Over view

This is an Agreement and or Contract between the following two parties

Party A: is Hostel Movement or abbreviated to "HM"

Party B: is The "Hostel" owner (it will be specifically name e.g. The Nest hostel, Banaue; Philippines).

HM in this agreement is referred to "Hostel Movement" operating website www.hostelmovement.com

HM service charge will 9% of the total booking charged to the Hostel

HM booking fee will be 9% of the total stay charged to the customer at the time of the booking.

DEFINITIONS

"Agreement" means this contract, including the "Key Details" section and all appendices.

"Available Beds" means the Hostel's maximum total bed capacity (before any beds are sold to anyone) on any night that the hostel is open for business.

"Intranet or managers portal" means the online property management system (PMS) provided by to the Hostel to support the management and administration of the Hostel, including availability, rates and reservation management, inventory management and other reporting requirements.

"Bedrooms" means the total number of bedrooms in the Hostel that are available for a customer to rent. (For clarification, a property with a single bedroom, a double bedroom and a 12 bed dormitory would have 3 bedrooms).

"Beds" means the beds, plus any additional products and services that are not optional and that are included in the price of the beds (some examples of additional products and services are breakfast, airport pick-ups and internet access if they are included in the price of the bed).

"Booking Price" means the total price that the Hostel quotes on Hostelmovement.com and their affiliate websites for a person to stay at the Hostel for a night, including the price of any additional products and services that are not optional.

"Deposit" means the amount that HM collects from Customers on the Hostel's behalf according to the terms in Appendix 1.

"Force Majeure Event" means any event that prevents either HM or the Hostel from being able to meet the obligations in this contract, provided that the event is beyond their control. This does not include events that could have been avoided by taking reasonable precautions or events that were deliberately caused by HM or the Hostel.

"HM Booking Engine" means HM's own technology that HM allows the Hostel use on the Hostel's own website(s) to let customers check availability and prices and make online reservations.

"Inbox" means the extranet or managers portal facility provided by HM to the Hostel's staff for the management of their property information, bed / room availability and rates that are in turn published on HM websites. In addition, it provides access to all reservation details and related reporting from HM. It includes all variants of this system that may be used by a Hostel, including HM Inbox, WRI Inbox and Groups Inbox.

"Licensee" shall mean the individual, business or corporate entity which owns the Hostel.

"Login" means the account login given to a Hostel owner to enable it to set up an account with and accept bookings from HM via a Website.

"PPP" means HM's Preferred Partner Programme which allows HM to market Hostels as having preferred partner status via Hostelmovement.com through its Hostelmovement Recommends Programme (HRP).

"Property Information" has the meaning given in section 3.

"Service Fee" means the fee that the Hostel pays to HM for marketing, IT and data processing services.

"Term" means how long this contract is valid.

"**Hostel"** This includes but not limited too any other type of accommodation provider such as lodge, motel, hotel, resort, Bed and Breakfast. If a lodge enters this agreement for the purpose of this agreement they will be referred as either "hostel" or "the Hostel".

"Travel Services" means the Bed and all other travel services that the Hostel will provide to the Customer as described in this Agreement.

"Websites" means Hostelmovement.com and any other websites or tools that use HM's technology to process online reservations. (In this summary, "Websites" will usually be referred to simply as "HM")

"Working Days" means any day except Saturday, Sunday or an official holiday in New Zealand.

Hostel obligations

1.1 HM only want to be associated with hostels, or any other accommodation provider that is willing to have shared communal areas. E.g if a hotel/motel or resort has a communal kitchen lounge with dormitory style rooms or at least fair priced private rooms.

1.2 HM wants to be only associated with quality hostels that can also offer:

- Good quality service
- A safe environment for all guests.
- Honour all bookings made via HM website, even during special events.
- Clean and hygienic hostel for guests.
- Respond in a timely manner to any questions directed to the hostel from either HM or the guests that book via HM.

1.3 Ensure that hostel on HM website matches the lowest prices of any other third-party website or any other third-party listings of the hostel's beds for the same room. If HM finds out that it can book the same room at another third-party channel (anywhere excluding the hostels own website), then the hostel must adjust the prices and refund the difference to any affected guest.

1.4 Provide the same room availability on HM website as of any other third-party channel, always allowing HM to sell any available beds that the hostel list on any other third-party channel. Referring to 1.2 section C If the hostel is unable to honour the guests booking made via HM website then the hostel must provide a bed in an equivalent environment or better that was booked and pay any difference in price directly to the guest or with the other accommodation provider as long as the guest does not have to pay any extra at arrival of the alternative accommodation provider. E.g if hostel has a booking for dorm/ shared bed from a guest that made a booking via HM and there are no other dorm beds in the town then the hostel must upgrade to a private room and ensure that on arrival for the guest he pays the same price as booked.

The hostel confirms that all of the hostels licenses, permits/ permissions from local or national governments are current and legal and that the hostel can legally operate within the countries rules and laws including any health and safety requirements.

The hostel confirms that it has and will attempt to maintain an upto date insurance policy to cover any risks involved in running the hostel E.g public liability insurance and or occupier's liability. Furthermore, any other risks that would be reasonable to ensure with such as death, personal injury and illness of customers. This insurance cover also needs to cover legal costs of both the customers and hostel. The insurance cover needs to be a reasonable amount that the hostel would expect to be required to pay out a customer or customers. The policy should be at same standard that any other good quality insurance cover of any other hostel.

If HM requests the hostel to provide a copy of the insurance policy as set out in section 1.7 to ensure that it is current and exists then the hostel must provide HM a copy in a timely manner.

The hostel promises to keep any credit card information of its guests that they get from HM confidential. Also ensuring that it is stored safely following the PCI security standards only using the credit card information for the authorised cancellations. If the credit card is processed without any approval by the guest and the hostel is the organisation that has been identified as the party that has made the charges or allowed the charges to be processed by and third party. Then it is the responsibility of the hostel to pay the charges and not HM responsibility including paying any of the costs associated with a credit card fraud claim. (including refunds, fines and legal costs)

The hostel acknowledges and confirms that the person that is to sign this agreement is

authorised to sign on behalf of the hostel.

In reference to software that is provided by HM such as the inbox or Hostel mangers portal or intranet, the hostel must ensure that it keeps its manager logins in a confidential safe location and will only allow authorised people to use the log in.

The hostel is to take responsibility and be responsible for anything that is done under the hostels login, weather it was done by an authorised person or not.

HM obligations

2.1 HM is to provide marketing, IT as well as data processing services to the hostel so that customers can book the hostels products or any online services.

2.2 HM must ensure that it is to promote the beds on Hostelmovement.com and through any of it's affiliates if applicable.HM will list properties (including this hostel) in any way that it chooses. HM has the right to display the customer search results in format it chooses whether it be based or rankings or any other way HM sees fit.

2.3 HM is to make sure that the hostel receives the bookings that the hostel is obligated to honour. If the booking has been sent but the booking system of the hostels or email is not functional then responsibility lays with the hostel. If HM fails to send the booking from HM system, then the responsibility lays with HM in reference to section 1.5 and related content.

2.4 Hostelworld must respond in a timely manner to any and all questions from the hostel.

2.5 HM must accurately list the specific terms and conditions of the hostel if the hostel provides the information to HM.

2.6 Hostelmovement must remove all reviews after 12 months of the guest checking out. The score will remain for 12 months but the specific review will not be visible the review after 12 months until 24 months will just be used for the hostels overall score.

E.g guest's books hostel for 3 nights from 29/12/2017 departs on 1/1/2018 then the whole review is available for other guests until 1/1/2019 from this date 2/1/2019 the guests score is only visible to be used as an overall score with other reviews On the 1/1/2020 then the guests score is to be removed from the hostels overall score.

HM must remove a specific review if a guest has posted a negative review and the guest has been removed from the premises for in appropriate or bad behaviour or caused damage to the hostel's property and there is email where both party responds e.g the guest replies to the hostel's email to clarify that this is the case. Also HM must remove a review or ask it to be edited if the guest writes a review that is abusive and or threatening language.

3 Property details and marketing

3.1 The hostel must provide the property information that is to be listed about the hostel on HM website. The following is to be included of the hostel, it's facilities, amenities, photo's, details of the beds and services, details of any taxes that the guest will be required to pay and the location of the hostel.

3.2 HM can use any part of the property that is by the hostel to HM website or any affiliate hostel if applicable for as long as the contract is valid. HM is not required to pay anything for this information.

3.3 The hostel is required to inform HM if there are any additional local or value added taxes that the customer is required to pay. The hostel must ensure that these taxes if applicable are clear to the guests in the property information.

3.4 The hostel must not place any of the following in their property, it's email address, website address, telephone number, skype ID or any other VOIP (voice over internet provider) ID, fax number. A direct link to the hostel's website is also not permitted or any other way of contacting the hostel directly. HM reserves the right to remove or edit any of the hostels property information if HM deems that the information is inappropriate, incomplete or incorrect.

3.5 The licensee warrants that a) the property information is owned by the hostel, b) the property information is and shall always be true, accurate and not misleading. In the event any of the property information becomes untrue, inaccurate or misleading at any time during the term, the hostel shall inform HM in writing (preferably via email) promptly and in any event within 24 hours. The hostel hereby indemnifies HM against all losses, damages, costs and expenses suffered as a result or complaint brought on the basis that the property information is or has become untrue, inaccurate or misleading.

3.6 If HM is required to pay to translate the hostel's property information into another language then the translation will be owned by HM and not owned by the hostel.

3.7 Any information that HM chooses to collect about a guest when the guest makes a booking the information and details belong to HM.

3.8 HM is permitted to use the hostels name for online marketing purposes as long the contract is valid. This includes the following but not limited to email marketing or pay per click advertising (purchasing keywords) At the expense of HM and not at the expense of the hostel.

HM's Service Charges
4.1 The hostel is to pay a service charge to HM for providing the services listed in the previous sections. The amount owed by the hostel can be seen in the core details section of this agreement. The exact percentage can be found in the core details of this agreement. In consideration of the provision of the services by HM to the hostel under the terms and conditions of this agreement, the Hostel shall pay to HM a service fee. The service fee will be equal to a percentage of the booking price that all the guests make in order to complete the booking via www.hostelmovement.com or any affiliate website if applicable.

4.2 The hostel is to ensure that HM can keep all of the service fee in full. If there is a law or laws that require taxes to be paid on that money, then it becomes the responsibility of the hostel to pay (as if there would be no taxes for HM to pay) The hostel is not to reclaim any money from HM for taxes on the service fee or any other payments that are to be due to HM at any time.

5. Settlement and Collections
5.1 HM is going to collect a deposit from each customer that makes a booking via HM. HM will collect this money at the exact time that the booking has been made via online debit or credit card or any internet payment method. The deposit will be a percentage of the total price of all of the nights of the guests stay that the guest books at the hostel via HM website. The exact percentage that is to be collected as the deposit can be found at core details section. HM will hold the deposit for the hostel and keep the money or pay it to the hostel depending which situation applies as set out in previous section of this agreement.

5.2 The hostel is responsible for collecting the remainder of the balance that will be due from the guest. The amount collected will be the booking is to be the booking price for each night less the deposit that the guest has already made via HM. The hostel is not to collect any money until the guest has arrived at the hostel to check in. The only exception is if this has been stated in the property information. HM will provide the guests credit card details through HM extranet/ back office provided that the hostel has a merchant account with their bank. Credit card details will be given to the hostel so that (a) the full balance of the stay can be processed when the guest check's in. (b) The cancellation fee as described earlier.

5.3 If the guests fails to arrive at the hostel and is a No-show. Then the hostel can charge the full night of the first night only less the deposit the guest has already made. Unless a different cancellation fee has been stated that is clearly visible for the gust that books on HM then no other additional cancellation fees processed.

5.4 The hostel is responsible for updating and maintaining the pricing for its beds and or rooms through the hostel's manager extranet portal. Any mistakes made are the responsibility of the hostels if the hostel accidently under charges for a bed and book has been made then the hostel must not force the guest to pay the difference the hostel must honour that booking.

5.5 HM is allowed to charge the customer a booking fee or other processing fee at the time the guest makes the booking. The total amount of this fee is to be determined by HM. This fee is HM money, even if it will be charged in the exact same transaction as the deposit. The deposit however is technically the hostels money that HM is collecting and holder on behalf of the hostel.

5.6 If the contract expires or is terminated, the hostel is required to pay the service fees for all customer bookings that were made whilst the contract was valid.

6. Liability and responsibility
6.1 The hostel hereby grants HM the authority to conclude bookings with customers on behalf of the hostel and further agrees that HM has no responsibility to the guest for fulfilment of any bookings made via HM website or its subsidiaries if applicable. A booking creates and agreement between the guest and the Hostel. IF HM has any losses, costs or damages because a customer files a claim about their booking at the Hostel, then the hostel is required to pay HM for those expenses (unless the loss, cost or damage is HM's fault due to fraud, negligence or misrepresentation). HM needs to notify the hostel of any payments and give the hostel 24 hours to respond before any money is given to the guest.

6.2 HM and the Hostel together agree the HM has no legal obligations to the hostel (or any other person who has rights under this agreement) for any of the following types of loss or damage that could be connected with this agreement, (a) loss of data, income, profit, business or opportunities (b) damages, losses and costs that relate to any third-party claims (c) Indirect, special and consequential loss or damage.

6.3 The maximum legal obligation that the HM is required to pay the hostel regarding any claims of loss that result from this agreement is to be no more than $7,000 USD.

6.4 It is to be agreed to describe the relationship between both HM and the Hostel to the guest as follows (a) HM is just an agent, and the guest is contracting with the hostel (not HM) to provide beds and or rooms. (b) The deposit that the customer pays when they make the booking is collected by HM on behalf of the hostel. (c) The final price that the guest pays to the hostel will be reduced by the amount of the deposit.

6.5 It is to be agreed that nothing in the contract will limit or exclude the legal responsibilities for either the hostel or HM for (a) Fraud or misrepresentation of themselves (b) death or injury caused by negligence of either HM or the Hostel.

6.6 It is to be accepted and agreed that that if HM chooses to use the property information provided by the hostel and if someone else files a claim against them, then HM is not at any fault and furthermore cannot be blamed.

6.7 HM will ensure that they provide correct, accurate and complete data when taking bookings via the website and the hostel will not be required to meet obligations of any bookings that are inaccurately processed by HM.

6.8 If there is a Force Majeure event, then neither HM or the Hostel are legally responsible for the failure to perform the services in this contract.

6.9 If the hostel operates a website (s) that is to incorporate a HM booking engine/widget then the hostel must

(a) Inform HM in writing about all of the hostels website(s), with their domain names, before using HM booking engine/widget on those websites.

(b) agrees that the hostel will sign a new version of this contract if the hostel and HM agree on a different rebate percentage and or booking fee for bookings made through the HM booking engine/widget.

(c) The hostel must not use the widget on any website without first informing and gaining consent from HM first. If it fails to do this then the hostel will be considered to violate the terms of this contract.

7. Restricted nations.

The hostel confirms that it is not a national or controlled by a national of Iran, Syria, Sudan, Iraq or North Korea (each country is a "restricted nation") and furthermore that the hostel services are not in a restricted nation. HM reserves the right to add or remove countries from countries from the list of restricted nations from time to time with written notice to the hostel. HM is permitted to immediately terminate this contract if the hostel is in violation of this term.

8. Term and Termination of the agreement.

8.1 This agreement/contract is valid from the time it starts (as defined at the beginning of the agreement) and will continue to be valid for as long as the login is used and/or beds at the Hostel are available to be booked via HM website or any affiliate site if applicable. This agreement will remain valid unless one of the parties chooses to terminate it according to the terms in this agreement in its entirety. This agreement will remain valid unless either party chooses to terminate it according to the terms of this agreement.

8.2 Either party can terminate this contract by giving a minimum of 28 days' notice, as will be outlined in the next section of this agreement.

8.4 Both parties are entitled to terminate this agreement instantly upon giving notice to the other party for the following (a) The other party has violated the terms of this agreement and in the case were the violation cannot be fixed, that party has been un able to fix the problem within 14 days of been notified of it. (b) The other party stops conducting business or is unable to pay the money it owes or to a third party such as a liquidator and legally takes control of the party's assets (c) the other party has suffered a Force Majeure Event which has prevented any of the terms of this agreement for more than 7 days.

8.4HM reserves the right to terminate this agreement immediately (with written notice including electronic written notice). If the following occur

(a) The Hostels average rating on its website or any of it's affiliates websites falls below 60%.

(b) The hostel advertises in any way that HM thinks will mislead customers or deceive customers about the price that they are to pay or will pay or any other advantage that will enjoy.

(c) HM believes that the hostel is receiving or writing "fake" customer reviews or accessing customer's accounts to alter the reviews.

(d) The Hostel violates its terms that the hostel agreed to in section of this agreement.

(e) If this agreement expires or is terminated for any reason, the hostel still has to honour all reservations that were made while the contract was valid according to the terms of this agreement.

(f) When this agreement is terminated, the Hostel has to stop using all software and services previously provided by HM.

9. General

9.1 Any notice from the Hostel or from HW regarding this contract has to be writing and must be sent:

(A) If from the hostel to HM then communication must be sent via agreements@hostelmovements.com

(B) If from HM to the hostel then communication must be directed to the specified email address by the hostel as the email address for future agreement and or contract related correspondence (listed in the key details section of this agreement. Furthermore, in each case the written notice will be considered to have been served when it was sent and not when it was read or opened/ viewed.

9.2 HM can change any terms in this agreement at any time by giving 14 days' notice to the hostel. If the hostel doesn't agree to the changes it can terminate the agreement by giving at

least 3 working days notice, as long as those 3 working days do not extend beyond the 14th day of HM notice period. (this termination option will override the terms in of section 8. However HM may less than 3 working days notice in some cases. HM and the Hostel have to both agree to this in writing. And signed by both the hostel and HM.

9.4 The Hostel agrees in advance that HM can transfer all of it's rights and obligations in this agreement to the following

(A) Someone who buys HM's business or part of HM business that pertains to this contract.

(b) Any Subsidiary or affiliate company within HM group.

9.5 Upon the Hostel been notified of the identity and contact details of a transferee, the hostel agrees that, with affect from the date specified in the notification, it will thereafter treat the transferee (a) as solely responsible to the Hostel for all of its obligations of HM and (b) as the recipient of all of the rights of HM under this agreement until the sale has been complete.

9.6. If HM requests it, the Hostel must sign any documents (including a Novation Agreement, which says that the Hostel agrees to transfer all of the terms in this contract from HW to the Transferee) in order to prove that a transfer like the one described in Section 9.4 did take place. HM will make sure that the Transferee also signs any documents that are required.

9.7. This agreement/contract, including the Key Details section and all appendices, is the entire agreement between HM and the Hostel. It replaces any previous contracts or arrangements that cover the same subject matter, except for these: (i) the Backpack Online terms and conditions, (ii) the PPP terms and conditions, (iii) any terms and conditions governing featured listings on HM-operated Websites and any other written terms and conditions that HM may introduce in the future. It is HM's opinion that none of the terms and conditions just mentioned in (i) to (iii) of this section cover the same subject matter as this contract, but if there is ever a conflict between the terms and conditions in this contract and the ones in (i) to (iii) then this contract will win.

9.8. This contract is personal to the owner of the Hostel and cannot be transferred to anyone else without receiving HM's written permission first. The Hostel agrees to tell HM in advance if it plans to transfer ownership of the Hostel to someone else. Nothing in this contract means that HM and the Hostel are partners or in a joint venture.

9.9. The original English language version of this contract may have been translated into other languages. The non-English version is just a courtesy, and all of the rights and obligations of both parties will be determined by the English version. If there is ever a dispute about the contents or interpretation of this contract, if anything is conflicting, unclear, or inconsistent, or if there is a difference between the English version and any other language version, then the English language version will be considered the correct one. The English version will be used in all legal proceedings.

9.10. This contract will be controlled and interpreted by the laws of New Zealand, and both HM and the Hostel agree that this contract falls under the legal authority of the New Zealand Courts.

Some Hostels connect to HM's IT system and benefit from HM's marketing, IT, and data management services through an API that lets them use their own Property Management System or another company's Property Management System. Other Hostels incorporate HM's Booking Engine into their own website. The following Sections (10 and 11) only apply to those Hostels that use the HM technology in one of these ways.

10. API Appliance
This section only pertains to the Hostels that connect to HW's IT system through an API.

10.1. HM has the right to suspend the API connection whenever it wants to if the connection causes: (a) the HM system to suffer technical problems, or (b) the HM system to become overloaded, or (c) the HM system's processing or response times to significantly increase. HM values all the Hostels who connect through the API and will not take such action lightly or without

trying to notify any Hostels who might be suspended as a result of this action. Ideally the Hostels will be notified in advance, but the notification could also come during or after the suspension of services. Also, HM will try to minimize the amount of time that the API is suspended and to work with the Hostels to reduce the impact of the suspension on the Hostel's business.

10.2. The Hostel is responsible for making sure that the API provider is able to give HM information on the Hostel's Bed/Room availability and the availability that is given to HM for past and future dates.

APPENDIX 1
1. The following conditions regarding payment and compensation will apply to make sure that the Hostel pays the Service Fee to HM:

1.1. if the Deposit is more than the Service Fee, then HM will keep the part that equals the Service Fee and pay the rest to the Hostel;

1.3. If the Deposit is equal to the Service Fee, then HM will keep the entire deposit and no money will change hands, and;

1.3. If HM (who only collects the Deposit on behalf of the Hostel) is ever required by law to refund the Deposit to a Customer, then the Hostel will pay the entire Service Fee to HM, if it is deemed the hostel is at fault.

2. When the Hostel has to pay money to HM (in the situations described in above in this Appendix 1) the Hostel will make the payments Based on receiving an invoice and make payment by the 20th of the month that the invoice is received. When HM has to pay money to the Hostel (in the situation described in paragraph 1.1 of Appendix 1) HM will make the payment either (i) monthly (as a single payment for all money owed for the month) or (ii) by an alternative method, from time to time (whenever HM thinks it's reasonable)