audiocrowd GmbH
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terms and conditions for composers of audiocrowd GmbH

1. **Scope**

   1.1. audiocrowd GmbH, represented by its managing director Mr. Alexander Gieche, Alexander-Klein-Str. 1, 14469 Potsdam (hereafter 'audiocrowd'), operates a platform (hereafter 'audiocrowd.net' or 'Platform') at the Internet addresses http://de.audiocrowd.net and http://en.audiocrowd.net for the licensing of music works. Via this technology-enabled Platform, audiocrowd enables Composers who have registered on the Platform (hereafter the Copyright Holders) to offer their musical works online and also enables the mediation of licence agreements with end users (hereafter Customers).

   1.2. The Composer is the person who creates musical works and therefore has exclusive intellectual property rights to these works.

   1.3. The following general terms and conditions for Composers (hereafter GTC) apply to the use of the Platform and to the formation and handling of contracts mediated by audiocrowd. The relationship between audiocrowd and its Customers is governed by audiocrowd's GTC and data protection provisions for Customers, which can be inspected online under (https:////en.audiocrowd.net/terms-and-conditions) and (https:////en.audiocrowd.net/privacy-policy). The relationship between the Composer and the Customer is also governed by audiocrowd's GTC for Customers, under the provisions of which licence agreements between Composers and Customers come into effect. The Composer accepts this and agrees to be bound by the aforementioned GTC in his relationship with the Customer.

2. **Registration**

   2.1. In order to use audiocrowd's services as a Composer, the Composer must be registered as such. Registration requires opening an account in accordance with these GTC. Registration entails the formation of a contract between audiocrowd and the Composer for the usage of audiocrowd services (hereafter Usage Agreement). audiocrowd reserves the right to decline the formation of a Usage Agreement.

   2.2. Without exception, only natural persons having legal capacity are permitted to register as a Composer. Under-age persons are not permitted to register to use audiocrowd's services.

   2.3. Registration is free of charge. When registering, Composers must fill in all compulsory fields (second name, first name, address, street, postcode, town/city, email address, value added tax identification number, information regarding small business regulation, payment details (IBAN number

or Paypal account and password) completely and accurately. The Composer is responsible for ensuring his personal details are always up to date.

2.4. A password is required for registration. This is used for the purposes of digital identification and must not be disclosed to any third party. The Composer has sole responsibility for keeping his password confidential. The sharing of passwords is forbidden. The Composer is liable for all activity that takes place in connection with the use of the password.

2.5. An audiocrowd account is not transferable.

2.6. There is no right to register. audiocrowd reserves the right to refuse to enter into a contractual relationship with a Composer, especially in cases where the Composer's music works do not conform to the qualitative and content-related criteria that audiocrowd has established for the Platform. audiocrowd reserves the right to delete uncompleted applications for registration after an appropriate period of time.

3. **Composer's obligations and guarantees**

3.1. The Composer is responsible for ensuring that the music works he places on the Platform are lawful in content and do not infringe the rights of any third party. The Composer shall place on the Platform only those music works of which he alone is the sole copyright holder. If the Composer has created a music work with other persons (joint authorship), he is permitted to place it on the portal only if the other joint authors provide their written consent.

3.2. The Composer is forbidden from placing and offering on the portal any music works the offering of which, or the transfer or acquisition of rights to which, would represent a breach of statutory regulations, third party rights or common decency. The Composer guarantees that no third party has any usage rights to the music works placed on the portal such as would prevent the transfer of rights as provided for by these GTC or the GTC for Customers.

3.3. In addition, the Composer guarantees that neither he nor any joint author is a member of the GEMA [Germany's Society for Musical Performance Rights and Mechanical Reproduction Rights] or any other collecting society (e.g. ASCAP, PRS, SUISA [Swiss Society for Music Publishers and Copyright Holders], AKM [Austria's Authors, Composers and Music Publishers society], etc.). The Composer expressly guarantees exemption from claims by the GEMA and other collecting societies. If the Composer becomes a member of the GEMA or other collecting society at a later date, he must present to the collecting society a list of the music titles he has placed on audiocrowd and exempt them from any claim by the collecting society or collecting societies in question.

3.4. The Composer is the direct contractual partner of the Customer. audiocrowd's role in the formation

and handling of licence agreements under the GTC for Customers is solely that of mediator.

3.5. Composers are not permitted to use personal data acquired through the use of audiocrowd services for any purposes other than those required for contractual or pre-contractual communication.

4. **Uploading of music works and the placing of these works on the platform**

4.1. After successfully registering, the Composer can use the user interface of his account to upload his own music works in WAV or AIFF format, give them titles and descriptions, add details on duration and tempo, and provide details on instrumentation, genre and mood and what the music could be used for.

4.2. The music works uploaded by the Composer will only be made available for use via the Platform once they have been checked by audiocrowd.

4.3. The Composer has no right to have his works made available on the Platform. audiocrowd reserves the right to decline music works without providing an explanation. The uploaded data will then be deleted.

5. **Authorisation and order processing**

5.1. The placing of a music work on the Platform does not in itself constitute a binding offer from the Composer. The offer to form a contract lies in the binding order confirmation sent by the Customer as per the GTC for Customers. The licence agreement between the Composer and the Customer is formed when audiocrowd sends the Customer an order confirmation email on behalf of the Composer (i.e. in the name of and for the account of the Composer) in which it accepts the Customer's offer on the Composer's behalf.

5.2. The Composer authorises audiocrowd to accept the Customer's contractual declarations (e.g. offer, withdrawal, etc.) on his behalf and to implement the measures required for the performance and handling of the contract.

5.3. The Customer pays the licence fees to audiocrowd, who process payment on behalf of the Composer. The Composer authorises audiocrowd to receive online payments from the Customer. The choice of payment method is at audiocrowd's discretion. The licence fees due to the Composer, minus any unpaid fees, are paid out in accordance with the agreed invoicing process as per Art. 6.4 of these provisions.

5.4. audiocrowd reserves the right to employ third parties for the fulfilment of its duties. In so doing, it will ensure that the obligations which it is bound to fulfil are also fulfilled by third parties.

5.5. Once payment has been processed, the Composer authorises audiocrowd to issue Customers with an indemnity for the licence and music works purchased in order to provide the Customer with an explicit, written and unconditional indemnity from claims by the GEMA or any other collecting society. The usage right acquired through the purchase of the licence is thereby always linked to the project nominated by the Customer.

5.6. audiocrowd makes every effort to maintain the availability of the Platform and ensure its defect-free operation. Nonetheless, maintenance work, security issues or circumstances beyond audiocrowd's control and influence may lead to occasional interruptions to the availability of the Platform or to isolated malfunctions.

6. **Fees/payment processing**

6.1. For every contract formed with a Customer via the Platform audiocrowd receives a fee in accordance with the fee list for Composers valid at the time. This list can be inspected at any time in the Composer's account.

6.2. audiocrowd reserves the right to adjust the fees insofar as is reasonable for the Composer and with due consideration to the valid interests of both parties. Fees can be raised if the services provided are significantly improved or extended. audiocrowd will inform the Composer of any adjustment, and the reasons for it, via letter email or fax at least two months before the changes come into effect

6.3. audiocrowd collects online licence payments from Customers on the Composer's behalf and pays them to the Composer in accordance with the rules agreed. The risk of the misapplication of the payment method is borne by the Composer. If payment has already been made to the Composer from the account holder's bank via audiocrowd, audiocrowd reserves the right to correct the invoice amount.

6.4. Statements are issued by audiocrowd on a monthly basis. Statements show the sales achieved, fees incurred in accordance with this agreement and any other fees. Statements also show a balance, i.e. an item-by-item breakdown or monies already paid out together with monies owing. The statements can be inspected in the Composer's online account. Statements are considered to have been received within 14 days of being posted on the account. Account holders are informed by email or fax that a statement is available. The amount payable is shown exclusive of statutory sales tax.

6.5. A payment will only be made when the account shows a minimum credit of 50.00 euros. Payments take place by transfer to the bank account or the Paypal account nominated by the Composer in his online account.

7. **audiocrowd's liability**

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7.1. audiocrowd bears no liability either to the Composer or the Customer for the performance of the contract it has mediated. This does not apply to the services to be provided by audiocrowd in accordance with these GTC and the GTC for Customers.

7.2. audiocrowd is liable for damage, irrespective of legal grounds, in cases of malice or gross negligence. In cases of ordinary negligence, audiocrowd is liable only for death, injury or damage to health and for damage caused by a breach of an essential contractual obligation (i.e. an obligation whose fulfilment makes the proper performance of the contract possible and on which the Composer relies and ought to be able to rely [i.e. a main contractual obligation]).

7.3. In cases of breach of an essential contractual obligation, audiocrowd's liability is however limited to foreseeable damage typical for this type of contract. Any compensation payable is limited to an amount that does not exceed the total amount of audiocrowd's income for the six months immediately prior to the event that occasioned the loss.

7.4. audiocrowd bears no liability for damage incurred as a result of third-party fault or interruptions to the availability of its Platform for which it is not responsible (e.g. technical problems with the Internet or telecomm services where the problems are beyond the influence of either party).

7.5. audiocrowd bears no liability for customer orders placed using illegally obtained payment information or other ordering information (e.g. obtained by 'phishing' for card details, identity theft, etc.)

7.6. Insofar as audiocrowd's liability is excluded or limited, then the personal liability of its employees, representatives and other agents shall also be excluded or limited.

7.7. This does not affect the provisions of Germany's Product Liability Act [Produkthaftungsgesetz].

8. **Indemnity**

8.1 The Composer indemnifies audiocrowd against all claims brought by Customers or third parties for any infringement of their rights caused by the Composer making music works and other content available via audiocrowd services. The Composer shall bear the costs of any legal defence required by audiocrowd, including statutory court and legal fees. This shall not apply if the Composer is not responsible for the rights infringement. In the event of a claim being brought by a third party, the Composer is required to provide audiocrowd with all the information that may be required for an assessment of the claims and the preparation of a legal defence, this information to be supplied immediately, in full and accurately.

9. **Duration of contract, termination and blocking**

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9.1. The contractual relationship begins upon conclusion of the contract according to Art. 2.1. and is concluded for an indefinite period.

9.2. Composer may cancel the Usage Agreement at any time in writing by letter, email or fax.

9.3. audiocrowd may cancel the Usage Agreement at any time within a 14-days period to the end of the month. The right of blocking the account according to Art. 9.4. and the right to immediate termination for cause remain unaffected.

9.4. audiocrowd reserves the right to take any of the following measures if it has grounds for assuming that a Composer is in breach of statutory regulations or the rights of any third party or if it has other legitimate grounds such as the protection of its Customers against fraudulent activity:

-Deletion of music works or other content placed on the Platform

-Issuing a warning to the Composer

-Restricting access to audiocrowd services

-Provisional or permanent blocking of the account

9.5. As soon as a Composer is barred or his usage agreement has been terminated by audiocrowd, he is no longer permitted to use audiocrowd's services or to reapply, including by opening other audiocrowd accounts. A blocking or termination of an account does not affect any contracts that have already been formed between the Composer and Customers via the Platform.

9.6. After terminating or blocking an account, audiocrowd will provide a final statement and pay the Composer any balance in his favour within 30 days of the statement date.

9.7. The termination or blocking of an account shall not affect any licence agreements that have been formed with Customers. audiocrowd specifically draws attention to the fact that the transfer of rights to Customers is without limit of time.

10. Granting of usage rights

10.1 The Composer grants audiocrowd a cost-free, simple usage right without limit of place to the music works placed by him on the Platform. This usage right includes the duplication, publication, transfer, making available for download and public relay of the music works as part of audiocrowd's services.

10.2. The usage right as indicated in Art. 10.1 is limited to the duration of the contract. This does not

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include music works for which the Composer and Customer have concluded licence agreements that, under the GTC for Customers, require audiocrowd to make the music work in question available on the Platform in the relevant customer area even after the contract between the Composer and audiocrowd has ended. In such cases, the transfer of the usage right is limited to the period of time for which audiocrowd is required to make the music work in question available.

10.3. The granting of usage rights to the Customer is regulated by the GTC for Customers. Usage rights acquirable via audiocrowd are non-exclusive. The Composer retains the right to further assign these rights.

11. Confidentiality, data protection

11.1 audiocrowd and the Composer agree to observe confidentiality with regard to all contracted agreements and all information relating to the other parties that has or will become known to them in the context of the contractual relationship and, regardless of the type of information, to handle it in the strictest confidence. The obligation to treat information confidentially includes, without reservation, all technical, financial, operational and commercial information as well as any circumstances relating to the other party, and especially information regarding this contract. The agreement to observe confidentiality continues even after the contract has ended. The parties are liable for any breach of this agreement.

11.2 The parties shall observe the applicable data protection regulations. Personal data in the sense intended by § 3 Para. 1 of the German Data Protection Act [Bundesdatenschutzgesetz – BDSG] shall be gathered only to the extent required for the performance of the contract and permitted by the applicable statutory regulations. Insofar as the Composer saves the Customer's data or gives it to a third party for the purpose of the performance of the contract, the Composer is responsible for the fulfilment of all data protection regulations.

12. Amendment of contractual provisions

12.1 Given compelling grounds (e.g. changes in statutory regulation or an extension of services), audiocrowd reserves the right to make changes in the future to individual clauses in these contractual provisions, provided such changes are not unreasonable for the Composer. Changes will be made only to the extent necessary.

12.2. audiocrowd will provide email notification of any planned changes at least four weeks before they are planned to come into effect. The notification of the change will contain information on how to object as per Art. 12.3 of these contractual provisions, the deadline by which objections must be lodged and the significance and/or consequences of not objecting.

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12.3. If the Composer does not lodge an objection to the new contractual provisions within four weeks of the day after the day on which the notice of change is provided, he shall be judged to have accepted the altered provisions. If the Composer does lodge an objection within the time allowed, both parties have the right to withdraw from the contract.

13. **Final Provisions**

13.1. Modifications or amendments to these terms and conditions must be made in writing. Verbal side agreements have not been concluded. Art. 12.2. and Art. 12.3. remain unaffected.

13.2. If any provision is invalid, nothing in this shall prejudice the validity of the remaining provisions hereof. The contracting parties will jointly replace the invalid term with a legally valid term which comes closest to the commercial purpose of the invalid term. In case of loopholes the above provision applies accordingly.

13.3. The law of the Federal Republic of Germany exclusively applies with exclusion of the UN Law on International Sales (CISG). Mandatory provisions of the state of your habitual residence shall remain unaffected.

13.4. The place of performance and the place of jurisdiction shall be – as far as legally permitted – Berlin.

13.5. No business terms or any other terms of the Composer will become part of the contract, unless audiocrowd expressly agrees to their inclusion.

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