

## **SERVICE AGREEMENT**

**THIS AGREEMENT IS DRAFTED IN THE ENGLISH LANGUAGE IF YOU DO NOT UNDERSTAND THE DOCUMENT OR ITS CONTENTS, PLEASE NOTIFY HOSTELPASS, INC AND HAVE THE DOCUMENT TRANSLATED INTO A LANGUAGE YOU UNDERSTAND.**

This Agreement is entered into as of \_\_\_\_\_, by and between \_\_\_\_\_, (the "Provider"), and HostelPass, Inc., a Delaware corporation (the "Company") (collectively, the "Parties").

### **RECITALS**

A. WHEREAS, The Company is engaged in the business of facilitating lodging or housing accommodations for travelers and lodging patrons; and

B. WHEREAS, Provider desires to develop a source of potential customers;

NOW, THEREFORE, in consideration of the mutual terms, conditions and covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto, hereby agree as follows:

### **AGREEMENT**

**1. Description of the Services:**

Provider shall perform the Services, as described below, from time to time as mutually agreed to by the Parties, and in a professional, timely, and competent manner, in accordance with all applicable laws, rules, and regulations. "Services" shall mean providing lodging accommodations to individuals who have paid the Company to stay in hostels, hotels, or other lodging accommodations (the "Guest(s)"). Provider agrees to provide accommodations to each Guest whom the Company identifies to the Provider on the date or dates agreed upon between the Company and the Provider (the "Reservation"). The Services shall also include, but not be limited to, providing each Guest with at least one bed (located in a safe, clean room, provided that a reasonable number of other guests lodging with the Provider may also have beds in the same room), accessible Guest toilet and shower facilities, and Wi-Fi access for Guests (collectively, the "Accommodations"). Provider will provide each Guest with unlimited access to the Accommodations, at least between the hours of 5:00 p.m. and 9:30 a.m. (the "Nightly Stay" or the "Night"), for each Night that the Company has reserved in the Reservation.

**2. Accessibility:**

Provider understands that in order to provide the Services, Provider must be equipped with the software, hardware, equipment and technology capabilities required by the Company which, from time to time, shall be provided to Provider (the "Required Technology"). The Required Technology may be amended from time to time by the Company to reflect changes in technology or in the Company's electronic capabilities and to make the Required Technology compatible with technology system utilized by the Company (the "System"). The Company shall have no requirement to provide accessibility to Provider's equipment or technology that does not comply with the Required Technology specifications provided by the Company.

**3. Obligations:**

Provider understands that Guests are entitled to expect a certain level of service from the Provider and, accordingly, as part of the Services, the Providers agrees to:

- a) Honor all Reservations made by the Company on behalf of the Guests, including, but not limited to, Reservations made during peak travel seasons and periods during special events and holidays;
- b) Ensure that all Guests are treated equally (in particular, with regard to gender and gender identity, race, religion, disability, and sexual orientation) both at the time of the booking of the Reservation and during the Guest's Nightly Stay with the Provider;
- c) Provide the Services in accordance with the Company's policies, which shall be provided to the Provider and updated from time to time.

**4. Compensation:**

As the sole compensation for Provider's services provided pursuant to this Agreement, the Company shall pay Provider a fee equal to 90% of the Provider's current reservation rate provided by the Provider to the Company on the System, per Guest, per Night (the "Fee"). The Company shall provide the Provider with the Company's credit card (or other agreed upon mechanism for payment) information when the Company books a Reservation, but no deposit or payment of any kind shall be actually paid by the Company or taken by Provider at the time of booking. When the Guest physically arrives at the Provider's lodging accommodation and checks in to the Provider for his or her Reservation, then, and only then, may Provider charge the Company's credit card (or other agreed upon mechanism for payment) for the Fee. The Company is under no obligation to book any Reservations. If no Reservations are booked, then no Fee or other payment whatsoever, shall be due under this Agreement.

**5. Cancellation:**

The Company may cancel Reservations on behalf of Guests with no charges by Provider, if the Company cancels a Reservation: (i) more than twenty-four (24) hours prior to 2:00 p.m. (in the time zone in which Provider is located) on the date of the first Night of the Reservation; or (ii) in less than twenty-four (24) hours but within three (3) hours of confirmation of the Reservation. If the Company cancels a Reservation less than twenty-four (24) hours prior to 2:00 p.m. (in the time zone in which Provider is located) on the date of the first Night of the Reservation AND more than three (3) hours after Provider has provided confirmation of the Reservation, Provider may charge the Company's credit card the Fee for only one of the Guest's Nightly Stays with the Provider.

**6. Approval:**

In order for Provider to become eligible to provide the Services, Provider must allow a representative of the Company (the "Representative") to stay at the Provider's lodging accommodations for two consecutive Nightly Stays, free of any charge whatsoever. After the Representative's Nightly Stays, based on the Representative's evaluation of the Provider's lodging accommodations, the Company will, in its sole and absolute discretion, elect or not elect to utilize Provider or Provider's Services. The Company shall in no way be liable for any cost associated with the Representative's two Nightly Stays, even in the event that the Company does not elect to utilize Provider or Provider's Services.

**7. Termination:**

This Agreement shall continue until terminated by either party for any reason upon providing forty-five (45) days' prior written notice without further obligation or liability. All of Provider's obligations, other than the obligation to provide Services, under this Agreement will survive the termination of this Agreement.

**8. Independent Parties:**

This Agreement does not constitute a partnership or any employee/employer relationship between the Parties. Provider and the Company are independent parties, and nothing contained in this Agreement shall be deemed or interpreted to make Provider or any of its "Personnel" (as defined below) the employee, partner, agent or legal representative of the Company, or to make Company or any of its Personnel the employee, partner, agent or legal representative of the Company, for any purpose whatsoever. Provider shall retain sole and absolute discretion and judgment in the manner and means of carrying out its responsibilities under this Agreement. Provider is not granted any right or authority to assume or create any obligation or responsibility, express or implied, on behalf of or in the name of the Company, or to bind the Company in any manner or fashion whatsoever. Provider's Personnel, if used in the performance of the Services, are, and shall at all times and for all purposes be, employees of Provider, and not employees of Company. Other than limited authority to monitor the satisfaction and safety of the Guests, Company shall have no control over the performance of Provider's Personnel. Neither Provider nor Provider's employees, agents, personnel, representatives, officers and directors (collectively, the "Personnel") are entitled to benefits offered by Company to its employees, nor are Provider's Personnel subject to personnel policies and procedures covering Company employees. Provider shall be responsible for all its Personnel and shall be responsible to furnish and complete the Services in a first class, competent and professional manner.

- a) Provider guarantees that its recommendations, guidance, Accommodations and performance of the Services, including that of its Personnel, shall be of the standard and quality generally recognized and accepted throughout the surrounding area as first rate for work performed by a company providing similar services.

- b) Provider represents that it possesses and agrees that it shall maintain in good standing at all times that this Agreement is in force and has not been formally terminated, any and all permits, licenses and certifications for itself, its Personnel and its Accommodations, including any applicable hospitality, health, business, housing, lodging and alcoholic permits that are required under any applicable law (or are recommended by any reputable professional organization in Provider's field) in order for Provider and its Personnel to perform all Services that might be requested by Company pursuant to this Agreement.
- c) Provider understands and acknowledges that the Company is working with a number of businesses that provide lodging or housing accommodations and that the Company is under no obligation to utilize Provider's Services or to recommend Provider to its Guests. Furthermore, the Company may provide its own customer with reviews of lodging or housing accommodations or may allow its customers to post such reviews or comments and, other than as specifically provided in this subsection, Provider shall have no claim or recourse whatsoever, if any such review, post or comment is negative or disparaging to Provider in any way. In the event that any such review, post or comment is false and Provider provides the Company with documentation that such review, post or comment is false, then Company may, in its sole and absolute discretion, remove such review, post or comment from its website or other materials.

**9. Indemnification:**

Provider shall indemnify and hold the Company and its subsidiaries, affiliates, directors, officers, associates, and employees harmless from and against all claims, demands, losses, causes of action and liability, including costs and actual attorney's fees to which the Company or such entities may be subjected arising out of: (a) any act or omission of Provider or of its Personnel relating to or arising out of this Agreement; (b) any product or services provided to Company or to any Guest, client or customer of Company by or through Provider; (c) any injuries or damages to any Personnel or property of Provider or to any Guests, clients or customers of the Company; (d) any workers' compensation (or similar) claims, unemployment compensation claims or unemployment disability compensation claims of or by Provider's Personnel or out of claims under similar such laws.

**10. Provider's Responsibility for Taxes, Insurance and Benefits:**

Provider understands that Provider is responsible to be aware of and to pay, according to law, all federal (or other government), state, local, or the applicable jurisdictional tax and any and all other taxes and contributions for which Provider might be, or become responsible including, but not limited to any hotel or hospitality tax, withholding tax, self-employment tax, unemployment insurance, social security tax, retirement benefits, pensions or similar benefits. Provider will be solely responsible for obtaining any hospitality, health, liability, pension, or other insurance benefits that it may desire for itself and/or for its Personnel and that the Company shall be under no obligation to provide or to pay for any such benefits to Provider. Provider, at its sole cost and expense shall procure and maintain, with financially sound and reputable insurers, insurance in at least such amounts and against at least such risks (and with such risk retention) as are usually insured against by companies of established repute engaged in the same or a similar business, including, but not limited to, hotel and innkeepers' insurance, and property insurance.

**11. Assignment and Transfer:**

Provider's services to be furnished under this Agreement are of a unique personal character that gives them particular value. Provider will not assign or delegate any duty hereunder without the Company's prior written approval, which approval the Company may grant or withhold in its sole and absolute discretion. The Company shall have the right to freely transfer and/or assign any and all rights and obligations granted under this Agreement.

**12. Company's Right to Disclose:**

The Company shall have the right to disclose the existence of this Agreement, Provider's status as a contributor, and to include Provider's name, image, and/or profile in various promotional materials, including but not limited to the Company's Website.

**13. No Conflicts of Interest:**

Provider represents that his/her compliance with the terms of this Agreement and provision of services related to the Services hereunder will not violate any duty which Provider may have to any other person or entity (such as a present or former employer), and Provider agrees that he or she will not do anything in the performance of the Services hereunder that would violate any such duty.

**14. Modification:**

Other than as specifically provided in this Agreement, this Agreement may not be released, discharged, changed or modified except by an instrument in writing duly signed by both Parties. Neither the course of conduct between parties nor trade practice shall act to modify any provision of this Agreement. A waiver of, or failure to enforce any provision contained in this Agreement on any occasion shall not be deemed to be a continuing waiver or a waiver on any other occasion.

**15. Attorney's Fees:**

If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, or any of the rights, responsibilities or obligations of any of the Parties under this Agreement, the prevailing Party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which it may be entitled.

**16. Governing Law:**

This Agreement shall be construed in accordance with and governed by the laws of the State of Delaware of the United States of America.

**17. Dispute Resolution:**

The Parties hereto agree that any dispute or controversy arising out of, relating to, or in connection with this Agreement or the transactions contemplated hereby (a "Dispute") shall be arbitrated pursuant to the Delaware Rapid Arbitration Act, 10 Del. C. § 5801, et seq. (the "DRAA"). The Parties agree to take all steps necessary or advisable to submit any Dispute that cannot be resolved by the parties for arbitration under the DRAA (the "Arbitration") in accordance with this Section 12, and each party represents and warrants that it is not a "consumer" as such term is defined in 6 Del. C. § 2731. By executing this Agreement, (i) each Party hereby waives, and acknowledges and agrees that it shall be deemed to have waived, any objection to the application of the procedures set forth in the DRAA, (ii) consents to the procedures set forth in the DRAA, and (iii) acknowledges and agrees that it has chosen freely to waive the matters set forth in subsections (b) and (c) of Section 5803 of the DRAA. In connection therewith, each party understands and agrees that it shall raise no objection to the submission of the Dispute to Arbitration in accordance with this Section 12 and that it waives any right to lay claim to jurisdiction in any venue and any and all rights to have the Dispute decided by a jury.

a) The Arbitration shall be conducted in accordance with the Model Rules for Arbitration under the DRAA, available at [www.rlf.com/DRAA/ModelRules](http://www.rlf.com/DRAA/ModelRules), as such Rules may be amended or changed from time to time; provided that the parties may agree to depart from the Model Rules by (i) adopting new or different rules to govern the Arbitration or (ii) modifying or rejecting the application of certain of the Model Rules. To be effective, any departure from the Model Rules shall be in writing and signed by an authorized representative of each such party.

b) The Arbitration shall take place in Sussex, Delaware, or such other location as the Parties may agree.

**18. Notices:**

Unless specifically provided otherwise in this Agreement, any notice to either Party given in relation or pursuant to this Agreement shall be in writing and shall be delivered personally, by messenger or by mail, postage prepaid, addressed as set forth following the signatures to this agreement or by telecopy with receipt confirmed by telephone. Service of any such communication shall be deemed made on the date of actual receipt at such address. Any Party may, from time to time, by notice in writing served upon the other Party as aforesaid, designate a different address, different person, or reasonable additional persons to whom all communications are thereafter to be made.

**19. Binding Agreement:**

All covenants, agreements, warranties, and the provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, executors, administrators, representatives, successors, and permitted assigns.

**20. Partial Invalidity:**

If any one or more provisions in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way. Notwithstanding the foregoing, if, any one or more, of the provisions

contained in this Agreement shall for any reason be held to be excessively broad as to time duration, geographical scope, activity or subject, it shall be construed by limiting and reducing it, so as to be enforceable to the extent compatible with the applicable law as it shall then appear.

**21. Headings:**

The Section headings in this Agreement are for convenience only and are not to be used in interpreting this Agreement.

**22. Sole Agreement:**

This Agreement represents the entire understanding of the Parties relating to the subject matter contained herein and is intended as a complete and exclusive statement of the full Agreement between the Parties, and shall supersede any and all previous documents, correspondence, conversations, or other written or oral understandings related to this Agreement.

**23. Translations:**

This Agreement is drafted in the English language; if Provider does not understand the document or its contents, please notify the Company and have the Agreement translated into a language you understand. However, this Agreement, as drafted in the English language, shall prevail and be binding in the event of any conflict or discrepancy between this Agreement and any translation of this Agreement.

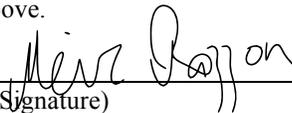
**24. Waiver and Amendment:**

This Agreement may not be modified or waived except by a writing signed by both Parties. A modification or waiver of part of this Agreement shall not constitute a waiver or modification of the whole. A waiver of, or failure to enforce any provision contained in this Agreement on any occasion shall not be deemed to be a continuing waiver or a waiver on any other occasion.

**25. Entire Agreement:**

The Parties have read the entire Agreement and agree to the terms and conditions contained herein. Provider acknowledges that this Agreement is written in English and Provider either speaks English and understands the provisions in this Agreement or has obtained the advice and guidance of a professional who has translated and explained the provisions in this Agreement to Provider.

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be executed as of the date first written above.

  
\_\_\_\_\_  
(Signature)

By: Meir Razon, Co-Founder and COO  
(Print Name, Print Title)

1013 W 24th Street Los Angeles  
California, USA 90007  
(Address)

\_\_\_\_\_  
(Signature)

By: \_\_\_\_\_  
(Print Name, Print Title)

\_\_\_\_\_  
\_\_\_\_\_  
(Address)

**Email Delivery:**

If this Agreement is e-mailed, Provider and the Company agree that this Agreement will be considered signed where the signature of a party is delivered by electronic transmission. Signatures transmitted electronically shall have the same effect as original signatures.