 of Article 4 has been concluded, the same shall apply only when the Guest is informed of the obligation of the payment of the cancellation charges in case of cancellation by the Guest.

3. In the case when the Guest does not appear by 8:00 p.m. of the accommodation date (2 hours after the expected time of arrival if the Ryokan/Hotel is notified of it) without an advance notice, the Ryokan/Hotel may regard the Accommodation Contract as being canceled by the Guest.

(Right to Cancel Reservations)

Article 7 We reserve the right to cancel reservations for accommodations in the following instances:

- (1) When a guest is deemed liable to engage in conduct that violates provisions of laws or ordinances, public order, or good morals, or is acknowledged to have engaged in such behavior;
- (2) When a guest is or belongs to a Criminal Group;
- (3) When a guest is or belongs to a company or other group whose business activities are controlled by a Criminal Group;
- (4) When a guest is or belongs to a company that has a person associated with a Crime Group serving as a director;
- (5) When a guest engages in any act of violence, intimidation, blackmail or coercion against our business or any of our employees, has demanded unreasonable claims, or is acknowledged to have engaged in such behavior in the past;
- (6) When a guest is obviously suffering from a communicable disease;
- (7) When we are unable to accommodate guests for reasons arising from a natural disaster or other circumstances beyond our control;
- (8) When Article 15 of the Nagano Prefecture Hotel and Ryokan Business Law enforcement ordinance applies.
- (9) When a guest smokes in bed, tampers with firefighting equipment, or fails to follow house rules designed to prevent fires.
- 2. If reservations or accommodations are cancelled pursuant to the preceding stipulations, the guest will not be charged for accommodations and services that we have not vet provided.
- ${\it 3.}\ \ We\ reserve\ the\ right\ to\ cancel\ reservations\ for\ banquets\ and\ functions\ in\ the\ following\ instances:$
 - (1) When a group or person who made a reservation for the banquet or function, or when a guest who is to attend the banquet or function:
 - i. is or belongs to a Criminal Group;
 - ii. is or belongs to a company or other group whose business activities are controlled by a Criminal Group;
 - iii. is or belongs to a company that has a person associated with a Criminal Group serving as a director;
 - iv. has engaged in or is deemed liable to engage in conduct that violates laws or public order and morals.
 - (2) When a group or person has engaged in conduct that caused considerable annoyance or inconvenience to our other guests;
 - (3) When a group or person engages in any act of violence, intimidation, blackmail or coercion against our business or any of our employees, has demanded unreasonable claims, or is acknowledged to have engaged in such behavior in the past;

(Registration)

- Article 8 The Guest shall register the following particulars at the front desk of the Ryookan/Hotel on the day of accommodation;
 - (1) Name, age, sex, address and occupation of the Guest(s);
 - (2) For non-Japanese: Nationality, passport number, port and date of entry in Japan;
 - (3) Date and estimated time of departure; and
 - (4) Other particulars deemed necessary by the Ryokan/Hotel.
 - 2. In the case when the Guest intends to pay his Accommodation Charges prescribed in Article 12 by any means other than Japanese currency, such as traveler's cheques, coupons or credit cards, these credentials shall be shown in advance at the time of the registration prescribed in the preceding Paragraph.

(Occupancy Hour of Guest Rooms)

Article 9 The Guest is entitled to occupy the contracted guest room of the Ryokan/Hotel from 3:00 p.m. to 11:00 a.m. the next morning. However, in the case when the Guest is accommodated continuously, the Guest may occupy it all day long, except for the days of arrival and departure.

2. The Ryokan/Hotel may, notwithstanding the provisions prescribed in the preceding Paragraph, permit the Guest to occupy the room beyond the time prescribed in the same Paragraph. In this case, extra charges shall be paid follows:

Notes: Taxes are not included in the above rates, i.e., taxes will be added to the above.

(Observance of Use Regulations)

Article 10 The Guest shall observe the Use Regulations established by the Ryokan/Hotel. Which are posted within the premises of the Ryokan/Hotel.

(Business Hours)

Article 11 The business hours of the main facilities, etc. of the Ryokan/Hotel are as follows, and those of other facilities, etc. shall be notified in detail by brochures as provided in, notices displayed each place.

(1) Service hours of front desk, cashier's desk, etc.

A. Closing time 0:00 a.m.

B. Front service $7:00 \text{ a.m.} \sim 10:00 \text{ p.m.}$

(2) Service hours (at facilities) for dining, etc.

A. Breakfast 7 : 00 a.m. ∼ 10 : 00 a.m.

B. Launch 11 : 00 a.m. \sim C. Dinner 6 : 00 p.m. \sim

D. Other meals, drinks, etc.

 • Restaurant KARIN
 11 : 00 a.m. ~ 0 : 00 a.m.

 • Tea lounge
 8 : 00 a.m. ~ 9 : 30 p.m.

 • Restaurant FOUR SEASONS
 11 : 30 a.m. ~ 10 : 30 p.m.

 • Restaurant SAIJIKI
 11 : 30 a.m. ~ 11 : 00 p.m.

 • Club MISTY GREEN
 6 : 30 p.m. ~ 0 : 00 a.m.

(3) Service hour of auxiliary facilities

• Souvenir shop $7:00 \text{ a.m.} \sim 10:00 \text{ p.m.}$

• SHESTA FLOOR 12 : 00 p.m. \sim 10 : 00 p.m.

The business hours specified in the preceding Paragraph are subject to temporary charges due to unavoidable causes of the Ryokan/Hotel in such a case, the guest shall be informed by appropriate means.

(Payment of Accommodation Charge)

Article 12 The breakdown of the Accommodation Charges, etc. that the Guest shall pay is as listed in the attacked Table №1.

Accommodation Charges, etc. as stated in the preceding Paragraph shall be paid with Japanese currency or by any means other than Japanese currency such as traveler's cheques, coupons or credit cards recognized by the Ryokan/Hotel at the front desk at the time of the departure of the Guest or upon request by the Ryokan/Hotel.

3. Accommodation Charges shall be paid even if the Guest voluntarily does not utilize the accommodation facilities which have been provided for him by the Ryokan/Hotel and are at his disposal.

(Liabilities of the Ryokan/Hotel)

Article 13 The Ryokan/Hotel shall compensate the Guest for the damage if the Ryokan/Hotel has caused such damage to the Guest in the fulfillment or the non-fulfillment of the Accommodation Contract and/or related agreements. However the same shall not apply in cases when such damage has been caused due to reasons for which the Ryokan/Hotel is not liable.

2. Even through the Ryokan/Hotel has received the "PASS MARK" (Certificate of excellence of Fire Prevention Standard issued by the fire station). However, the Ryokan/Hotel is also covered by Hotel Liability Insurance for coverage of unexpected fires and/or other disasters.

(Handling When Unable to Provide Contracted Rooms)

Article 14 The Ryokan/Hotel shall, when unable to provide contracted rooms, arrange accommodation of the same standard elsewhere for the Guest insofar as practicable with the consent of the Guest.

2. When arrangement of other accommodation can not be made notwithstanding the provisions of the preceding Paragraph, the Ryokan/Hotel shall pay the Guest a compensation fee equivalent to the cancellation charges and the compensation fee shall be applied to the reparations. However, when Hotel cannot provide accommodation due to the causes for which the Ryokan/Hotel is not liable, the Ryokan/Hotel shall not compensate the Guest.

(Handing of Deposited Articles)

Article 15 The Ryokan/Hotel shall compensate the Guest for the damage when loss, breakage or other damage is caused to the goods, cash or valuables deposited at the front desk by the Guest, except in the case when this has occurred of force majeure. However, for cash and valuables, when the Ryokan/Hotel has requested the Guest to report its kind and value but the Guest has failed to do so, the Ryokan/Hotel shall compensate the Guest within our insurance contract.

2. The Ryokan/Hotel shall compensate the Guest for the damage when loss, breakage or other damage is caused, through intention or negligence on the part of the Ryokan/Hotel, to the goods, cash or valuables which are brought into the premises of the Ryokan/Hotel by the Guest but are not deposited at the front desk..

(Custody of Baggage and/or Belongings of the Guest)

Article 16 When the baggage of the Guest is brought into the Ryokan/Hotel before his arrival, the Ryokan/Hotel shall be liable to keep it only in the case when such a request has been accepted by the Ryokan/Hotel. The baggage shall be handed over to the Guest at the front desk at the time of his check-in.

- 2. When the baggage or belongings of the Guest is found left after his check-out, and the ownership of the article is confirmed, the Ryokan/Hotel shall inform the owner of the article left and ask for further instructions. When no instruction is given to the Ryokan/Hotel by the owner or when the ownership is not confirmed, the Ryokan/Hotel shall keep the article for 7 days including the day it is found, and after this period, the Ryokan/Hotel shall turn it over to the nearest police station.
- 3. The Ryokan/Hotel's liability in regard to the custody of the Guest's baggage and belongings in the case of the preceding two Paragraphs shall be assumed in accordance with the provisions of Paragraph 1 of the preceding Article in the case of Paragraph 1, and with the provisions of Paragraph 2 of the same Article in the case of Paragraph 2.

(Liability in regard to Parking)

Article 17 The Ryokan/Hotel shall not be liable for the custody of the vehicle of the Guest when the Guest utilizes the parking lot within the premises of the Ryokan/Hotel, as it shall be regarded that the Ryokan/Hotel simply offers the space for parking, whether the key of the vehicle has been deposited with the Ryokan/Hotel or not. However, the Ryokan/Hotel shall compensate the Guest for the damage caused through intention or negligence on the part of the Ryokan/Hotel in regard to the management of the parking lot.

(Liability of the Guest)

Article 18 The Guest shall compensate the Ryokan/Hotel for the damage caused through intention or negligence on the part of the Guest.

Attacked Table №.1

Calculation method for Accommodation Charges

(Ref. Paragraph 1 of Article 2 and Paragraph 1 of Article 12)

	Contents		
Total Amount to be paid by the Guest	1.Accommodation	① Basic Accommodation Charge	
	Charges	(Room Charge + Breakfast & Dinner)	
	2.Extra Charges	② Extra Meals & Drinks	
		(other than Breakfast and Dinner) and Other Expenses	
	3.Taxs	a. Consumption Tax	
		b. Hot Spring Tax	

- 1. Basic Accommodation Charge is based on the tariffs, which are posted at the Front.
- 2. A child's charge applies to children attending elementary school of ages (up to 12 years of age) and under. 70% of the adult charge shall be required when meals and bedding comparable to those for the adult are provided such children, 50% required when meals and bedding for children are provided, 3,000yen shall be charged. For an infant to whom meals and bedding are not provided, 1,000yen shall be charged.

Attacked Table №2

Cancellation Charge for Ryokan (Ref. Paragraph 2 of Article 6) Remarks;

Canceled Number of Guests Date when Cancellation of Contract is Notified	1 to 14	15 and more
No Show	100%	100%
Accommodation Day	80%	100%
1 Day Prior to Accommodation Day	50%	50%
2 Day Prior to Accommodation Day	20%	20%
3 Day Prior to Accommodation Day	20%	20%
5 Day Prior to Accommodation Day		20%
6 Day Prior to Accommodation Day		20%
7 Day Prior to Accommodation Day		20%
8 Day Prior to Accommodation Day		10%
14 Day Prior to Accommodation Day		10%
15 Day Prior to Accommodation Day		10%

- 1. The percentages signify the rate of Cancellation Charge to the Basic Accommodation Charges
- When the number of days contracted, the cancellation charge for its first day shall be paid by the Guest regardless of the number of days shortened.
- 3. When part of a group booking (for 15 persons or more) is canceled, the cancellation charge shall not be charged for the number of parsons equivalent to 10% of the number of persons booked as of 10 days prior to the occupancy (when accepted less than 10 days to the occupancy, as of days the date) with fractions counted as a whole number.