



Due to the COVID 19 pandemic and the associated considerable loss of revenue, many leisure organizers or operators of leisure facilities are threatened with economic ruin. Under the current law, their customers, as holders of admission, season and annual tickets, can demand a refund of the admission and usage fees they have already paid if the event was cancelled, in particular due to the COVID 19 pandemic, or if the leisure facility could not be visited due to the COVID 19 pandemic.

In order to protect these companies from a wave of insolvencies, the German Bundestag passed the "Act to Mitigate the Consequences of the COVID 19 Pandemic in Event Contract Law" on 14 May 2020. According to this law, music, cultural, sports or other leisure organizers can issue their customers with a voucher in the amount of the admission price/user fee for services that could not or cannot be provided due to the COVID-19 pandemic. This voucher can be redeemed either for the catch-up event or alternatively for another equivalent offer of the company.

This law will now be presented to the Bundesrat and then to the Federal President in a timely manner. It will enter into force after its promulgation in the Federal Law Gazette.

Under the assumption that the law will not undergo any further changes, we would like to briefly summarize the content of the law below. In the event of changes, we will update this special information promptly.

1. For whom and when does the voucher solution work?

- > Beneficiaries are organizers of music, cultural or other leisure events (e.g. concerts, festivals, theatre performances, film screenings, scientific events, lectures, readings, sports competitions) or operators of music, cultural, sports or other leisure facilities (e.g. museums, leisure parks, swimming pools, sports studios, zoos);
- > The admission ticket or entitlement to participate must have been purchased by the customer before 8 March 2020;
- The event/leisure offer cannot/could not take place due to the spread of the COVID-19 pandemic;



2. What is the customer's claim?

- > The voucher must be in the form of a **value voucher** and must cover the full **admission price** / total **usage fee** including any advance booking fees;
- > If part of the service could or can be provided by the company, there is a claim to a voucher for the value of the unused part. This applies, for example, to season tickets for sports clubs or swimming pools as well as music and language courses;
- > Customers must have the choice of redeeming the voucher for a catch-up date or for another event. The issue of a gift voucher in kind or its restriction to a catch-up event is not permitted;
- > The issue and sending of the voucher must be free of charge;

3. When can the customer still demand repayment of the admission price or the usage fee?

A refund claim of the customer with regard to the already paid fee remains valid if

- > the voucher solution would be **unreasonable** for the customer (e.g. catch-up date is only perceptible with the expenditure of high travel costs or holder of the voucher is not able to pay existentially important living expense such as rent or energy invoices without the payment of the voucher value); or
- > the customer has not redeemed the voucher by **31 December 2021**.

4. How must the vouchers be designed?

- > The content of the voucher must indicate that it was issued because of the COVID 19 pandemic; and
- > the voucher must state that the holder may request payment of the value of the voucher if a voucher is unreasonable for him or her or if he or she has not redeemed it by 31 December 2021.

5. Which events and industries are not covered by the voucher solution?

- > Events in a professional context such as further training, seminars, trade fairs and congresses;
- > Tour operator;
- > Airlines;



The above statements are only a non-binding compilation according to the current status. No liability is assumed for the correctness and completeness. We would be pleased to support you in checking and, if necessary, implementing the above measures in your company.

Your familiar contact persons remain at your disposal regarding this matter.

In addition, you will find below the contact person who has dealt with the above topics in particular.

Commercial law.



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Concluding remarks

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