STANDARD TERMS AND CONDITIONS OF TRAVEL CONTRACTS

Agent-Organized Tour Contract





Sign (Registration Form)

Scope of Activities: Domestic Travel

Registration Number: Japan Tourism Agency Registered Travel Agent (No. 2-7699)

Date of License: December 20, 2018 Term of Validity: Devember 19, 2028

Name: Liberta Inc. (Heartland Japan)

Name of Branch: Head Office

Name of Certified General Travel Services Manager: Keijiro Sawano

The original text was written in Japanese. The English translation has been prepared by JATA. If any discrepancies should arise between the Japanese and English texts, the former shall prevail at all times.

STANDARD TERMS AND CONDITIONS OF TRAVEL CONTRACTS

Agent-Organized Tour Contract

Chapter I General Provisions

(Scope of Application)

Article 1

A contract for an Agent-Organized Tour which this company (hereinafter referred to as "the Company") concludes with a Traveler (hereinafter referred to as "Agent-Organized Tour Contract") shall be subject to the provisions of these General Terms and Conditions. Matters not provided for in these General Terms and Conditions shall be governed by the laws, ordinances, regulations and generally established practice.

2. If the Company has entered into a special agreement in writing without violating the laws, ordinances and regulations and within the scope not unfavorable for the Traveler, that special agreement, notwithstanding the provisions of the preceding Paragraph, shall prevail over the provisions of these General Terms and Conditions.

(Definitions of Terms)

Article 2

An "Agent-Organized Tour" as stated in these General Terms and Conditions means travel for which the Company prepares in advance, for the recruitment of the Travelers, a travel plan in which the destination and itinerary of the travel, the contents of the transportation or accommodation services which the Traveler is entitled to receive, and the amount of the travel fee that the Traveler should pay to the Company are specified, and which the Company

operates according to such plan.

- 2. As stated in these General Terms and Conditions, "Domestic Travel" means travel only within Japan and "Overseas Travel" means travel other than Domestic Travel.
- 3. A "Communications Contract" as stated in this part means an Agent-Organized Tour Contract, which the Company concludes with a card member of the credit card company with which the Company, or a company which sells the Company's Agent-Organized Tour as an agent of the Company, is affiliated (hereinafter referred to as "Affiliated Company") by receiving an application by telephone, mail, facsimile, or any other means of communication with which the Traveler agrees in advance to settle the credits or debts for the travel fee, etc., based on the Agent-Organized Tour Contract which the Company has against the Traveler on or after the date on which such credits or debts should be settled in accordance with the card membership rules of the Affiliated Company separately established, and with which the Traveler pays the travel fee, etc., under the Agent-Organized Tour Contract in accordance with the methods stipulated in Paragraph 2, Article 12, the latter part of Paragraph 1, Article 16 and Paragraph 2, Article 19.
- 4. An "Electronic Acceptance Notice" as stated in this part means a notice of acceptance in response to an application for a contract, which is sent by, among methods using information communication technology, a method of transmission through a telecommunication line connecting the computer, facsimile machine, telex or telephone (hereinafter referred to as "Computer, Etc.") used by the Company, or a company which sells Agent-Organized Tours as an agent of the Company, and the Computer, Etc., used by the Traveler.
- 5. A "Card Use Day" as stated in these General Terms and Conditions means the date on which the Traveler or the Company should pay the travel fee, etc., or settle the refund debts in

accordance with the Agent-Organized Tour Contract.

(Contents of Travel Contract)

Article 3

Under an Agent-Organized Tour Contract, the Company undertakes to make arrangements and manage the itinerary so that the Traveler may receive transportation, accommodation, and other services relating to the travel (hereinafter referred to as "Travel Services") provided by transportation, accommodation facilities, etc., in accordance with the itinerary established by the Company.

(Arrangements Agent)

Article 4

In performing an Agent-Organized Tour Contract, the Company may have another travel agent, a person handling travel arrangements as a business, or any other auxiliary in or outside Japan perform arrangements in whole or in part as an agent.

Chapter II Conclusion of Contract

(Application for Contract)

Article 5

A Traveler who intends to apply to the Company for an Agent-Organized Tour Contract must enter the prescribed matters in an application form prescribed by the Company (hereinafter referred to as "Application Form") and submit it to the Company together with the application fee, the amount of which is separately specified by the Company.

2. Notwithstanding the provisions of the preceding Paragraph, a Traveler who intends to apply

to the Company for a Communications Contract must inform the Company of the title of the Agent-Organized Tour for which he/she intends to apply, the date of commencement of the travel, the membership number, and other matters (hereinafter referred to as "Membership Number, Etc.").

- 3. The application fee referred to in Paragraph 1 shall be treated as part of a travel fee or a cancellation fee or a penalty.
- 4. A Traveler who needs special consideration in participating an Agent-Organized Tour is requested to inform the Company to that effect at the time of application for the Agent-Organized Tour Contract. Then, the Company will accommodate the requirements to the reasonably practical extent.
- 5. The cost required for the special measure taken by the Company for the Traveler in accordance with the information referred to in the preceding Paragraph shall be borne by the Traveler.

(Reservation by Telephone, Etc.)

Article 6

The Company accepts reservations for an Agent-Organized Tour Contract by telephone, mail, facsimile or other means of communication. In this case, the contract is not in effect at the time of the reservation, and the Traveler, after the Company has informed him/her of the acceptance of the reservation, must submit an Application Form and the application fee, or inform the Company of the Membership Number, Etc., in accordance with the provisions of Paragraph 1 or 2 of the preceding Article within the period specified by the Company.

- 2. When the Application Form and the application fee have been submitted or the Membership Number, Etc., have been informed in accordance with the provisions of the preceding Paragraph, the order for the conclusion of the Agent-Organized Tour Contract shall be according to the order of receipt of the reservation concerned.
- 3. If the Traveler has not submitted the application fee or has not informed the Company of the Membership Number, Etc., within the period referred to in Paragraph 1, the Company deems that there has been no reservation.

(Refusal of Conclusion of Contract)

Article 7

In any of the following cases, the Company may not agree to conclude an Agent-Organized Tour Contract:

- (1) If any of the conditions of a participating Traveler in respect of sex, age, qualifications, skills, etc., specified by the Company in advance is not met;
- (2) If the number of applying travelers has reached the intended number of recruitment;
- (3) If it seems likely that the Traveler may give trouble to other Travelers and/or disturb the smooth conduct of group activities;
- (4) If the Company's business situation necessitates it;
- (5) In case of intending to conclude a Communications Contract, if the Traveler is unable to settle his/her debts relating to the travel fee, etc., in whole or in part, in accordance with the card membership rules of the Affiliated Company, for such reasons as the Traveler's credit card being invalid, etc.

(Time of Entry into Effect of Contract)

Article 8

An Agent-Organized Tour Contract enters into effect when the Company has agreed to the conclusion of the contract and received the application fee referred to in Paragraph 1, Article 5.

2. Notwithstanding the provisions of the preceding Paragraph, a Communications Contract enters into effect at the time the Company has issued a notice to the effect that the Company agrees to the conclusion of the contract; provided, however, that if an Electronic Acceptance Notice is issued under the contract, the contract enters into effect at the time such notice has reached the Traveler.

(Issue of Contract Document)

Article 9

The Company shall issue to the Traveler a document mentioning the itinerary, the contents of Travel Services, the travel fee, and other conditions for the travel and matters concerning the responsibility of the Company (hereinafter referred to as "Contract Document") promptly after the conclusion of the contract as established in the preceding Article.

2. The scope of the Travel Services for which the Company assumes the obligation to make arrangements and manage the itinerary under an Agent-Organized Tour Contract is according to what is mentioned in the Contract Document referred to in the preceding Paragraph.

(Final Document)

Article 10

If it is not possible to mention the finalized itinerary or name of transportation or accommodation facilities in a Contract Document referred to in Paragraph 1 of the preceding

Article, after having issued the Contract Document mentioning the names of the accommodation facilities scheduled to be used and specific transportation facilities that are deemed important to be indicated, a document mentioning the final situation of these matters (hereinafter referred to as "Final Document") shall be issued by the date specified in the Contract Document not later than the day preceding the date of commencement of the travel (or the day of commencement of the travel in case the application for the Agent-Organized Tour Contract has been made on or after the seventh day prior to the day preceding the date of commencement of the travel).

- 2. In the case referred to in the preceding Paragraph, if an inquiry has been received from the Traveler who wishes to confirm the arrangements situation, the Company will make a reply in a prompt and appropriate manner even before the issue of the Final Document.
- 3. If the Final Document referred to in Paragraph 1 has been issued, the scope of Travel Services for which the Company assumes the obligation to make arrangements and manage the itinerary in accordance with the provisions of Paragraph 2 of the preceding Article shall be defined according to what is mentioned in the Final Document.

(Method of Using Information and Communications Technology)

Article 11

Having obtained the Traveler's agreement in advance, if the Company, in place of the document mentioning the itinerary, the contents of Travel Services, the travel fee, and other conditions for the travel and matters concerning the responsibility of the Company, the Contract Document or the Final Document to be issued to the Traveler in concluding an Agent-Organized Tour Contract, has provided the matters which should be mentioned in these documents (hereinafter referred to in this Article as "Matters To Be Mentioned") by a method

using information and communications technology, it will confirm that the Matters To Be Mentioned have been recorded in the file kept in the communications equipment used by the Traveler.

2. In the case of the preceding Paragraph, if a file to record the Matters To Be Mentioned is not kept in the communications equipment used by the Traveler, the Matters To Be Mentioned will be recorded in the file kept in the communications equipment used by the Company (which must be made available only to the Traveler concerned) and it will be confirmed that the Traveler has read them.

(Travel Fee)

Article 12

The Traveler must pay to the Company the travel fee, the amount of which is mentioned in the Contract Document, by the date mentioned in the Contract Document not later than the date of commencement of the travel.

2. If the Company has entered into a Communications Contract, it shall be paid the travel fee, the amount of which is mentioned in the Contract Document, by a card of the Affiliated Company without the Traveler's signature on the prescribed payment slip. Furthermore, the Card Use Day shall be considered to be the day on which the travel contract enters into effect.

Chapter III Change in Contract

(Change in Contract Contents)

Article 13

If a natural disaster, a war, a riot, the suspension of the provision of Travel Services of

transportation and accommodation facilities, etc., an order of a government or other public offices, the provision of transportation services not scheduled in the original service plan, or any other event in which the Company is unable to intervene has occurred, and if it is unavoidable in order to secure the safe and smooth implementation of the travel, the Company may change the itinerary, the contents of Travel Services, or other contents of the Agent-Organized Tour Contract (hereinafter referred to as "Contract Contents"), having explained promptly in advance to the Traveler the reason that the event concerned is one which cannot be intervened in and the causal relation with the event concerned; provided, however, that in case of emergency and if it is unavoidable, such explanation will be given after the change has been made.

(Change in Amount of Travel Fee)

Article 14

If the fares and charges which are applied to the transportation facilities used in operating an Agent-Organized Tour (hereinafter in this Article referred to as "Applicable Fares and Charges") are increased or reduced drastically exceeding the extent normally assumed in comparison with the Applicable Fares and Charges published as effective at the time of specifying them at the recruitment for the Agent-Organized Tour due to a significant change in the economic conditions, etc., the Company may, within the amount increased or reduced, increase or reduce the amount of the travel fee.

- 2. If the Company decides to increase the travel fee in accordance with the provisions of the preceding Paragraph, it shall inform the Traveler to that effect prior to the 15th day prior to the day preceding the date of commencement of the travel.
- 3. If the Applicable Fares and Charges as stated in Paragraph 1 are reduced, the Company

shall reduce the travel fee by the amount of such reduction in accordance with the provisions of the same Paragraph.

4. If the cost of operating the travel is reduced or increased due to a change in the Contract Contents in accordance with the provisions of the preceding Article (such cost includes the cancellation fee, the penalty, or any other cost which has already been paid or which must be paid in the future in respect of the Travel Services which have not been received due to the change in the Contract Contents) (excluding a case where the increase in the cost has resulted from the occurrence of a shortage of seats, rooms or any other facilities of the transportation and accommodation facilities, etc., despite the fact that the Travel Services are provided by the transportation and accommodation facilities, etc.), the Company may change the amount of the travel fee within the amount of such reduction or increase at the time of the said change in the Contract Contents.

5. If it is mentioned in the Contract Document to the effect that the travel fee will vary depending on the number of persons using the transportation and accommodation facilities, etc., and if, after the entry into effect of the Agent-Organized Tour Contract, the number of using persons has changed due to causes not attributable to the Company, the Company may change the amount of the travel fee in accordance with what is mentioned in the Contract Document.

(Change in Traveler)

Article 15

A Traveler who has concluded an Agent-Organized Tour Contract may transfer his/her status under the Contract to a third party with the approval of the Company.

- 2. If a Traveler intends to seek the approval of the Company as stated in the preceding Paragraph, he/she must enter the required matters in a form prescribed by the Company and submit it to the Company together with the required amount of fee.
- 3. Transfer of the status under the Contract referred to in Paragraph 1 shall take effect at the time when the approval of the Company has been given and, thereafter, the third party who has taken over the status under the Contract shall succeed to all the Traveler's rights and obligations in connection with the Agent-Organized Tour Contract concerned.

Chapter IV Cancellation of Contract

(Right of Cancellation of Traveler)

Article 16

A Traveler may cancel an Agent-Organized Tour Contract at any time on payment to the Company of the cancellation fee specified in Schedule I. In case of canceling a Communications Contract, the Company shall be paid the cancellation fee using a card of the Affiliated Company without the signature of the Traveler on the prescribed payment slip.

- 2. Notwithstanding the provisions of the preceding Paragraph, a Traveler may cancel an Agent-Organized Tour Contract before the commencement of the travel without payment of the cancellation fee in any of the following cases:
- (1) If the Contract Contents have been changed by the Company; provided, however, this is applicable only when the change is one mentioned in the left section of Schedule II or any other important one;
- (2) If the travel fee has been increased in accordance with the provisions of Paragraph 2,

Article 14;

- (3) If a natural disaster, a war, a riot, the suspension of the provision of Travel Services of transportation and accommodation facilities, etc., an order of a government or other public offices, or any other event has occurred, and the safe and smooth operation of the travel has become impossible or there is a very large possibility of such impossibility arising;
- (4) If the Company has failed to issue to the Traveler the Final Document by the date referred to in Paragraph 1, Article 10;
- (5) If it has become impossible to operate the travel in accordance with the itinerary mentioned in the Contract Document due to causes attributable to the Company;
- 3. If, after the commencement of the travel, a Traveler has become unable to receive the Travel Services mentioned in the Contract Document due to causes not attributable to the Traveler, or if the Company has informed him/her to that effect, he/she may, notwithstanding the provisions of Paragraph 1, cancel that part of the contract for which he/she has become unable to receive the Travel Services, without payment of the cancellation fee.
- 4. In the case referred to in the preceding Paragraph, the Company shall refund the Traveler, out of the travel fee, the amount for that part of the Travel Services which he/she has become unable to receive, provided, however, that if the case referred to in the preceding Paragraph is due to causes not attributable to the Company, the Company will refund to the Traveler the said amount less the amount of the cancellation fee, the penalty, and any other cost which have already been paid or must be paid in the future in respect of the Travel Services concerned.

(Right of Cancellation, Etc., of the Company---Cancellation before Commencement of Travel)

Article 17

The Company may cancel an Agent-Organized Tour Contract before the commencement of the travel explaining the reason to the Traveler, in any of the following cases:

- (1) If it has become clear that the Traveler does not satisfy the conditions for a participating Traveler in respect of sex, age, qualifications, skills, etc., which the Company has specified in advance;
- (2) If it is considered that the Traveler is not fit for the travel concerned for reasons of illness, absence of a required assistant or other reasons;
- (3) If it is considered that the Traveler may give trouble to other travelers or disturb the smooth conduct of the group travel;
- (4) If the Traveler has demanded a burden exceeding the reasonable extent in connection with the Contract Contents;
- (5) If the number of travelers has not reached the minimum number of participants mentioned in the Contract Document;
- (6) If there is a great possibility that the conditions for the operation of the travel, such as the required amount of snowfall in case the travel is for the purpose of skiing, which have been specified at the time of concluding the contract, will not be fulfilled;
- (7) If a natural disaster, a war, a riot, the suspension of the provision of Travel Services of transportation and accommodation facilities, etc., an order of a government or other public offices, or any other event in which the Company is unable to intervene has occurred, and the safe and smooth operation of the travel in accordance with the itinerary mentioned in the Contract Document has become impossible, or there is a very large possibility of such impossibility arising;

- (8) If, in a case where a Communications Contract has been concluded, the Traveler has become unable to settle his/her debts relating to the travel fee, etc., in whole or in part, in accordance with the card membership rules of the Affiliated Company, for such reasons as the Traveler's credit card being invalid, etc.
- 2. If a Traveler has not paid the travel fee by the date mentioned in the Contract Document as stated in Paragraph 1, Article 12, it shall be deemed that the Traveler has canceled the Agent-Organized Tour Contract on the day following that date. In this case, the Traveler must pay to the Company a penalty, the amount of which is equivalent to the cancellation fee specified in Paragraph 1 of the preceding Article.
- 3. If the Company intends to cancel an Agent-Organized Tour Contract for the reason mentioned in Item (5), Paragraph 1, it shall inform the Traveler to the effect that the travel will be canceled prior to the 13th day in case of Domestic Travel (in case of a one day trip, the 3rd day), or prior to the 23rd day in case of Overseas Travel (in case of travel commencing during the peak period provided for in Schedule I, the 33rd day), prior to the day preceding the date of commencement of the travel.

(Right of Cancellation of the Company---Cancellation after Commencement of Travel Article 18)

In any of the following cases, the Company may cancel part of an Agent-Organized Tour Contract, explaining the reason to the Traveler, even after the commencement of the travel:

- (1) If the Traveler is not fit for the continuance of the travel for reasons of illness, absence of a required assistant or other reasons;
- (2) If the Traveler corrupts the discipline of group activities and disturbs the safe and smooth

operation of the travel through violation of the instructions of the Company conveyed by the tour conductor or any other person for the safe and smooth operation of the travel, or through violence or threat, etc., against these persons or other accompanying Travelers;

- (3) If a natural disaster, a war, a riot, the suspension of the provision of Travel Services of transportation and accommodation facilities, etc., an order of a government or other public offices, or any other event in which the Company is unable to intervene has occurred, and it has become impossible to continue the travel.
- 2. If the Company has canceled an Agent-Organized Tour Contract in accordance with the provisions of the preceding Paragraph, the contractual relationship between the Company and the Traveler may cease to exist at and after the time of the cancellation. In this case, for the obligations of the Company regarding the Travel Services which have already been received by the Traveler, they shall be deemed as having been validly performed.
- 3. In the case referred to in the preceding Paragraph, the Company shall refund the Traveler, out of the travel fee, the amount for that part of the Travel Services which have not yet been received by the Traveler less the amount of the cancellation fee, the penalty, and any other cost which have already been paid or must be paid in future in respect of the Travel Services concerned.

(Refund of Travel Fee)

Article 19

If the travel fee has been reduced in accordance with the provisions of Paragraphs 3 through 5, Article 14, or an Agent-Organized Tour Contract has been canceled in accordance with the provisions of the preceding three Articles, resulting in an amount which should be refunded to the Traveler, the Company shall refund the said amount to the Traveler within 7 days of the

day following the date of the cancellation in case of a refund due to cancellation before the commencement of the travel, or within 30 days of the day following the date of completion of the travel mentioned in the Contract Document in case of a refund due to reduction of the amount or cancellation after the commencement of the travel.

2. In a case where the Company has concluded a Communications Contract with a Traveler, if the travel fee has been reduced in accordance with the provisions of Paragraphs 3 through 5, Article 14, or a Communications Contract has been canceled in accordance with the provisions of the preceding three Articles, resulting in an amount which should be refunded to the Traveler, it shall refund the said amount to the Traveler in accordance with the card membership rules of the Affiliated Company. In this case, the Company shall inform the Traveler of the amount to be refunded within 7 days of the day following the date of the cancellation in case of a refund due to cancellation before the commencement of the travel, or within 30 days of the day following the date of completion of the travel mentioned in the Contract Document in case of a refund due to reduction of the amount or cancellation after the commencement of the travel, and the day on which the Company thus informed the Traveler shall be deemed to be the Card Use Day.

3. The provisions of the preceding two Paragraphs do not prevent a Traveler or the Company from exercising the right to seek damages in accordance with the provisions of Article 27 or Paragraph 1, Article 30.

(Arrangements for Return Trip after Cancellation of Contract)

Article 20

If the Company has canceled an Agent-Organized Tour Contract after the commencement of the travel in accordance with the provisions of Item1 or 3, Paragraph 1, Article 18, it will undertake arrangements for the Travel Services necessary for the Traveler's return to the place of departure at the Traveler's request.

2. In a case of the preceding Paragraph, all the cost required for the trip to return to the place of departure must be borne by the Traveler.

Chapter V Party/Group Contract

(Party/Group Contract)

Article 21

The Company applies the provisions of this Chapter with respect to the conclusion of an Agent-Organized Tour Contract for which more than one Traveler traveling together following the same itinerary has applied after nominating a responsible representative (hereinafter referred to as "Person Responsible for Contract").

(Person Responsible for Contract)

Article 22

Except in those cases where a special agreement has been concluded, it shall be deemed that the Person Responsible for Contract has all power of agency for the conclusion of an Agent-Organized Tour Contract for Travelers constituting the Party/Group concerned (hereinafter referred to as "Member(s)"), and the Company will conduct transactions concerning the travel business for that Party/Group with the said Person Responsible for Contract.

2. The Person Responsible for Contract must submit a list of Members to the Company by the date prescribed by the Company.

3. The Company shall not bear any responsibility for any debt or obligation which the Person Responsible for Contract now has or is expected to have in the future to a Member.

4. In a case where the Person Responsible for Contract does not accompany the Party/Group during the travel, the Company deems that the Member who has been assigned by the Person Responsible for Contract in advance as Person Responsible for Contract after the commencement of the travel.

Chapter VI Itinerary Management

(Itinerary Management)

Article 23

The Company will make efforts to secure for a Traveler the safe and smooth operation of the travel, and conduct the following businesses for a Traveler unless the Company has concluded a different special agreement with the Traveler:

- (1) If it is considered that there is a possibility that the Traveler will not be able to receive Travel Services during the travel, to take reasonably necessary measures for proper receiving of Travel Services in accordance with the Agent-Organized Tour Contract;
- (2) If the Contract Contents have to be changed despite the fact that the measures referred to in the preceding Item have been taken, to make arrangements for alternative services. In this case, efforts must be made to minimize the change in the Contract Contents by, inter alia, endeavoring to make the itinerary after the change conform to the purposes of the original itinerary in case the contents of the itinerary are to be changed, and endeavoring to make the Travel Services after the change similar to the original Travel Services in case the contents of the Travel Services are to be changed.

(Instructions of the Company)

Article 24

A Traveler must follow instructions of the Company for the safe and smooth operation of the travel when acting in a group during the period between the commencement of the travel and the completion of the travel.

(Businesses of Tour Conductor, Etc.)

Article 25

The Company may, depending on the contents of the travel, have a tour conductor or other person accompany the travel and have him/her perform, in whole or in part, the businesses mentioned in Items of Article 23 or any other business which the Company considers necessary incidental to the Agent-Organized Tour concerned.

2. The period of time during which the tour conductor or other person referred to in the preceding Paragraph engages in the businesses referred to in the said Paragraph is from 8:00 to 20:00 as a rule.

(Protective Measures)

Article 26

If the Company considers that a Traveler is in need of protection due to illness, injury, etc., during the travel, it may take necessary measures. In this case, if the case is due to causes not attributable to the Company, the cost required for the measures taken shall be borne by the Traveler and the Traveler must pay the said cost by the date designated by the Company and by the method designated by the Company.

Chapter VII Responsibility

(Responsibility of the Company)

Article 27

In performing an Agent-Organized Tour Contract, if the Company, or the person whom the Company has had make arrangements as an agent in accordance with the provisions of Article 4 (hereinafter referred to as "Arrangements Agent"), has caused damage to a Traveler intentionally or by negligence, the Company shall bear the responsibility for compensating for the damage, provided that the Company has been informed within 2 years of the day following the date of occurrence of the damage.

- 2. If a Traveler has incurred damage due to a natural disaster, a war, a riot, the suspension of the provision of Travel Services of transportation and accommodation facilities, etc., an order of a government or other public offices, or any other event in which the Company or the Company's Arrangements Agent is unable to intervene, the Company shall not be responsible for compensating for the damage except in a case referred to in the preceding Paragraph.
- 3. Notwithstanding the provisions of Paragraph 1, the Company shall compensate for the damage referred to in the same Paragraph caused to baggage within the limits of 150,000 yen per Traveler (except in a case where the damage has been caused by the Company intentionally or by gross negligence) if the Company has been informed within 14 days in case of Domestic Travel, or within 21 days in case of Overseas Travel, of the day following the date of occurrence of the damage.

(Special Compensation)

Article 28

Regardless of whether the Company is responsible in accordance with the provisions of Paragraph 1 of the preceding Article or not, it shall pay a compensation and a solatium, the amounts of which are specified in advance, for specific damage which a Traveler has incurred to his/her life, person, or baggage while participating in an Agent-Organized Tour, in accordance with the provisions of the Special Compensation Rules in a separate document.

- 2. Of the damages prescribed in the preceding Paragraph, if the Company bears responsibility in accordance with the provisions of Paragraph 1 of the Preceding Article, the compensation referred to in the preceding Paragraph which it should pay shall be deemed to be the compensation for the damage concerned within the limits of the amount of the damage which it should pay based on that responsibility.
- 3. In a case provided for in the preceding Paragraph, the obligation of the Company to pay a compensation in accordance with the provisions of Paragraph 1 shall be reduced by the amount equivalent to the compensation for the damage which the Company should pay in accordance with the provisions of Paragraph 1 of the preceding Article (including the compensation which is deemed to be the compensation for the damage in accordance with the provisions of the preceding Paragraph).
- 4. The Agent-Organized Tour which the Company operates by collecting a separate travel fee for Travelers participating in an Agent-Organized Tour of the Company shall be treated as part of the contents of the main Agent-Organized Tour Contract.

(Guarantee of Itinerary)

Article 29

If an important change in Contract Contents mentioned in the left section of Schedule II (excluding a change mentioned in any of the following Items (excluding a change due to the occurrence of a shortage of seats, rooms, or any other facilities of the transportation and accommodation facilities, etc., despite the fact that the Travel Services are provided by the transportation and accommodation facilities, etc.)) has occurred, the Company shall pay a change compensation, the amount of which is equivalent to, or more than, the amount arrived at by multiplying the travel fee by the relevant ratio mentioned in the right section of the same Schedule within 30 days of the day following the date of completion of the travel unless it is clear that the Company will bear the responsibility in accordance with the provisions of Paragraph 1, Article 27 for the change concerned:

- (1) Change due to any of the following reasons:
 - (a) Natural disaster;
 - (b) War;
 - (c) Riot;
 - (d) Order of a government or other public offices;
 - (e) Suspension of the provisions of Travel Services of transportation and accommodation facilities, etc.;
 - (f) Provision of transportation services not according to the original service plan;
 - (g) Measures necessary for securing the safety of a travel participant's life or person.
- (2) If an Agent-Organized Tour Contract has been canceled in accordance with the provisions of Articles 16 through 18, the change made for the canceled part concerned.
- 2. The amount of a change compensation which the Company should pay per Traveler per Agent-Organized Tour shall not exceed the amount arrived at by multiplying the travel fee by

the ratio of 15% or higher specified by the Company. Furthermore, if the amount of the change compensation which should be paid per Traveler per Agent-Organized Tour is less than 1,000 yen, the Company shall not pay the change compensation.

3. After the Company has paid a change compensation in accordance with the provisions of Paragraph 1, if it has become clear that the Company is liable under the provisions of Paragraph 1, Article 27 for the change concerned, the Traveler must return to the Company the change compensation for the change concerned. In this case, the Company shall pay the balance between the amount of the compensation for the damage which the Company should pay in accordance with the provisions of the said Paragraph and the amount of the change compensation which the Traveler should return.

(Responsibility of Traveler)

Article 30

If the Company has incurred any damage caused by a Traveler intentionally or by negligence, the Traveler shall compensate the Company for such damage.

- 2. In concluding an Agent-Organized Tour Contract, a Traveler must endeavor to understand the rights and obligations of the Traveler, as well as other contents of the Agent-Organized Tour Contract, making good use of the information supplied by the Company.
- 3. In order to smoothly receive the Travel Services mentioned in the Contract Document, should a Traveler have realized that Travel Services different from those mentioned in the Contract Document have been provided after the commencement of the travel, he/she must promptly notify the Company, the Arrangements Agent, or the provider of the Travel Services concerned to that effect at the place of travel.

Chapter VIII Business Guarantee Bonds

(For the Company not being a Security Member of an Association of Travel Agents)

(Business Guarantee Bonds)

Article 31

A Traveler or a Member who has concluded an Agent-Organized Tour Contract with the Company is entitled to receive compensation from the Business Guarantee Bonds deposited by the Company in accordance with the provisions of Paragraph 1, Article 7 of the Travel Agency Law in connection with a claim arising from the said transaction.

- 2. The name and the location of the Deposit Office with which the Company has deposited Business Guarantee Bonds are as follows:
- (1) Name: Japan Association of Travel Agents
- (2) Location: Kasumigaseki Building, 3-3-3 Kasumigaseki, Chiyoda-ku, Tokyo

Chapter VIII Compensation Security Bonds

(For the Company being a Security Member of an Association of Travel Agents)

(Compensation Security Bonds)

Article 32

The Company is a Security Member of Japan Association of Travel Agents, a corporate juridical person (Kasumigaseki Building, 3-3-3 Kasumigaseki, Chiyoda-ku, Tokyo).

2. A Traveler or a Member who has concluded an Agent-Organized Tour Contract with the Company is entitled to receive compensation from the Compensation Security Bonds deposited by Japan Association of Travel Agents referred to in the preceding Paragraph in

connection with a claim arising from the said transaction up to <u>2.2million</u> yen.

3. Since the Company has deposited its Due Portion of the Compensation Security Bonds with Japan Association of Travel Agents in accordance with the provisions of Paragraph 1, Article 22-10 of the Travel Agency Law, it has not deposited the Business Guarantee Bonds in accordance with Paragraph 1, Article 7 of the said law.

Schedules

Schedule I Cancellation Fee (relating to Paragraph 1, Article 16)

(I) Cancellation fee for a Domestic Travel

Classification	Cancellation fee		
[1] Agent-Organized Tour Contract except that which is mentioned in the following Paragraph			
(a) If cancellation is made on or after the 20th day (10th day in case of a one day trip) prior to the day preceding the date of commencement of the travel (excluding the cases mentioned in (b) through (e));	20% or less of the travel fee		
(b) If cancellation is made on or after the 7th day prior to the day preceding the date of commencement of the travel (excluding the cases mentioned in (c) through (e);	30% or less of the travel fee		
(c) If cancellation is made on the day preceding the date of commencement of the travel	40% or less of the travel fee		
(d) If cancellation is made on the date of commencement of the travel (excluding the case mentioned in (e);	50% or less of the travel fee		
(e) In case of cancellation after the commencement of the travel or of nonparticipation without communication	100% or less of the travel fee		
[2] Agent-Organized Tour Contract using a chartered ship	According to the provisions concerning the cancellation fee for the ship concerned		

Note: The amounts of cancellation fees will be specified in the Contract Document.

(II) Cancellation fee for Overseas Travel

Classification	Cancellation fee		
[1] Agent-Organized Tour Contract using an aircraft at the time of departure from, or return			
to, Japan (except travel contract which is mentioned in the following Paragraph)			
(a) In case of travel for which the date of commencement of the travel falls on the peak period, if cancellation is made on or after the 40th day prior to the day preceding the date of commencement of the travel (excluding the cases mentioned in (b) through (d)).	10% or less of the travel fee		
(b) If cancellation is made on or after the 30th day prior to the day preceding the date of commencement of the travel (excluding the cases mentioned in (c) and (d))	20% or less of the travel fee		
(c) If cancellation is made on or after the day before the day preceding the date of commencement of the travel (excluding the case mentioned in (d))	50% or less of the travel fee		
(d) In case of cancellation after the commencement of the travel or of nonparticipation without communication	100% or less of the travel fee		
[2] Agent-Organized Tour Contract using a chartered aircraft			
(a) If cancellation is made on or after the 90th day prior to the day preceding the date of commencement of the travel (excluding the cases mentioned in (b) through (d))	20% or less of the travel fee		
(b) If cancellation is made on or after the 30th day prior to the day preceding the date of commencement of the travel (excluding the cases mentioned in (c) and (d))	50% or less of the travel fee		
(c) If cancellation is made on or after the 20th day prior to the day preceding the date of commencement of the travel (excluding the case mentioned in (d))	80% or less of the travel fee		
(d) In case of cancellation on or after the 3rd day prior to the day preceding the date of commencement of the travel	100% or less of the travel fee		
[3] Agent-Organized Tour Contract using a ship at the time of departure from, or return to, Japan	According to the provisions concerning the cancellation fee for the ship concerned		

Note: The "peak period" means the period between December 20 and January 7, between April 27 and May 6 or between July 20 and August 31.

Note: The amounts of cancellation fees will be specified in the Contract Document.

Schedule II Change Compensation (relating to Paragraph 1, Article 29)

	Ratio (%) per case	
Change requiring payment of the change compensation	Before the commencement of the travel	After the commencement of the travel
(1) Change in the date of commencement of the travel or the date of completion of the travel mentioned in the Contract Document	1.5	3.0
(2) Change in the sightseeing spots or sightseeing facilities (including restaurants) or other destinations of the travel to be visited mentioned in the Contract Document	1.0	2.0
(3) Change in the class or the facilities of the transportation facilities to those at a lower charge than that mentioned in the Contract Document (limited to a case where the total amount of the charges for the class and facilities after the change is lower than the total amount of the charges mentioned in the Contract Document)	1.0	2.0
(4) Change in the kind or the name of the company of the transportation facilities mentioned in the Contract Document	1.0	2.0
(5) Change to a flight using an airport of the point of commencement of the travel or of the point of completion of the travel in Japan different from that mentioned in the Contract Document	1.0	2.0
(6) Change in the flight between Japan and outside Japan from the direct flight mentioned in the Contract Document to a connecting flight or an indirect flight	1.0	2.0
(7) Change in the kind or the name of the accommodation facilities mentioned in the Contract Document	1.0	2.0
(8) Change in the kind of room, facilities, view, or any other condition of the room of the accommodation facilities mentioned in the Contract Document	1.0	2.0
(9) Among the changes mentioned in the preceding Items, any change in the matters mentioned in the tour title of the Contract Document	2.5	5.0

Note 1: "Before the commencement of the travel" refers to a case where the change concerned has been notified to the Traveler by the day preceding the date of commencement of the travel, and "after the commencement of the travel" to a case where the change concerned has been notified to the Traveler on or after the date of commencement of the travel.

Note 2: If a Final Document has been issued, this Schedule shall be applied by reading "Contract Document" as "Final Document." In this case, if there has arisen any change between the entries in the Contract Document and those in the Final Document or between the entries in the Final Document and the contents of the Travel Services actually provided, each respective change will be treated as one case of change.

- Note 3: If the transportation facilities concerned with a change mentioned in Item 3 or Item 4 are accompanied with the use of accommodation facilities, a change in connection with one night's stay shall be treated as one case of change.
- Note 4: The case of the change in the name of the company of the transportation facilities mentioned in Item 4 shall not be applicable if such change involves a change to transportation facilities with a higher class or facilities.
- Note5: Even if the change mentioned in Item 4, 7 or 8 has occurred more than once for one vehicle, ship, etc., used or for one night's stay, it shall be treated as one case of change.
- Note 6: With respect to the change mentioned in Item 9, not the ratios for Items 1 through 8 but the ratios for Item 9 shall apply