PILLOWS
HOTELS

TERMS & CONDITIONS
INTERNATIONAL HOTEL MANAGEMENT GROUP

Article 1 Definitions

1.1 The hotel
The natural or legal person or company that carries on a business engaged in the provision of hotel services.

1.2 Host
The person who represents the hotel upon the conclusion and implementation of hotel agreements.

1.3 Provision of hotel service(s)
The provision by the hotel of accommodation and/or food and/or beverages and/or the availability of (meeting) space and/or premises, all with the thereto-pertaining activities and services, and all in the broadest sense of the word.

1.4 Customer
The natural or legal person or company that concluded a hotel agreement with the hotel.

1.5 Guest
The natural person(s) to whom one or more hotel services must be provided in pursuance of a hotel agreement concluded with the customer. Where the IHMG terms & conditions refer to guest or customer this is understood as both guest and customer, unless the content of the provision and its scope necessarily imply that only one of both can be meant.

1.6 Hotel agreement
An agreement between the hotel and a customer regarding one or more hotel services to be provided by the hotel at a price payable by the customer. Instead of the term hotel agreement the term reservation is occasionally used.

1.7 Reservation value
The value of the hotel agreement that equals the total agreed price or, failing that, the total expected turnover of the hotel, including potential tourist tax and VAT, regarding a hotel agreement concluded with a customer, which expectation is based on the average numbers applicable within the relevant the hotel.

1.8 IHMG
International Hotel Management Group consisting of Pillows Hotels.

1.9 No-show
A guest not making use of the hotel service to be provided in pursuance of a hotel agreement without cancellation.

1.10 Group
A group of 8 rooms or more to whom hotel services must be provided in pursuance of one or more hotel agreements to be qualified as a coherent whole.

1.11 Individual
Each and every person, falling under guest or customer, who is not part of a group according to the aforementioned definition.

1.12 Corkage and food charge
The amount payable for the consumption of beverages and/or food in the premises of the hotel that were not supplied by the hotel.

1.13 Cancellation
The communication in written form by the customer to the hotel that one or more stipulated hotel services shall not be used, either in full or in part, or the communication in written form by the hotel to the customer that one or more of the stipulated hotel services shall not be provided, either in full or in part.

1.14 Turnover guarantee
A written declaration of the customer that with regard to one or more hotel agreements the hotel shall at least realise a certain amount of turnover.
1.15 Consumer
Any natural person acting for purposes outside his or her trade, business, craft or profession.

Article 2 Applicability

2.1 The conditions (hereafter called IHMG terms & conditions) are applicable, with the exclusion of any and all other general terms and conditions, to the conclusion and the content of any and all hotel agreements as also to any and all offers regarding the conclusion of the said hotel agreements.

2.2 It is only possible to deviate from the IHMG Terms & Conditions in writing and on a case by case basis. In that case, the deviating provisions

agreed in writing shall prevail over the IHMG Terms & Conditions.

2.3 The IHMG Terms & Conditions also extend to the benefit of any and all natural and legal persons that the hotel relies on or relied on upon the conclusion and/or the implementation of a hotel agreement or upon the exploitation of the hotel.

Article 3 Conclusion of hotel agreements

3.1 The hotel may always, for any reason whatsoever, reject the conclusion of a hotel agreement, unless this kind of rejection takes place in violation of the Belgian law of 10 May 2007 to combat certain forms of discrimination.

3.2 Any and all offers made by the hotel regarding the conclusion of a hotel agreement are subject to contract and the proviso “whilst stocks (and/or capacity) last”. If the hotel relies on the aforementioned proviso within a reasonable period of time after acceptance by the customer then the intended hotel agreement is deemed not to have been concluded.

3.3 A hotel agreement concluded for a guest (guests) by intermediaries (shipbrokers, travel agencies, online travel agents and other hospitality business and the like), whether or not in the name of their business relation(s), are deemed to also have been concluded at the risk and expense of the said intermediaries. The hotel is not liable to pay a commission or bonus, by any name whatsoever, unless expressly stipulated otherwise in writing. The guest (guests) and the intermediary (intermediaries) are jointly and severally liable for the payment of the amount due.

Article 4 Option right

4.1 An option right is the right of a customer to unilaterally conclude the hotel agreement through the mere acceptance of a valid offer of the hotel.

4.2 An option right can only be granted in writing. An option right can be stipulated for a fixed or an open term. The option right expires if the holder of the option states not to rely on the option right or if the fixed term has expired without the holder of the option stating to rely on the option right.

4.3 An option right cannot be revoked by the hotel, unless another potential customer makes an offer to the hotel to conclude a hotel agreement regarding the total or a part of the hotel services included in the option. The holder of the option must, as the occasion arises, be informed of the said offer by the hotel after which the holder of the option must state within a time limit to be imposed by the hotel whether or not the holder of the option intends to rely on the option right. If the holder of the option does not state within the imposed time limit to rely on the option right then the option right expires.

Article 5 General rights and obligations of the hotel

5.1 Pursuant to the hotel agreement the hotel is, without prejudice to the provisions set forth in the following articles, held to provide the stipulated hotel services at the stipulated times in the manner common for the said the hotel.

5.2 The hotel is authorised to always, without taking a notice period into account, terminate the provision of hotel services to a guest if the guest acts in breach of the internal rules and/or the rules of conduct or otherwise acts in such manner that the order and the rest within the hotel and/or the normal exploitation thereof are disrupted. As the occasion arises the guest must on demand leave the hotel. If the customer otherwise fails to fully comply with his obligations vested in the same vis-à-vis the hotel on any account whatsoever then the hotel is entitled to suspend the provision of services. The hotel can only exercise the present authorities if the nature and the seriousness of the violations committed by the guest, give, at the reasonable discretion of the hotel, sufficient cause to the same, where, if the guest is not a consumer, the question whether the nature and severity of the offenses committed by the guest give sufficient cause to exercise these powers is subject to the reasonable judgment of the hotel.

5.3 After consultation with the competent local authorities the hotel shall be authorised to rescind the hotel agreement extrajudicially on account of well-founded fear for disruption of the public order by the customer. If the hotel relies on this authority then the hotel shall not be liable to pay any compensation to the customer.

5.4 If the hotel charges an amount to the guest for taking receipt of and/or retaining goods then the hotel must supervise the said goods as befits a good pater familias, without prejudice to the provisions set forth in article 12.

5.5 The hotel is not held to permit any pet of the guest access and may impose conditions on the permission. The statutory provisions, including the relevant exceptions, are applicable to the permission for guide dogs.

Article 6 General obligations of the guest

6.1 The guest is held to comply with the internal rules and the rules of conduct applicable within the hotel and to follow the reasonable instructions of the hotel. The hotel must communicate the internal rules and the rules of conduct in a clearly visible manner or provide the same in writing. Reasonable instructions can be given orally.

6.2 The guest is held to lend cooperation in reasonable requests of the hotel within the framework of its statutory duties regarding, inter alia, safety, identification, food safety / hygiene and limitation of nuisance.

Article 7 Reservations

7.1 The hotel can impose conditions on the reservation.

Article 8 Hotel service consisting of the provision of accommodation and/or the availability of (meeting) space and/or premises

8.1 In case of accommodation the hotel communicates in advance at what time the accommodation is made available to the guest and before what time the guest must have checked out.

8.2 Unless stipulated otherwise, the hotel is entitled to consider the reservation for accommodation to have been cancelled if the guest did not present himself on the first reserved day at 18:00 o'clock or if the guest did not indicate to arrive at a later time in a timely fashion and the hotel did not object to this. The above applies without prejudice to the provisions set forth in article 9.

8.3 The hotel is entitled to require of the guest that the latter accepts a different, similar accommodation or (meeting) space and/or premises than would need to be made available according to the hotel agreement. The guest can reject the said alternative. In the latter instance the guest is entitled to terminate the hotel agreement to which the said request of the hotel is related with immediate effect, without prejudice to his obligations on account of other hotel agreements.

Article 9 Cancellations

9.1 Cancellation by customers, general

9.1.1 The customer is authorised to cancel a hotel agreement upon payment of the cancellation costs, with the proviso that the cancellation costs are not due if the customer is a consumer and he cancels in that capacity due to a case of force majeure.
9.1.2 At the latest one month before the first hotel service must be provided in pursuance of the relevant hotel agreement the hotel can inform the customer that certain individuals together are qualified as a group. Any and all group provisions are then applicable to the said persons.
9.1.3 The provisions set forth in articles 13.1 and 14.4 are also applicable to cancellations.
9.1.4 In case of a no-show the customer is in all instances held to pay the reservation value.
9.1.5 If not all stipulated hotel services are cancelled then the following provisions are applicable pro rata to the cancelled hotel services.

9.2 Cancellation of a hotel service comprising the provision of accommodation

9.2.1 Individuals
If a reservation for accommodation alone, whether or not with breakfast included, was made for one or more individuals then in case of cancellation, later than 24 hours prior to arrival (i.e. after 3 PM on the day before arrival) of the said reservation, the following percentage of the reservation value are applicable that must be paid to the hotel by the customer (unless stipulated otherwise in writing): 100% For reservations at a non-refundable or other specific rate, the conditions communicated at the time of booking apply.

9.2.2 Groups

The following applies to cancellations of accommodations, with or without breakfast, made for a group unless otherwise agreed in writing. If a reservation is cancelled, the customer is required to pay the following percentages of the reservation value that must be paid by the customer upon cancellation to the hotel, unless otherwise agreed in writing:

- 10% advance payment is required after confirmation. This 10% is non-refundable.
- Cancellation more than 6 months before the date on which the first hotel service must be provided in accordance with the agreement, hereinafter referred to as "the start date": 10%.
- Cancellation between 6 and 2 months before the start date: 25%.
- Cancellation within 2 months before the start date: 100%.

Flexibility clause for groups & events:

- Between 90 and 60 days prior to the start date, a reduction of 30% of the initial number of room nights is possible.
- Between 59 and 30 days prior to the start date, a reduction of 20% of the initial number of rooms is possible.
- Between 29 and 15 days prior to the start date, a reduction of 10% of the initial number of rooms is possible.
- The possibility to cancel 1 room per night free of charge, 3 days before the start date.

This flexibility clause is not cumulative.
These reductions are free of charge and are calculated on the initially confirmed number of room nights. The flexibility clause does not apply to the exclusive hire of the entire hotel (buy-out); the cancellation and payment conditions set out in the agreement apply instead.

The above cancellation conditions of Article 9.2.2 also apply to room reservations when processed in group agreements for hall reservations, meeting arrangements, or food & drinks.

9.3 Cancellation of groups comprising the provision of food and/or beverages

If a reservation for a service comprising the provision of food and/or beverages alone was made (table reservation) for a group then the following percentages of the reservation value apply in case of cancellation that the customer must pay to the hotel:
If a menu was agreed on:

- More than 7 days prior to time of arrival; 0%
- 7 days or less prior to time of arrival; 50%
- 3 days or less prior to time of arrival; 75%

If a menu was not agreed on-

- More than 48 hours prior to time of arrival; 0%
- Less than 48 hours prior to time of arrival; 75%

9.4 Cancellation of other agreements

For cancellations of banqueting, meeting package, restaurant exclusive hire and all reservations that do not fall under articles 9.2 and 9.3 the following percentages of the reservation value apply in case of cancellation that must be paid by the customer to the hotel:

- In case of Cancellation more than 3 months before start date; 0%
- In case of Cancellation more than 2 months before start date; 15%
- In case of Cancellation more than 1 month before start date; 35%
- In case of Cancellation more than 14 days before start date; 60%
- In case of Cancellation more than 7 days before start date; 85%
- In case of Cancellation 7 days or less before start date; 100%

9.5 Cancellation by the hotel

9.5.1 In consideration of the following the hotel is authorised to cancel a hotel agreement, unless stipulated otherwise.
9.5.2 If the hotel cancels a hotel service comprising the provision of food and beverages then articles 9.1.1 and 9.3 are equally applicable where customer is to be read as the hotel.
9.5.3 If the hotel cancels a hotel agreement other than intended in article 9.5.2 then articles 9.1.1 and 9.2.2 are equally applicable where customer is to be read as the hotel.
9.5.4 The hotel is always authorised to cancel a hotel agreement without payment of the afore-mentioned amounts if there are sufficient indications that the meeting to be held at the hotel in pursuance of the hotel agreement is of such different nature than could be expected on the basis of the information supplied by the customer or on the basis of the capacity of the customer or guests that the hotel would not have concluded the agreement had it been informed of the actual nature of the meeting. If the hotel relies on this authority after the relevant meeting has already started then the customer is held to pay the hotel services enjoyed thus far, however the payment obligation in respect of the remainder expires. The fee for enjoyed hotel services is, as the occasion arises, calculated in a time proportionate manner.
9.5.5 The hotel is authorised to, instead of exercising its authority as intended in article 9.5.4, impose further requirements on the course of the relevant meeting. If there are sufficient indications that these requirements are not (shall not be) complied with then the hotel is yet entitled to exercise the authority as intended in article 9.5.4.
9.5.6 If and to the extent that the hotel also acts as tour operator within the meaning of the law then the following applies with regard to travel agreements within the meaning of the law. The hotel can change the travel agreement on an essential point on account of compelling circumstances that are forthwith communicated to the traveller. The hotel can also change the travel agreement other than on an essential point on account of compelling circumstances that are forthwith communicated to the traveller.

Up to twenty days before the start of the trip the hotel can increase the travel sum in connection with changes in the transport costs, including the fuel charges, the payable duties or the applicable exchange rates. If the traveller rejects a change as intended above then the hotel can terminate the travel agreement.

Article 10 Security deposit and interim payment

10.1 The hotel may require of the customer that he pays a security deposit to the hotel. Received security deposits are administered properly, exclusively serve as security for the hotel and are expressly not qualified as already realised turnover. By way of additional security of the hotel it may require of the customer that cooperation is lend in the supply of the required data, including the provision of a valid credit card that may be pre-authorised, in order to secure the security deposit and the possibility of securing the levy of execution against the same as much as possible.

- At confirmation of the group booking, the hotel receives a credit card as guarantee of the booking which can be authorised prior to arrival.
- At confirmation of a group booking with a value of >€ 2000, the hotel receives a credit card as guarantee of the booking and a 100% deposit 14 days prior to arrival of the first guest. The hotel can always require interim deposit payments as follows;
    - 30% of the total booking value required at confirmation of the booking of which 10% non refundable
    - 40% of the total booking value required 30 days prior to arrival
    - The remaining 30% of the total booking value required 14 days prior to arrival
    - Any incidentals to be charged upon departure

10.2 The hotel can always require interim payment for already provided hotel services.

10.3 The hotel can recover everything that the customer is liable to pay to the same on any account whatsoever from the amount that was deposited in pursuance of the above provisions. The surplus must forthwith be repaid to the customer by the hotel.

Article 11 Turnover guarantee

If a turnover guarantee was issued then the customer is held to in connection with the relevant

hotel agreement(s) at least pay the hotel the amount determined in the turnover guarantee.

Article 12 Liability of the hotel

12.1 The hotel shall be liable vis-à-vis the guest for damages that are the result of a failure of the hotel to comply with the agreement, unless the said failure cannot be blamed on the hotel or to persons on whose assistance the hotel relies during the implementation of the agreement.

12.2 The hotel shall not be liable for damage caused to or with vehicles of the guest barring if and to the extent that the damage is the direct result of intent or gross negligence of the hotel.

12.3 The hotel shall not be liable for damage, directly or indirectly, caused to whomever or whatever as a direct or indirect result of a defect or capacity or circumstance of, in or at a movable or immovable property of which the hotel is the holder, lessee, leaseholder or owner or that is otherwise available to the hotel, barring if and to the extent that the damage is the direct result of intent or gross negligence of the hotel. This article does not affect the legal liability of the hotel in the event of death or bodily harm to the consumer as a result of an act or omission of the hotel or any liability of the hotel pursuant to articles 1952 et seq. of the Belgian Civil Code.

12.4 If damage is caused to goods retained for the guest for which a fee as intended in article 5.4 is paid then the hotel is liable to pay compensation for these goods resulting from damage or loss.

Article 13 Liability of the guest and/or customer

13.1 The customer and the guest and those accompanying the same are jointly and severally liable for any and all damages that are and/or shall be inflicted on the hotel and/or a third party as a direct or indirect result of an imputable failure to comply and/or an unlawful act, including a violation of the internal rules, committed by the customer and/or the guest and/or those accompanying the same as also for damages that are inflicted by an animal and/or a good of which they are the holder or that falls under their supervision.

Article 14 Settlement and payment

14.1 The customer is liable to pay the price stipulated in the hotel agreement. The price is subject to change by the hotel if the reservation was agreed upon 365 days, or more, in advance. The prices are mentioned on lists that are placed by the hotel at a location visible to the guest or were included in a list that is, if need be as requested, presented to the customer or accessible to the customer via digital sources. A list is deemed to have been placed in a manner visible to the customer if it is visible in the commonly accessible areas of the hotel.

14.2 The hotel can charge an additional fee for special services, e.g. the use of a cloakroom, garage, safe-deposit box, laundry or dry cleaning, telephone, internet, Wi-Fi, room service, TV rental, and the like.

14.3 Any and all invoices, also including invoices regarding cancellation or no-show, are payable by the customer at the moment that they are presented to the same. The customer must provide for payment in cash or payment by bank or giro, unless stipulated otherwise.

14.4 The guest and the customer are jointly and severally liable for any and all amounts that one of them or both of them are liable to pay to the hotel on any account whatsoever. Hotel agreements are, barring a provision to the contrary, deemed to also have been concluded on behalf of each and every guest. By showing up the guest confirms that the customer was authorised to represent the same upon the conclusion of the relevant hotel agreement.

14.5 As long as the customer has not complied with all his obligations vis-à-vis the hotel in full the hotel shall be entitled to take possession of and keep any and all goods that the customer brought along to the hotel until the customer has complied with all his obligations vis-à-vis the hotel. Apart from a right of retention the hotel is, as the occasion arises, entitled to a right of pledge on the relevant goods, and this as security for all sums owed by the customer to the hotel, with a maximum of EUR 1,000,000.

14.6 If payment other than in cash was stipulated then any and all invoices, for any amount whatsoever, must be paid to the hotel by the customer within fourteen days after the date of the invoice. If an invoice is sent then the hotel is always authorised to charge a credit restriction

surcharge of 2%, which expires if the customer pays the invoice within fourteen days.

14.7a If and to the extent that timely payment fails to materialise the customer shall be in default without any notice of default being required. Only if the customer is a consumer, shall the hotel send a once-only notice of default if payment fails to materialise with a time limit of at least 14 days to yet make the payment.

14.7b Invoices must be paid within 14 days of the invoice date. In case of late payment, we will send you a first reminder free of charge. If you do not pay within the payment period specified in the first reminder, you will owe late payment interest, in accordance with the Act of 2 August 2002 on combating late payment in commercial transactions, and a flat-rate penalty calculated as follows:

- 20,00 euro if the balance due is less than or equal to 150,00 euro
- 30,00 euro plus 10% of the amount due between 150,01 euro and 500,00 euro if the balance due is between 150,01 euro and 500,00 euro
- 65,00 euro plus 5% of the amount due for the portion above 500,00 euro up to a maximum of 2000,00 euro if the balance due exceeds 500,00 euro
- The cost of formal notice for each additional reminder is 7,50 euro, plus postage applicable at the time of sending.

14.8 If the customer is in default then the customer must compensate the hotel for any and all costs associated with the collection. The extrajudicial collection costs are charged in accordance with the law.

14.9 If the hotel has goods in its possession as intended in article 14.5 and the customer whose goods the hotel has in its possession has been in default for a period of three months then the hotel is entitled to sell the goods publicly or privately and to recover its costs from the proceeds, with the proviso that, if the customer is a consumer, the hotel must first obtain permission from the court. The costs associated with the sale are also at the expense of the customer and the hotel can also recover these from the proceeds. The amount that remains after the recovery by the hotel is paid to the customer.

14.10 Each and every payment shall, regardless of any note or comment made with the said payment by the customer, be applied to the debt of the customer to the hotel in the following order:

the costs of execution
the judicial and extrajudicial collection costs
the interest
the damages
the principal sum

14.11 Payment takes place in euros. If the hotel accepts foreign means of payment then the market rate applicable at the time of payment applies. In this respect the hotel can charge an amount on account of administration costs that corresponds with a maximum of 10% of the amount that is offered in foreign currency. The hotel can accomplish this by revising the market rate by a maximum of 10%.

14.12 The hotel may impose conditions on the acceptance of means of payment other than cash. Cash payments exceeding EUR 3,000 are not accepted.

Article 15 Force majeure

15.1 Each and every foreseen or unforeseen, foreseeable or unforeseeable, circumstance that hinders the implementation of the hotel agreement by the hotel such that the implementation of the hotel agreement becomes impossible or burdensome shall be qualified as force majeure on the part of the hotel that implies that a potential thus occurring shortcoming of the hotel cannot be blamed on the same.

15.2 If one of the parties to a hotel agreement is unable to comply with an obligation by virtue of the said hotel agreement then this party is held to forthwith inform the other party accordingly.

Article 16 Found objects

16.1 Objects lost or left behind in the building and appurtenances of the hotel that are found by the guest must forthwith be presented to the hotel.

16.2 The hotel acquires the title of objects of which the rightful owner did not report to the hotel within one year after presentation of the same to the hotel.

16.3 If the hotel sends objects left behind by the guest to the guest then this shall take place entirely at the risk and expense of the guest. The hotel shall never be held to proceed with despatch.

Article 17 Corkage and food charge

17.1 The hotel can prohibit the guest from consuming personal food and/or beverages at the hotel, including the terrace. If the hotel permits the consumption of personal food and/or beverages then the hotel may impose conditions on the said permission, including the charging of corkage and/or a food charge.

17.2 The amounts as intended in article 17.1 are stipulated in advance or are, failing prior agreement, within reason established by the hotel.

Article 18 Applicable law and disputes

18.1 Belgian law is exclusively applicable to hotel agreements.

18.2 In case of disputes between the hotel and a customer (not being a natural person who does not act within the performance of a business or profession) the competent court in the place of establishment of the hotel is exclusively competent, unless mandatory statutory provisions designate a different competent court and without prejudice to the authority of the hotel to have the dispute settled by the court that would have been competent failing this clause.

18.3 Any and all claims of the customer expire after a period of one year has lapsed since they arose.

18.4 The invalidity of one or more of the provisions of these general terms and conditions shall not affect the validity of all other provisions. If a provision of these general terms and conditions appears to be invalid, for any reason whatsoever, then the parties are deemed to have stipulated a valid alternative provision that best approaches the scope and application of the invalid provision.