

GENERAL TERMS AND CONDITIONS SCHIMMER MUSIC PRODUCTIONS B.V.

Article 1: Definitions

In these Terms and Conditions the following definitions shall apply:

- a. Contractor: the limited liability company Schimmer Music Productions B.V., established and domiciled in Amsterdam at the Luchtvaartstraat 2A, 1059 CA, hereinafter: "SMP".
- b. Client: the party that has commissioned SMP to do activities.
- c. Commission: the request from Client to SMP to do paid activities.
- d. Work(s): all that, of whatever nature, is produced by or arising out of activities by SMP, under the Agreement, directly or indirectly, all in the broadest sense of the word.
- e. Proposal: an offer by SMP, possibly including specified work by SMP and costs involved.
- f. Agreement: the contract between Client and SMP to perform activities, in the meaning of Article 7:400 BW (Dutch Civil Code) et seq.
- g. Activities: all that SMP produces and/or creates and/or undertakes for the benefit of Client, in the sense of this Agreement, all in the broadest sense of the word.
- h. Data carriers: magnetic tapes and discs, optical discs and all other means intended to, with the help of equipment, record, edit, send, reproduce or publish text, images, audio or other data, all in the broadest sense of the word.

Article 2: General

1. These General Terms and Conditions shall apply to the Proposal and/or preparation, content and fulfillment of all Agreements between Client and SMP, to which SMP has declared these Terms and Conditions to be applicable. By entering into the Agreement with SMP, Client agrees to these terms and Conditions.
2. General (purchasing) conditions of Client shall only apply if expressly agreed in writing that they are applicable to the Agreement to the exclusion of these Terms and Conditions.
3. SMP has the right to, at all times, fully or partly modify these Terms and Conditions. The amended Terms and Conditions shall also apply to already drawn up Agreements, except insofar as this proves to be contrary to the reasonableness and fairness. SMP shall notify Client in a timely manner of the changes to the Terms and Conditions. If Client believes that the changes are contrary to the reasonableness and fairness, the Client must inform SMP within 10 business days after being notified. Failing to do so will mean Client is in agreement with the modifications.
4. Any nullity of any provision of these terms shall not affect the validity or enforceability of the remaining provisions. SMP and Client will set a new provision, which is as close to possible to the intent of the original provision.

Article 3: Proposals, offers

1. The mere submission of a Proposal which is labeled as such, quotation, budget, estimate or similar announcement does not oblige SMP to conclude an Agreement with Client.
2. Offers from SMP are not binding and can only be accepted unaltered. An offer shall be deemed to be rejected if it is not accepted within a month. An offer means any Proposal made by SMP to enter into an Agreement so that the acceptance immediately creates a contract.
3. An agreement is only concluded after signing of the Agreement by the parties, which was drawn up following a Proposal from SMP.
4. Obvious clerical errors and spelling mistakes in Proposals and Agreements can be restored at any time.

Article 4: Price

1. All prices quoted are excluding VAT (B.T.W.) and other government-imposed taxes, as well as excluding any other possible costs associated with fulfillment of the Agreement, unless otherwise indicated.
2. The price that SMP quoted for the specified activities applies only to work conforming to agreed specifications.
3. For composite offers there is no obligation to deliver part of the overall work for the amount specified for this part in the offer or at a proportionate part of the entire price.

4. If the parties have not agreed to a price, but the parties have concluded one more agreements with a similar or virtually identical scope in a year prior, the price will be calculated based on the corresponding production methods and prices.

Article 5: Budget

1. Optionally SMP creates a budget with respect to an Agreement, indicating briefly the proposed method and a price is estimated.
2. The budget contains a specification of the fee based on hourly rates SMP charges and all additional costs.
3. When preparing the budget, certain costs may be impossible to foresee because for example this depends on the progress of the project or quotations from third parties or otherwise cannot be predicted with certainty, they may be included as a token entry. The passing on of those costs shall be done afterwards and in reasonableness.
4. The budget may be amended by SMP to the extent that it is based on circumstances or events that have changed.
5. Client will sign the budget for SMP within five business days after dispatch indicating approval and return it to SMP. Budgets that are not returned in time, will be considered approved.
6. If at the request of Client Activities are done by SMP before the budget approval process from above has been completed, SMP is entitled to reasonably charge its fees and expenses, even if they are not included in the budget or a budget is not approved.

Article 6: Modifications in price, Agreement

1. SMP is entitled to increase the agreed upon price if one or more of the following circumstances after closing the Agreement occur: increase in costs of materials, intermediate goods or services that are needed for the fulfillment of the Agreement, shipping costs, wages, employers' contributions to social security, other costs related to labor conditions, introduction of new and increase of existing government levies on raw materials, energy or residues, substantial changes in currency rates or, in general, conditions that are comparable.
2. If Client wishes to amend the Agreement, including changing/correcting the originally agreed Commission, changed instructions after receiving the demo and other tests, SMP will cooperate with this within reasonable limits, provided the substance of the amended commission is not materially different from the originally agreed upon commission.
3. An amendment to the Agreement as referred to in the previous paragraph shall only be concluded after the client has given notice it desires change and SMP has given its written consent. Any additional or reduced costs as a result of amending the Agreement shall be charged or credited to Client.

Article 7: Termination

1. Unless otherwise agreed, Parties may at any time terminate the Agreement if in writing (by registered mail with acknowledgment of receipt) and reasons are given. A thirty-day notice period is to be observed.
2. If the Agreement is terminated prematurely by Client, SMP is entitled to compensation for the ensuing loss of capacity. The amount of compensation is fixed at 15% of the agreed fee. In addition, SMP remains entitled to payment of its invoices for the Activities done so far. The preliminary results of the Activities done so far will be made available to Client after payment by Client to SMP of all amounts due under the Agreement.
3. If the Agreement is terminated prematurely by Client, Client is obliged to compensate third parties for costs incurred if SMP has already engaged one or more third parties to do Activities in the context of the Agreement.
4. If the Agreement is terminated prematurely by SMP, SMP will ensure, in consultation with Client, proper transfer of Activities that still need to be done to third parties, unless there is a shortcoming in the fulfillment by Client. If this transfer comes with additional costs for SMP, Client shall reimburse these costs.

Article 8: Suspension

1. SMP is entitled to suspend the further execution of the Agreement, if Client in any way does not fulfill its payment obligations and/or fails to make the provision of the requisite bank guarantee.
2. Suspension as defined by SMP in paragraph 1 of this article shall not affect the payment(s) of Client. The consequences of suspension are entirely at the expense of Client.

Article 9: Dissolution

1. If there is an attributable failure by Client to comply with (one of) its obligations under the Agreement, SMP shall give Client written notice of default and set a reasonable period in which Client can still meet its obligation. If Client fails to comply within this period, SMP is entitled to terminate the Agreement in whole or in part, unless the failure, given its special nature or minor importance, does not justify such termination and its consequences, without prejudice to the legal right of SMP to seek compensation for the damage suffered.
2. A failure to comply cannot be attributed to a party, if the failure is due to a circumstance that is not due to his fault or is not attributable to him by law, legal act or generally accepted norms.
3. Either party may terminate the Agreement in whole or in part without notice and with immediate effect in writing (by registered mail with confirmation of receipt) if the other party – temporary or not – is granted suspension of payments, if in respect of the other party bankruptcy is requested or if the company of the other party is liquidated or terminated other than reconstruction or merger of companies. SMP is never required to refund fees or pay damages due to dissolution in the context of this paragraph.
4. If at the time of dissolution referred to in paragraph 1 Client already received Works pursuant to the Agreement, these Works and the related payment obligation will not be subject to dissolution, unless Client proves that SMP is in default in respect of those Works. Amounts that SMP invoiced before dissolution related to Activities already completed remain payable with respect to what is stipulated in the previous sentence, and at the time of dissolution is immediately due.

Article 10: Payment term

1. Unless otherwise agreed, Client shall pay the price and other fees under the Agreement within 30 days after the invoice date, without any appeals to discount, settlement or suspension. For late payments, Client is in default without notice by SMP being required.
2. Client is at all times and regardless of the agreed payment conditions obliged to provide security at the first request of SMP for the payment of the amount to be paid to SMP under the Agreement. The security provided shall be such that the claim together with any interest and additional costs is adequately covered and that SMP thereon will be able to obtain redress without difficulty. Security will need to be supplemented at the first request of SMP to an adequate security after security became insufficient.
3. If Client does not pay within the term as referred to in paragraph 1 of this article, Client owes SMP statutory interest over the amount owed by him from the invoice date. SMP is authorized to spend one twelfth of the annual interest charged for each month or part of a month in which Client has not fully complied with its obligation to pay.
4. In case of late payment referred to in paragraph 1 of this article, Client owes complete compensation for both judicial and extrajudicial collection costs, including the costs for lawyers, bailiffs and debt collection agencies, in addition to the amount owed and the interest due. The extrajudicial costs are set at at least 15% of the principal plus interest, with a minimum of € 100, -.

Article 11: Delivery method; reservation of title

1. Unless otherwise agreed, the delivery shall be made on the spot where SMP is located.
2. SMP is not bound to deliver the produced goods in installments.
3. Client is obliged to fully cooperate with the delivery of the matters under the Agreement. Client will be in default without notice if he does not at the first request of SMP retrieve the matters from SMP or, if delivery at his address was agreed, refuses to accept the goods to be delivered.
4. Each delivery of goods by SMP to Client is subject to a reservation of title. The legal transfer of rights takes place after Client has paid all that he is obliged to pay under the Agreement, including interest and costs.
5. If transport of the goods to be delivered has been agreed, this shall be borne by Client, unless free delivery has been agreed. Client always bears the risk during transport. Transport shall also include transmission of data through the telephone network and any comparable dispatch using any technical means. The acceptance of goods of SMP by the carrier serves as proof that they were in apparent good condition, unless the contrary is evident from the consignment note or receipt.
6. SMP is not responsible for storing the goods to be delivered, unless expressly agreed. If stored, it is at the expense and risk of Client.

Article 12: Delivery date

1. A by SMP specified delivery date is, unless explicitly stated in writing that it is a final deadline, only an approximation. SMP is, also if a final deadline is agreed, first in default after Client has given notice that SMP is in default.
2. The obligation of SMP to an agreed upon final deadline is voided if the Agreement is amended in accordance with article 6 paragraph 2 and 3, unless otherwise agreed in writing or the minor significance of the change or the minor delay by SMP does not reasonably require amending of its initial planned deployment of production capacity.
3. Client is with the fulfillment of the Agreement by SMP required to do all that is reasonably necessary or desirable to make a timely delivery by SMP possible, which includes promptly answering questions from SMP, and at its request providing information.
4. If Client fails to comply with the stipulation of the preceding paragraph of this article and paragraph 2 of article 10, an agreed upon final deadline is no longer binding and Client is in default even if SMP gives no written notice. SMP is then, without prejudice to the rights accruing to him under the law, entitled to suspend the fulfillment of the agreement until Client has rectified this failure to comply. SMP will then fulfill the Agreement within a reasonable period.

Article 13: Examination upon delivery

1. Client is obliged upon delivery to expeditiously examine if SMP has properly fulfilled the Agreement and is also obliged to immediately inform SMP in writing if it turns out that SMP has not properly fulfilled the Agreement. Client must perform the examination and the relevant notification no later than 14 days after delivery.
2. SMP is entitled to substitute a new and improved fulfillment of the Agreement for the previous improper fulfillment, unless it cannot be remedied.
3. The fulfillment of the Agreement between parties is proper if Client has failed to perform an examination or give notice in time, as referred to in paragraph 1 of this article.
4. If the period of 14 days referred to in the first paragraph of this article must be considered as unacceptably short in relation to standards of reasonableness and fairness for a careful and attentive Client, this period will be extended until the first moment the examination or notice to SMP can reasonably take place.
5. The fulfillment of the Agreement by SMP is any case proper if Client has, in whole or in part, used, edited, processed or delivered to third parties the goods that SMP delivered unless Client has complied with the provisions of the first paragraph of this article.

Article 14: Intellectual property

1. Unless otherwise agreed in writing, all the intellectual property rights arising from the Agreement - including but not limited to copyright, neighboring, patent, drawing, model, trademark, database rights – belong to SMP. To the extent that such rights can be obtained through registration, SMP is solely authorized to do so.
2. Notwithstanding the preceding paragraph and unless otherwise agreed in writing, the copyright and neighboring rights in relation to the Work in particular shall belong to SMP if Client or a third party publishes, without the existence of a written transfer of copyright, the Work that originated with him as defined in article 8 Copyright Act 1912.
3. Unless otherwise agreed in writing, doing research into the existence of intellectual property rights is not part of the Agreement. The same applies to any investigation into the possibility of such forms of protection for Client.
4. Unless otherwise agreed in writing and/or the Work and/or work in any other sense is not suitable for that purpose, SMP is always entitled to, in the usual way, have his name in the colophon, in a credit roll or otherwise have his name on or in the Work and/or work in any other sense or have it removed. Client is not permitted without prior consent to publish or reproduce the Work or work in any other sense without crediting SMP.
5. If SMP so wishes, the Work and/or work in any other sense that is to be reproduced shall, where applicable, be marked with the symbol ©, stating the name of SMP and the year of first publication, i.e. the year.
6. Unless otherwise agreed in writing, SMP is entitled to protect or secure its Work(s) by taking (technical) measures. Client is not permitted to circumvent, avoid or remove these technical measures taken by SMP.
7. Unless otherwise agreed in writing, the demos (rejected or not), test recordings, composition sketches, texts, MIDI files or (electronic) files, owned by the SMP, remain the property of SMP whether or not they have been made available to Client or third parties.

8. Upon completion of the Agreement, neither SMP nor Client have the obligation to each other to save the information, materials and data that was used.

Article 15: Usage and License

1. When the Client has fulfilled all his obligations under the Agreement, he will acquire an exclusive license to use the Work insofar as this concerns the right of publication and reproduction to the volume and destination specified in the Agreement. If there are no stipulations on the volume and destination, then the license will be limited to use of the Work conform the intentions of usage by Client that existed at the time of the conclusion of the Agreement. Such intentions must be made demonstrably known to SMP before the conclusion of the Agreement.
2. Client will not be entitled to any use of the Work until full payment has been made of all that is owed to SMP. When a payment deadline has not yet expired, any use will take place under the dissolving condition that if payment is not made (in a timely manner), SMP is entitled to prohibit any use of the Work.
3. Without prior written consent from SMP, Client is not entitled to edit or otherwise modify the Work and/or work in any other sense. If Client wishes to have the Work and/or work in any other sense changed as referred to in this paragraph, he will present SMP the opportunity to make those changes on conditions that are agreed upon. This leaves the necessary prior written consent of SMP unaffected.
4. Without prior written consent from SMP, Client is not entitled to broader or different use of the Work and/or work in any other sense than agreed. In the case of broader or different use including but not limited to alteration, mutilation or infringement on the provisional or final Work and/or work in any other sense, SMP is entitled, due to the infringement of its rights, to compensation that is reasonably and fairly proportional to the infringement committed, without prejudice to SMP's right to claim compensation for the damage actually incurred.
5. SMP has, with the interests of the Client taken into account, the freedom to use the Work for its own portfolio, publicity or promotion, show reel, in print or via its Web site or other online and/or mobile (social) media.
6. The parties may deviate from the provisions of this article in writing.

Article 16: Promotional use

1. SMP shall, without prejudice to what will be agreed upon regarding rights, be entitled to use the Work/the design for the benefit of its own promotion and/or publicity. Permission of Client will only be required if Client has not started using the Work/design, which permission shall not be unreasonably withheld.

Article 17: Releasing materials

1. All materials and all digital information and databases relating to the Agreement and within that framework must be made available to SMP, shall be returned to Client at first request, but only after the Client has met all its obligations towards SMP. The same applies to the Client in respect of materials of SMP, of whatever nature (such as digital information and data files, drawings, artwork, etc.), unless otherwise agreed.

Article 18: Client Property

1. SMP will take care of the goods that Client entrusted him with in the fulfillment of the Agreement with the care of a good keeper.
2. Notwithstanding the preceding paragraph of this article, Client bears all risks during storage in respect of the matters referred to in paragraph 1. If desired, insurance for this risk must be taken out by Client himself.
3. Client is obligated to take care that, prior to the provision to SMP, via a photographic image or a data carrier, a duplicate of these goods is made. Client must save this for himself in case the goods are lost during storage by SMP or rendered unusable due to damage. In this case, Client must on request provide SMP a new copy for compensation of the material costs.

Article 19: Force Majeure

1. Shortcomings of SMP in the fulfillment of the Agreement cannot be attributed to SMP if they are not due to its fault, nor are they attributable by law, the Agreement or generally accepted practices.
2. Shortcoming of SMP in the fulfillment of Agreement as a result of war, mobilization, riots, flooding, blocked shipping, other blocking of transport, stagnation or reduction or discontinuation of supplies by public utilities, lack of coal, gas, petroleum products or other means to generate energy, loss of or limited access to the (mobile) internet, fire, machinery breakdown and other accidents, strikes, lockouts, trade union action, export restrictions,

other government measures, non-delivery of necessary materials and semi-finished products by third parties, intent or gross negligence of assistants and other similar circumstances, will be regarded as not attributable to SMP and does not give Client any right to terminate the Agreement or to (demand) compensation.

Article 20: Confidentiality

1. The parties are bound to secrecy regarding all confidential information they have received under the agreement from each other or from another source. Information is confidential if it is labeled as such by the other party or if this results from the nature of the information.
2. If SMP is, on the basis of a statutory provision or a court order, obliged to disclose confidential information to by law or competent court appointed third parties and SMP cannot claim a legal or judicially recognized right to refuse, SMP is not liable for damages or compensation and the other party is not entitled to terminate the agreement pursuant to any resulting damage.

Article 21: Liability

1. SMP is not liable for any damage suffered by Client as a result of a failure in the fulfillment of the Agreement or otherwise, except if the damage is caused by gross negligence or intent of SMP.
2. In no event shall SMP be liable for indirect damages suffered by Client or third parties, including losses and/or consequential damages and/or lost profits and/or lost savings and/or damages due to business interruption.
3. In no event shall SMP be liable to Client for shortcomings of third parties with whom SMP concludes agreements under the Agreement for the benefit of Client, whether or not at his request.
4. The liability of SMP for a failure to fulfill its obligations under the Agreement is limited to the maximum invoice amount to Client under the Agreement in which SMP has attributably failed to fulfill its obligations.
5. Liability is further limited to the amount paid by the liability insurance of SMP.
6. Client shall indemnify SMP in respect of claims by third parties relating to an Agreement and/or arising from the fulfillment of an Agreement.

Article 22: Indemnities

1. Client indemnifies SMP and/or third parties involved by SMP under the Agreement for all claims by third parties relating to image rights and/or intellectual property rights on information provided by Client, data or materials used in the fulfillment of the Agreement.
2. Client indemnifies SMP and/or third parties involved by SMP under the Agreement for all claims by third parties arising from the application or use of the Work.
3. If Client provides data carriers, digital data files, software, etc. to SMP, it guarantees that said data carriers, digital data files or software are free of viruses and defects.

Article 23: Applicable law, disputes

1. The Agreement between SMP and Client shall be exclusively governed by Dutch law.
2. Concerning disputes related to the Agreement, the competent court in Amsterdam has exclusive jurisdiction.

Article 24: Final Provisions

1. The effect of articles 7:404 and 7:407 paragraph 2 BW (Dutch Civil Code) is excluded.
2. If any article of the Agreement should come in conflict, in whole or in part, with any mandatory legal provision, the remaining articles will be unaffected. As with regards to void or annulled article(s), Client will in consultation with SMP establish new article(s) that will be as close as possible in scope to the void or annulled article(s).
3. Amendments and/or additions to the provisions of the Agreement are binding only if agreed in writing.