

MASTER FRANCHISE AGREEMENT (THE VIKING FRANCHISE)

concerning Poshtel PopUp® Concept

between **Poshtel International ApS**
 Central business reg. (CVR) no.: 38 22 12 99
 c/o Hippocorn
 Artillerivej 86, 5th to the right
 2300 Copenhagen S
 Denmark
 (hereinafter referred to as "**Poshtel**")

And (Personal name or Company name) _____

CVR _____

Address _____

Address _____

(hereinafter referred to as "**Franchisee**")

| Exclusivity | Type Of Franchise | Compensation | Territory | Term | Initial Investment |
|-------------|-------------------|---|---|---|--|
| No | Extra Small (XS) | 0.25% compensation of revenue in the Territory and Vouchers As defined in the Schedule 1. | 1. Denmark, 2. Sweden, 3. Norway, 4. Iceland, 5. Greenland 6. Finland 7. Faroe Islands | 99 years or For as long as Poshtel PopUp operates on any Location on the Territory, whichever earlier (cf clause 10) | 25.000 EUR EUR: 50,000 |

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SCHEDULES

| | |
|-------------|--------------------|
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POSHTEL
POPUP

By signing this page, parties agree to be bound by this Master Franchise Agreement and its Schedules all attached below.

Signatory page:

Soren Kjaer Henningsen
Authorised Signatory
For and on behalf of:
Poshtel International ApS

Morten Lund Nielsen
Authorised Signatory
For and on behalf of:
Poshtel International ApS

Authorised Signatory
For and on behalf of:

Dated this _____

On the date set out herein, **Poshtel and Franchisee** have entered into this Master Franchise Agreement (the "**Agreement**").

(Poshtel and Franchisee are hereinafter jointly referred to as the "**Parties**" and severally as a "**Party**")

WHEREAS:

1. Poshtel has invested considerable resources in the development and branding of a global chain of pop-up luxury hostels, designed to provide for its users affordable suites in sustainable materials, operated under the Poshtel PopUp® Concept;
2. Poshtel wishes to engage Franchisee as an independent non-exclusive representative of Poshtel within the Territory in accordance with the terms and conditions of this Agreement;
3. Franchisee wishes to represent Poshtel and wishes to market the Poshtel PopUp® Concept and Products within the Territory,
4. Each Party understands that the Poshtel PopUp® Concept is characterised by close co-operation between the Parties, supported by mutual trust; and
5. Each Party is duly authorised and capable of entering into this Agreement.

NOW THEREFORE, in consideration of the above recitals and the mutual promises and benefits contained herein, the Parties hereby agree as follows:

1. **INTERPRETATION**

- 1.1. In the Agreement, the following terms and expressions shall have the meanings as set out below, always provided that, where the context of the Agreement so allows, words importing the singular shall include the plural and vice versa:

| | |
|----------------------------|---|
| “Agreement” | means this master franchise agreement including Schedules thereto |
| “Compensation” | means all fees payable to Franchisee in accordance with Clause 4 and <u>Schedule 1</u> to this Agreement. |
| “Confidential Information” | means all information and data received by either of the Parties from the other Party that is indicated to be confidential or which the recipient Party in all reasonableness knows or ought to know is of a confidential nature, whether technical, commercial or financial, details in respect of actual or potential customers or partners or intended business transactions, reports, plans, computer programmes, computer files, drawings, models, know-how and other information that must in all reasonableness be deemed to be confidential and all documents and files containing such information to the extent that the information relates to the Party that disclosed the information and or any subsidiary, group company, affiliated company or corporate clients. Confidential Information includes in any event any and all information regarding the Poshtel PopUp® Concept and the Intellectual Property Rights. |
| “Effective Date” | 24.12.2017 |

| | |
|-------------------------|--|
| “Initial Investment” | means the investment, as set out in Schedule 2 to this Agreement, invested by Franchisee to obtain a non-exclusive right and licence to represent Poshtel and the Poshtel PopUp® Concept in the Territory on the terms set out in this Agreement. |
| “Intellectual Property” | means (a) the trademarks and trade names as well as any rights in inventions, patents, copyrights, confidential information, database rights, promotional material, know-how, domain names, designs, whether registered or unregistered, and any rights similar to the foregoing in any part of the world; (b) any application and/or the right to apply for registration for any of the same, and (c) any other intellectual property rights (whether registered or not) related to the Poshtel PopUp® Concept. |
| “Landowners” | means the local landowners who own or leased the area where the Poshtel PopUp® Concept is launched. |
| “Locations” | means the locations owned or leased by the Landowners within the Territory using the Poshtel PopUp® Concept. |

“Material Breach ”

means a breach which is so substantial that it makes it financially or temporally (but for more than a brief period) impractical or impossible for the non-breaching Party to continue performance under the terms of the Agreement if not timely cured by the breaching Party, such that the non-breaching party will not be able to obtain what was negotiated without seeking performance elsewhere.

“Poshtel PopUp®
Concept”

means the pop-up luxury hostels owned and developed by Poshtel, including the distinctive business model and method in connection with the operation of the hostels utilising and comprising the Intellectual Property Rights and certain standard operational procedures and plans and any improvement, addition or modification thereto at any time hereafter notified in writing by Poshtel to Franchisee.

“Territory”

means the geographic areas listed in **Schedule 3** to this Agreement.

- 1.2. The Schedules, Annexes, and any amendments to this Agreement form an integral part of this Agreement and shall have the same force and effect as if set out in the body of this Agreement and references to this

Agreement include the Schedules, Annexes, in each case as amended from time to time.

- 1.3. The headings of this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

2. Grant of Master Franchise

- 2.1. Poshtel hereby grants Franchisee sole non-exclusive right to represent Poshtel and to promote the Poshtel PopUp® Concept within the Territory as listed in **Schedule 3**.

3. Relationship between the Parties

- 3.1. The relationship of Poshtel and Franchisee established by this Agreement is that of an independent contractor, and nothing contained in this Agreement shall be construed to (i) give either Party the power to direct and control the day-to-day activities of the other, or (ii) constitute the parties as partners, joint-venturers, co-owners or otherwise as participants in a joint undertaking, or (iii) allow Franchisee to create or assume any obligation on behalf of Poshtel for any purpose whatsoever. Financial and other obligations associated with Franchisee's role as independent contractors are the sole responsibility of Franchisee.

4. Compensation

- 4.1. Franchisee's compensation under the terms of this Agreement shall be the Compensation as described in **Schedule 1**.
- 4.2. The Compensation shall be paid in Euro and shall be subject to all applicable governmental laws, regulations and rulings, including the withholding of taxes.
- 4.3. The Compensation shall be due and payable by Poshtel to Franchisee within thirty (30) days after the end of each quarter. A monthly statement of account setting out the computation of Compensation is to be emailed to Franchisee respectively when each quarterly payment is made.

5. Obligations and Rights of Poshtel

- 5.1. Poshtel shall provide Franchisee with:
 - 5.1.1. advice, know-how, marketing material and guidance relating to the management, sales performance, promotion and methods of operation to be employed in connection with implementing the Poshtel PopUp® Concept in the Territory; and
 - 5.1.2. Information about modifications and improvements in the Poshtel PopUp® Concept
- 5.2. Poshtel shall have following right to:
 - 5.2.1. Engage other representatives on the Territory

6. Obligations of Franchisee

- 6.1. In consideration of the rights granted and the services provided by Poshtel to Franchisee under this Agreement, Franchisee shall make the Initial Investment as set out in **Schedule 2** to this Agreement.
- 6.2. At all times during the term of the Agreement, Franchisee shall:
 - 6.2.1. represent Poshtel and market the Poshtel PopUp® Concept strictly in accordance with the Poshtel standards at the highest standards and not wilfully to do anything that could or might in the sole reasonable opinion of Poshtel:
 - 6.2.1.1. bring Poshtel and/or the Poshtel PopUp® Concept into disrepute or damage the reputation of Poshtel and/or the Poshtel PopUp® Concept;
 - 6.2.1.2. harm the distinctiveness and reputation of and/or the goodwill attached to Poshtel and/or the Poshtel PopUp® Concept;
 - 6.2.1.3. permit the trademarks, the trade name or any other trademark and/or trade name owned or licensed by Poshtel or its affiliated companies, to become generic.

- 6.2.2. Promote and extend Poshtel and the Poshtel PopUp® Concept and to increase the popularity of Poshtel and the Poshtel PopUp® Concept;
- 6.2.3. Represent Poshtel and/or the Poshtel PopUp® Concept as Poshtel reasonably specifies, unless prevented from doing so by any applicable laws;
- 6.2.4. only represent Poshtel and/or the Poshtel PopUp® Concept within the Territory if otherwise not defined by this Agreement;
- 6.2.5. Obtain from Poshtel prior written consent for any improvement or modification to the Poshtel PopUp® Concept, or any ideas or any other business opportunity which comes to its attention;
- 6.2.6. without delay, inform Poshtel of any problems concerning the Poshtel PopUp® Concept;
- 6.2.7. not use the trademarks, trade names and/or any other Intellectual Property Rights for any other purpose than for representing Poshtel and the Poshtel PopUp® Concept;
- 6.2.8. perform such other sales-related services in relation to the Poshtel PopUp® Concept as Poshtel may reasonably require.

7. Intellectual Property Rights

- 7.1. Any information, know-how, data, results, and inventions, and any associated intellectual property, that is made, discovered, created, invented or generated by Poshtel or its affiliate(s) in any activities or work under this Agreement shall be owned by Poshtel
- 7.2. Franchisee shall not alter or remove any of the Intellectual Property Rights.
- 7.3. During the term of this Agreement, Franchisee shall have the right to indicate to the public, it is authorised representative of Poshtel, and to advertise (within the Territory) under the Intellectual Property Rights.
- 7.4. All advertisements, marketing collateral whether digital, print, online or offline, or use of it's material or logo has to be reviewed and pre-approved in writing by Poshtel.

7.5. Except as set forth in this Clause 8, nothing contained in this Agreement shall grant Franchisee any right, title or interest in the Intellectual Property Rights.

8. **Limitation of Liability**

8.1. Franchisee, at its own expense, shall indemnify, hold harmless and defend Poshtel and keep Poshtel indemnified during the term of this Agreement and after the expiry or termination hereof for and against any and all damages, loss, claims, demands, cause of action, debt, expenses (including legal and professional expenses) or other costs and liabilities, suffered by Poshtel or any entity of Poshtel that results from:

8.1.1. Material breach of this Agreement or wilful misconduct by Franchisee; and/or

8.1.2. Any claim of a third party in respect of non-performance, breach of contract resulting from wilful misconduct or gross negligence of Franchisee.

8.2. Poshtel shall indemnify, hold harmless and keep Franchisee indemnified from and against all third party claims from Franchisee's use of the Intellectual Property Rights that violates any third party's intellectual property rights, provided that Franchisee has used the Intellectual Property Rights as permitted under this Agreement and that Franchisee immediately brings these claims to the attention of Poshtel in writing, and complies with its obligations under this Clause 8.

9. **Confidentiality**

9.1. Franchisee shall not disclose any Confidential Information received from Poshtel under this Agreement to any third party.

9.2. "Confidential Information" as used in this Agreement shall mean all technical and non-technical information including copyright, trade secret, and proprietary information, including, without limitation, customer data, customer information, information related to the

current, future and proposed products and services, financial information, procurement requirements, purchasing information, manufacturing information, business forecasts, sales and merchandising and marketing plans and all other information of the Poshtel. "Confidential Information" also includes proprietary or confidential information of any third party who may disclose such information to the Poshtel or Franchisee in the course of the Poshtel's business.

- 9.3. Non-disclosure and Non-use obligations. Except as permitted in this paragraph, Franchisee shall not use, disclose or disseminate any Confidential Information of Poshtel. Franchisee may use the Confidential Information of the Poshtel solely to perform its obligations under this Agreement for the benefit of the Poshtel. Franchisee will exercise the same degree of care as it takes to protect its own confidential information, but in no event less than reasonable care.
- 9.4. Injunctive relief. It is understood and agreed that money damages would not be a sufficient remedy for a breach of Franchisee's confidentiality obligations under this Agreement and that the Poshtel shall be entitled to injunctive relief as a remedy for any such breach. Such remedy shall not be deemed to be the non-exclusive remedy for the breach of Franchisee's obligations under this clause 9, but will be in addition to all other available legal or equitable remedies.
- 9.5. Exclusions from Non-disclosure and non-use obligations. Franchisee's obligations under this clause 10. with respect to any portion of the Confidential Information of the Poshtel shall not apply to any such portion that Franchisee can demonstrate (i) was in the public domain at or subsequent to the time such portion was communicated to Franchisee by the Poshtel through no fault of Franchisee, or (ii) was rightfully in Franchisee's possession free of any obligation of confidence at or subsequent to the time such portion was communicated to Franchisee by the Poshtel. A disclosure of Confidential Information by Franchisee either in response to a valid order by a court or other governmental body, otherwise required by law, or necessary to establish the rights of either party under this Agreement shall not be considered a breach of this Agreement or a waiver of confidentiality for other purposes, *provided, however*, that Franchisee shall provide prompt prior written notice thereof to the

Poshtel to enable the Poshtel to seek a protective order or otherwise prevent such disclosure.

- 9.6. In the event that this Agreement expires or is terminated for whatever reason, Franchisee shall promptly return, destroy or erase any documents and any other materials (including e-mails, digital records and files recorded in hard discs, any disc media, or semiconductor memories etc., without the obligation to delete information on its back-up data files) containing any Confidential Information received from Poshtel under this Agreement and, on request from the proprietor of such Confidential Information, shall confirm that all copies made of the Confidential Information have been destroyed.
- 9.7. Each of the Parties shall immediately notify the other Party of all facts and information which has come to its attention and which indicates that Confidential Information is, is likely to be or has been disclosed, other than in accordance with this Agreement.

10. **Term and termination**

- 10.1. This Agreement shall continue in full force and effect for a period of ninety- nine (99) years from the Effective Date, unless terminated earlier under the provisions of this Agreement.
- 10.2. Either Party may terminate this Agreement and the rights hereby conferred upon Franchisee at any time effective with thirty (30) days of written notice to the other Party if any of the following events occurs:
 - 10.2.1. material breach by the other Party of one or more of its obligations arising from this Agreement, which breach is not remediable;
 - 10.2.2. a breach by the other Party of one or more of its obligations arising from this Agreement, which breach can be remedied. In this event, the non-defaulting Party shall send a notice to the defaulting Party, specifying the breach and demanding that it be remedied within four (4) weeks of the date of such notice or, if

applicable, within any timeframe as defined in this Agreement. In the event that the defaulting Party is still in breach on the date of expiry of such notice (regardless of whether the breach has once been remedied during the notice period), the non-defaulting Party may terminate this Agreement with a written notice that takes immediate effect; and/or

- 10.2.3. insolvency of the other Party, commencement of liquidation of the other Party's business, filing of a petition for bankruptcy, corporate reorganisation or similar proceedings by or against the other Party, appointment of any receiver, trustee, custodian or the like for the other Party or its business, or an assignment by the other Party for the benefit of creditors.
- 10.3. In the event that all Locations on the Territory cease to operate under the Poshtel PopUp Concept®, Poshtel shall have right to terminate this agreement with immediate effect.
- 10.4. All the rights and obligations arising from this Agreement shall forthwith cease and terminate upon the expiration or termination of this Agreement except the rights and obligations which will survive by nature and any rights and obligations of either Party having become due or accrued hereunder prior to the date of such expiry or termination, unless otherwise expressly stipulated in this Agreement.
- 10.5. Upon the expiry or termination of this Agreement, for any reason, Franchisee shall:
 - 10.5.1. immediately pay to Poshtel the full amount of any monies due to Poshtel under this Agreement;
 - 10.5.2. immediately cease to represent Poshtel and/or the Poshtel PopUp® Concept and shall not thereafter act in any way as a Franchisee and or a representative of Poshtel and refrain from any action that would or may indicate any relationship between it and Poshtel;
 - 10.5.3. immediately cease to use in any way whatsoever any and all of the Intellectual Property Rights and (at Franchisee's reasonable expense) do all such acts and things and execute all such

documents as Poshtel requires to disassociate Franchisee from any claim or interest whatsoever in the Intellectual Property Rights or any part thereof;

- 10.5.4. return to Poshtel or otherwise dispose of or destroy as Poshtel directs, all signs, forms, specifications, designs, records, data, furniture, equipment, hardware, decorative elements and colours pertaining to or concerning the Poshtel PopUp® Concept or bearing any of the Intellectual Property Rights or to permit the authorised agents of Poshtel to enter the Locations to effect any of the aforesaid; and
 - 10.5.5. return to Poshtel all notes, memoranda or other information concerning the Poshtel PopUp® Concept stored in whatever form (including, without prejudice to generality, computer software, etc.).
- 10.6. Upon the expiry or termination of this Agreement, for any reason, Poshtel shall:
- 10.6.1. immediately pay to Franchisee the full amount of all monies due / accrued to Franchisee under this Agreement; and
 - 10.6.2. immediately cease to refer to or identify Franchisee as representing Poshtel and/or the Poshtel PopUp® Concept and shall not thereafter require or identify Franchisee in any way as a Master Franchisee and or a representative of Poshtel and refrain from any action that would or may indicate any relationship between Franchisee and Poshtel;
- 10.7. The provisions of this Agreement which expressly or by their nature survive expiration or termination of this Agreement, including, but not limited to, clauses 7,9,13,15 will remain in effect after the expiration or termination of this Agreement.

11. Transfer of Rights

- 11.1. Neither this Agreement nor any of Parties' rights and obligations under this Agreement may be transferred by any Party without the other Party's prior written consent.
- 11.2. If Franchisee wishes to transfer any interests in, or all or substantially all of Franchisee's interests in related entities which may hold rights under this Agreement, the prior written consent of Poshtel must be obtained, If Poshtel agrees to such transfer with respect to the transfer of any interests in (or all or substantially all of the assets of) any Franchisee related entities, to any transferee, the said transferee shall observe and be bound by all provisions of this Agreement and any other applicable related agreement.

12. NON-COMPETE

- 12.1. During the term of this Agreement and two (2) years after termination, the Franchisee shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person or entity, own, manage, operate, maintain, engage in, consult with or have any interest in any business that manufactures, purchases, sells, resells or offers to sell products and/or services that compete, directly or indirectly, with the Poshtel Concept within the Territory.
- 12.2. The Franchisee will not, directly or indirectly, solicit or otherwise attempt to induce, by combining or conspiring with, or attempting to do so, or in any other manner influence any person or entity with whom the Poshtel conducts business to terminate or modify his, her, or its business relationship with the Franchisor or to compete with the Franchisor.
- 12.3. The Parties agree that each of the foregoing covenants will be construed as independent of any other covenant or provision of this Agreement.

13. **Miscellaneous**

- 13.1. Franchisee acknowledges that all rights and licences granted to Franchisee hereunder are strictly personal to Franchisee, and Franchisee shall under no circumstances be entitled to transfer, assign, subcontract or otherwise alienate all or some of such rights and licences and sell the Poshtel PopUp® Concept.
- 13.2. Any other general terms and conditions of Franchisee are hereby explicitly excluded.
- 13.3. If any of the provisions in this Agreement are declared fully or partially null and void or otherwise not binding, the validity of the remaining provisions shall remain unimpaired, and the Parties shall immediately enter consultations on finding a reasonable solution that is in accordance with the spirit of this Agreement and as much as possible in conjunction with the provisions of the provision declared null and void or invalid.
- 13.4. Franchisee shall have any right to enter into any contracts or commitments in the name of, or on behalf of the other or to bind Poshtel in any respect whatsoever.
- 13.5. This Agreement shall be amended or altered only by a written agreement signed by the authorised representatives of the respective Parties.
- 13.6. The rights and remedies contained in this Agreement are cumulative and not non-exclusive of any rights or remedies provided by applicable laws.
- 13.7. The illegality or invalidity of any part of this Agreement shall not prejudice the enforceability of any other part that shall be separable therefrom.
- 13.8. This Agreement supersedes any and all prior agreements or arrangements between the Parties.

13.9. Each of the Parties shall be responsible for the costs of its respective professional advisors and agents in relation to the preparation, negotiation, execution and implementation of this Agreement.

14. Applicable law and arbitration

- 14.1. This Agreement shall be governed by and construed in accordance with the laws of Denmark, excluding its rules on conflict of laws.
- 14.2. If disputes arise between the Parties, the Parties must first seek to resolve the dispute by mutually reasonable and forthcoming settlement negotiations. If settlement is not reached within twenty (20) days, any dispute between the Parties regarding the commencement of the Agreement, the understanding, execution, validity or termination, and any agreement associated with the Agreement or is a result thereof, as well as any case arising out of it, shall be settled by the Rules of Arbitration Procedure of the Danish Institute of Arbitration (Danish Arbitration).
- 14.3. The Tribunal shall consist of three arbitrator(s) where each party shall appoint one arbitrator and the third arbitrator shall be appointed by the Danish Institute of Arbitration. The language of the arbitration shall be English.

15. Signatures

- 15.1. Two (2) identical copies of the Agreement shall be signed, one (1) copy for each Party.

(Signatures inserted on the page 3 above)

Schedule 1: Compensation

1. Franchisee is entitled to following compensation:
 - a. **"Location compensation"**- 0.25% Poshtel profit accrued on the Territory
 - b. **"Vouchers"** Vouchers for 7 nights per year in any of the suites on any territory during the term of this Agreement. Franchisee may use the Vouchers in accordance with the Poshtel Voucher policy for Franchisees.
2. The profit will be collected by Poshtel from each particular Location
3. Upon covering operating costs, management fees, taxes and other applicable expenses, the company will pay Location compensation and to the Franchisee, as defined in the point 1a above.
4. The Agent shall be entitled to Compensation for as long as the Locations are operating under the Poshtel PopUp Concept® on the Territory.

Schedule 2: Initial Investment

1. Amount: Franchisee shall pay Poshtel the initial investment of ~~25000 EUR~~
EUR 50,000
2. The initial investment shall be paid by Franchisee not later than 5 days upon signing this Agreement to the Franchisor's bank account provided hereunder:

Poshtel International ApS
Nordea Bank
Reg br 2148
Account nb: 6894 631 897
IBAN DK 3620006894631897
Swift NDEADKKK

Schedule 3: Territory

1. Territory

1.1. Franchisee is being granted non-exclusive representation on the following Territory:

- 1.1.1. Denmark,
- 1.1.2. Sweden,
- 1.1.3. Norway,
- 1.1.4. Iceland
- 1.1.5. Greenland
- 1.1.6. Finland
- 1.1.7. Faroe Islands