

General Terms and Conditions for the Services of PARAGON Apartments

1.1 These General Terms and Conditions – hereafter referred to as “Terms and Conditions” – are a significant component of contracts concluded with the operator, Hohenner-Jerey GbR, Schwarzwaldstrasse 102-104, 60528 Frankfurt – hereafter referred to as “PARAGON Apartments” – regarding the rental of premises (apartments) for accommodation, as well as for all other services supplied to the clients in the PARAGON apartment building. They apply to natural persons (consumers) and natural or legal entities, which are acting in a commercial or freelance, professional capacity (merchant) – hereafter referred to as “Client”.

1.2 To the extent that nothing different arises in these Terms and Conditions or individual contractual agreements, particularly in the written rental contract or in the booking confirmation, the prices stated in the current PARAGON pricelist shall apply. The Client hereby declares his consent to their exclusive application to the contractual relationship, by accepting these conditions without objections.

1.3 The relevance of deviating general terms and conditions of the Client shall also be hereby objected to, in case they are sent to PARAGON Apartments in confirmation letters or in another manner.

1.4 The sub-letting and onward letting and use of rooms for purposes other than accommodation shall require the prior written consent of PARAGON Apartments, whereby Article 540 Sentence 1 Sentence 2 BGB [German Civil Code] is waived, as long as the Client is not a consumer.

2. Contract conclusion, contractual partner

2.1 The contract shall be concluded with the Client by means of the booking confirmation from PARAGON Apartments; if this should no longer be possible due to timing reasons, then it shall be concluded with the availability of the rooms/other services. If the content of the booking confirmation should differ from the content of the booking enquiry, the content of the booking confirmation shall become the content of the contract, if the Client does not immediately object after receipt, not later than with acceptance of the services.

2.2 The contractual partners shall be PARAGON Apartments and the Client. If a third party has placed the order on behalf of the Client, he shall be liable toward PARAGON Apartments, together with the Client, as joint and several obligors, for all obligations arising from the concluded contract.

3. Services, prices, payment, setoff

3.1 PARAGON Apartments shall be obligated to make the rooms booked by the Client available and supply the agreed services.

3.2 The Client shall be obligated to pay the applicable/agreed prices to PARAGON Apartments for the rental of the rooms and the services that he has used. This shall also apply to services requested by the Client and expenditures paid out by PARAGON Apartments to third parties.

3.3 The agreed prices shall include the respective statutory VAT.

3.4 The prices can be changed by PARAGON Apartments, if the Client subsequently requests changes to the number of booked rooms, the service or the length of stay by the guests and PARAGON Apartments consents to this.

3.5 The agreed prices and the expenditures requested in individual cases shall be payable immediately after receipt of the invoice, without deductions. In the event of payment default, PARAGON Apartments shall be entitled to charge the respective valid statutory default interest in the current amount of 8%, or with legal transactions involving a consumer, 5%, above the base interest rate. PARAGON Apartments shall reserve the right to prove a higher loss. For each reminder letter after the occurrence of default, PARAGON Apartments shall be entitled to charge a reminder fee of €5.00.

3.6 Upon conclusion of the contract, or thereafter, PARAGON Apartments shall be entitled to request an adequate advance payment or security deposit, under consideration of the legal provisions for package holidays. The amount of the advance payment and the payment dates can be agreed in writing in the contract.

3.7 The Client shall only be entitled to offset or reduce undisputed or legally established claims against a claim by PARAGON Apartments.

4. Withdrawal by the Client/non-utilisation of services

4.1 With accommodation contracts that have been concluded, whereby the Client can unilaterally declare his withdrawal from the contract (reservation), the right of withdrawal shall lapse if withdrawal has not been declared to PARAGON Apartments within the period stated in the reservation. If no period is mentioned, the withdrawal from the contract

- can be declared free of charge by not later than 3 weeks prior to the start of supplying the service (receipt in writing by PARAGON Apartments), in the case of short-term rental of a room (up to and including 29 days),
- can be declared free of charge by not later than 6 weeks prior to the start of supplying the service (receipt in writing by PARAGON Apartment), in the case of the long-term rental of a room (from 30 days).

4.2 For booked services/rooms rented by means of an accommodation contract, the agreed fee shall also be paid, if the booking is cancelled after the period mentioned under Subsection 4.1, if the Client does not appear or departs early, cf. Article 552 BGB [German Civil Code]. In this case, PARAGON Apartments shall be entitled to offset the earnings from otherwise renting out the room/rooms and the saved costs. PARAGON Apartments shall be entitled to charge the Client a flat-rate compensation fee. The Client shall then be obligated to pay 90% of the contractually agreed price for accommodation, with or without breakfast.

4.3 The Client shall be entitled to prove that no loss was incurred or that the loss incurred by PARAGON Apartments was lower than the requested flat rate.

5. Withdrawal by PARAGON Apartments

5.1 If a cost-free right of withdrawal by the Client has been agreed in writing within a specific period, during this time period, PARAGON Apartments shall be entitled to withdraw from the contract, if enquiries from other Clients exist regarding the contractually agreed rooms and the Client does not waive his right of withdrawal, upon request by PARAGON Apartments.

5.2 If an advance payment that has been agreed or requested pursuant to Clause 3.6 has not been paid, even after the expiry of an adequate grace period granted by the hotel, PARAGON Apartments shall also be entitled to withdraw from the contract.

5.3 Both contractual partners shall be entitled to extraordinary cancellation of the contract, if good cause exists, of which they have only become aware after conclusion of the contract. Good cause particularly exists for PARAGON Apartments for extraordinary cancellation, if

5.3.1 the Client is responsible for infringing a material contractual obligation or his obligation to pay an agreed advance payment or other claim, despite it falling due and a reminder being issued,

5.3.2 insolvency or settlement proceedings are initiated regarding the assets of the Client, a corresponding application is rejected due to lack of sufficient assets, or the Client has issued a statutory declaration,

5.3.3 PARAGON Apartments have just cause to assume that the utilisation of the contractual service can jeopardise the smooth-running business operation, the security or public reputation of PARAGON Apartments,

5.3.4 Compensation claims by the Client shall be excluded if the Customer is responsible for the good cause.

6. Room availability, handover and return

6.1 The Client shall not acquire entitlement to the availability of specific rooms or premises.

6.2 Booked apartments shall be available to the Client from 05:30 p.m. – 10:30 p.m. on the arranged day of arrival. The Client shall not be entitled to earlier availability. If a later arrival time has not been agreed, PARAGON Apartments reserves the right to pass on booked apartments, without the Client being entitled to compensation claims.

6.3 On the agreed day of departure, the apartments of PARAGON Apartments are to be vacated by not later than 11:00 a.m.

7. Liability

7.1 PARAGON Apartments shall be held liable with the duty of care of a proper merchant for its obligations arising from the contract. Claims by the Client for compensation are excluded. Exceptions from this are losses from injury to life, limb or health, if PARAGON Apartments is responsible for the infringement, other losses due to deliberate or grossly negligent infringement of obligations by PARAGON Apartments and losses due to deliberate or negligent infringement of typical contractual obligations by PARAGON Apartments. An infringement of obligations by PARAGON Apartments shall be equivalent to that of a legal representative or legal agent. If disruptions or defects should occur with the services by PARAGON Apartments, upon gaining awareness or immediate complaint by the Client, PARAGON Apartments shall seek remedy. The Client shall be obligated to undertake what can be reasonably expected of him, to rectify the fault and keep a possible loss as minimal as possible.

7.2 For items that have been brought in, PARAGON Apartments shall be liable to the Client according to the statutory provisions, i.e. up to one hundred times the room price, maximum of €3,500, and up to €800 for money, securities and valuables. The liability claims shall lapse if the Client does not immediately notify the apartment building after becoming aware of the loss, destruction or damage (Article 703 BGB [German Commercial Code]). With respect to further liability by PARAGON Apartments, Number 7.1 Sentences 2 to 4 shall apply accordingly.

7.3 If the Client is provided with a parking space in one of the hotel/guesthouse garages of PARAGON Apartments or on a hotel/guesthouse car park of PARAGON Apartments, also for a fee, this shall not constitute a custody contract. In the event of theft of, or damage to, vehicles parked on the hotel/guesthouse property of PARAGON Apartments and their contents, PARAGON Apartments shall not be held liable, except in the case of deliberate acts or gross negligence. The above Number 1 Sentences 2 to 4 shall apply accordingly.

7.4 The use of in-house leisure facilities, e.g. roof terrace, sports rooms, shall take place at the sole risk of the Client.

8. Expiry

All claims against PARAGON Apartments shall basically expire within one year from the awareness-related, regular expiry period of Article 199 Par. 1 BGB [German Civil Code]. Compensation claims shall expire, regardless of awareness, in five years. The curtailment of expiry periods shall not apply to claims based on deliberate or grossly negligent infringement of obligations by PARAGON Apartments.

9. Data protection

PARAGON Apartments shall only collect, process and use personal data, as far as it is required for the fulfilment and processing of the contracts. This personal data primarily includes the surname, first name/company of the Client and the address (street and house number or PO box, postal code, town). The above mentioned personal data shall be used to prepare the contracts, supply the service (rental of premises in the apartment building for accommodation/events) and provide possible additional services (e.g. meals) and to invoice and enforce the consideration (payment), if necessary. Data shall not be passed on to third parties, unless this is required in order to fulfil or process the contracts, particularly in the area of collection, or of the affected party has provided his explicit consent.

10. Other provisions

10.1 Verbal side agreements and the exclusion, amendment and/or supplementation of these conditions must be confirmed in writing by PARAGON Apartments in order to be valid. This shall also apply to the waiver of the written form requirement.

10.2 The assignment of rights by the Client shall require the prior written consent of PARAGON Apartments.

10.3 The exclusive legal jurisdiction – also for disputes regarding cheques and promissory notes – is Wiesbaden for commercial transactions. If a contractual partner should not have a general domestic legal jurisdiction, Wiesbaden shall apply as the legal jurisdiction.

10.4 German law shall exclusively apply. The application of the UN Convention on the International Sale of Goods (CISG) shall be excluded.

10.5 The existence of the contract shall not be affected by the invalidity of individual provisions of these Terms and Conditions, other contractual conditions or possible regulatory loopholes. An invalid provision or regulatory loophole shall be replaced/ closed by a valid provision which comes closest to the lapsed provision and the remaining regulations of the contract.

As of: 1st June 2008.