



AUDENTITY

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GENERAL TERMS AND CONDITIONS OF PAYMENT AND DELIVERY FROM AUDENTITY

Article 1. Definitions

In these conditions are understood to mean:

- 1.1 Contractor: The contractor acting under the name Audentity, registered at the Chamber of Commerce under number 53548310, located at (1018 SK) Amsterdam at Blankenstraat 406, hereinafter referred to as "Audentity".
- 1.2 Principal/Client: The natural or legal person with whom Audentity concludes an agreement for the delivery of services.
- 1.3 Agreement: The contract agreement as referred to in Article 7: 400 and subsequent Dutch Civil Code.
- 1.4 Services / Activities: Audentity is an audio production agency that creates audio identities for the creative industry for clients through music and sound. This includes music composition, sound design, licensing / recording, sonic branding all in the broadest sense of the word.
- 1.5 Written confirmation / acceptance: The confirmation of the offer / assignment is by letter, fax, email and / or text.

Article 2 Applicability of these terms

- 2.1 These terms and conditions apply to all quotes, assignments and agreements between Audentity as contractor and the principal / client and their successors. They relate to all Audentity's resulting activities and services when Audentity has handed these terms or conditions to the client upon or before the conclusion of the agreement, unless explicitly agreed otherwise and confirmed by Audentity in writing. Handing over is also understood as sending the terms when making a quote or by fax or mail or by e-mail. In subsequent agreements between Audentity and client, these terms are also applicable and, for their applicability, a reference to these previously submitted terms may suffice. The current terms and conditions are also listed on Audentity's website (www.audentity.nl) and available for download.
- 2.2 Derogations from these terms and conditions are only valid in so far as they have been explicitly agreed between Audentity and the client. In so far as the Purchase Terms or General Terms from the client are conflicting with these terms, these terms shall prevail, unless the Purchase Terms or General Terms from the Client are expressly



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accepted in writing by Audentity. When providing a contract by client, these terms of Audentity are accepted by the client.

- 2.3 If, in respect of certain matters governed by these terms, deviations have been agreed in writing, the other provisions of these terms remain in force.
- 2.4 The present terms also apply to all Audentity's assignments, for which Audentity involves third parties like freelancers, unless explicitly agreed otherwise in writing.

Article 3 Quotation and conclusion of the agreement

- 3.1 All quotations of Audentity are without engagement / obligations, both in terms of prices as well as the time of delivery of the services is concerned, unless otherwise agreed in writing.
The prices in the quotations are exclusively applicable to the activities and services indicated in the agreement. Audentity reserves the right to charge any cost increases incurred during the execution of the agreement, unless otherwise agreed.
- 3.2 A quotation of Audentity is not binding if the client can reasonably understand that the quotation, or any part thereof, contains a manifest error or description.
- 3.3 The prices quoted in a quotation are exclusive of VAT and other government fees.
- 3.4 If there are no prices mentioned in the quotation for the work to be performed, for example, because they are not budgeted or difficult to estimate by the nature and extent of such work, then a normal and reasonable fee will be charged to the client in consultation as is usual in the industry, including any costs incurred under the agreement in all reasonable terms, including travel and subsistence, shipping and handling costs, unless otherwise specified.
- 3.5 Quotations are not automatically valid for future orders or assignments.
- 3.6 In one of the cases listed below, an agreement between Audentity and the client is legally valid and concluded:
 - a. the assignment / order mentioned in the quotation is accepted / confirmed by the client in writing to Audentity.
 - b. as soon as Audentity has explicitly confirmed an assignment / order or agreement submitted by the client, in writing.
 - c. as soon as Audentity has begun carrying out the work and the client does not object in writing to this within 24 hours.
 - d. If the assignment / order / appointment has been provided orally by the client and then confirmed by Audentity in writing, this will also be valid as an order confirmation and agreement.



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- 3.7 If the acceptance / confirmation (whether or not at subordinate points) differs by the client from the offer offered, then Audentity is not bound to this unless Audentity otherwise indicates and confirms that in writing or by e-mail to the client.
- 3.8 Audentity is entitled to perform assignments /orders in part by one of the freelancers associated with it, unless otherwise agreed.

Article 4 Amendment of the agreement

- 4.1 Changes to the originally concluded agreement at the request of the client will only be valid from the moment that these changes have been confirmed by Audentity in writing through an additional or amended agreement.
- 4.2 Further oral agreements and terms after the conclusion of an agreement, will not bind Audentity until it has been confirmed by Audentity in writing.
- 4.3 Information about an agreement that Audentity receives after the creation and which, in Audentity's opinion, significantly changes its character, gives Audentity the right to terminate this agreement without the consequence of Audentity being liable for damages.
- 4.4 If during the performance of the agreement it appears that for the proper execution it is necessary to amend or supplement the work to be performed, the parties will amend the agreement in a timely manner and in good mutual consent.
- 4.5 If parties agree that the agreement is being amended or supplemented, then the completion date of implementation may be affected. Audentity will inform the client as soon as possible if this occurs. Audentity will then issue a customized quotation to the client.
- 4.6 If the change and / or addition to the agreement has financial and / or qualitative consequences, including any changes in the agreed prices, then Audentity will inform the client in advance.

Article 5 Delivery and delivery time

- 5.1 The agreement is entered into for the agreed duration of the assignment / order.
- 5.2 Audentity will start the execution and performance of the agreed work as soon as possible after receipt of all required data and material and inform the client of the expected delivery time.
- 5.3 The expected delivery time applies at all times by way of approach and is determined on the condition that the circumstances remain the same as at the time of concluding the agreement and expressly does not create a deadline.



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- 5.4 In case of a delay in the expected delivery time due to circumstances changing, the delivery time will be extended with the duration of this delay. Audentity will inform the client in a timely manner if any delay occurs. A delayed delivery time does not entitle the client to dissolve the agreement or claim damages.
- 5.5 Should Audentity unexpectedly be unable to meet its obligations within the agreed and anticipated delivery time, then the client must send to Audentity a notice of default in writing, and give Audentity a further and reasonable time to fulfill its obligations.

Article 6 Complaints

- 6.1 All obligations of Audentity are effort commitments.
- 6.2 The client has the opportunity to report in writing clearly identified defects in the delivered products (final material) to Audentity during 14 days after delivery, after which Audentity will attempt to rectify these defects, provided that they are found to be well grounded and Audentity is attributable in default. The client also undertakes to make available to Audentity the material to which the complaint relates within the same period.
If Audentity is not reported within 14 days of defects and no materials are made available, any possibility of submitting complaints expires. However, if Audentity is still voluntarily and unobliged willing to repair defects on the final material after these 14 days have expired, Audentity will charge an hourly rate of € 250 exclusive of VAT. Wrong information provided by the client that leads to defects in the delivered product and final material is expressly not understood as "defects".
- 6.3 A complaint does not suspend the client's payment obligations.

Article 7 Liability

- 7.1 Audentity is not liable for any damages, whatsoever, because Audentity has based the execution and performance of the work on the assumed incorrect and / or incomplete data provided by the client.
- 7.2 Audentity is not liable for defects or damages, whatsoever, because Audentity must, at the express request of the client, complete the assignment promptly for the agreed delivery time. Any additional overtime or costs that Audentity has to make for such emergency orders is at the expense of the client.
- 7.3 In the event of an attributable default in the obligations of the agreement, Audentity is only liable for the amount covered by Audentity's liability insurance, or if the liability



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insurance does not cover replacement damages up to maximum the amount of the invoice.

- 7.4 Any liability of Audentity for any other form of damage is excluded, including compensation for indirect damage, consequential loss or damage due to loss of revenue or profit.
- 7.5 The client is liable for and will indemnify Audentity for claims, costs and expenses arising from an allegation or copyright infringement, patent, portrait or any other intellectual property rights in the material requested or provided by the client.

Article 8 Indemnity

- 8.1 Client indemnifies Audentity completely and unconditionally against all third party claims for compensation for damages resulting from a copyright claim, patent, portrait or any other intellectual property rights in the material requested or provided by the client.
- 8.2 Client indemnifies Audentity for any third party claims that, in connection with the performance of the agreement, suffer damage and which is attributable to the client.

Article 9 Force majeure

- 9.1 During force majeure, Audentity's delivery and other obligations are suspended. In case of force majeure, Audentity will inform the client in writing, indicating the reason for the force majeure. If the period for which Audentity is unable to comply with Audentity's obligations exceeds two months or if the assignment / order can not be completed within a fatal term, then both parties are authorized to dissolve the agreement without judicial intervention and without incurring an obligation for compensation for damages for either party.
- 9.2 If Audentity has already partially fulfilled its obligations or can fulfill its obligations only partially, then Audentity is entitled to invoice the already delivered or available item separately and the client is obliged to pay this invoice.
- 9.3 Force majeure within the meaning of this article is understood to mean, in addition to what is hereby understood by law and jurisprudence, all or all of the external causes, foreseen or unforeseen, which Audentity can not influence and which prevent the performance or execution due to circumstances, which were unforeseeable at the time of conclusion of the agreement and which are not attributable to Audentity. These include, inter alia, non, non-timely or non-proper delivery to Audentity by its suppliers, non, non-timely or non-proper delivery by Audentity due to environmental disasters, war, strike, excessive sickness of staff or personnel shortage, weather



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conditions (including frost), fire, theft, traffic jams, computer failures, malfunctions or defects in Audentity's information systems or its suppliers.

Article 10 Payment

- 10.1 The invoices are inclusive of VAT and other government taxes and in euros, unless another currency has been stated and agreed.
- 10.2 Payment will be made within 30 days of the invoice date, unless agreed otherwise, or when an advance invoice must be paid earlier.
- 10.3 Audentity is entitled at any time to charge an advanced invoice to the client. In the case of an assignment / order with a total price of more than € 10,000, Audentity can charge an advanced invoice of 20% of the total amount to be invoiced before the music composition and production will begin.
- 10.4 A paid advance invoice is settled with the final invoice drawn up by Audentity.
- 10.5 Costs which have to be made for additional recordings, including, for example, instrumentalists, vocalists or voice-overs, will be charged separately to the client. Audentity will notify the client in writing before commencing the assignment /order.
- 10.6 If an assignment / order is postponed, then Audentity is entitled to charge a part of the agreed costs for the composition and production at the client to cover the costs.
- 10.7 If the production process exceeds one month, a pre-agreed amount will be charged to the client before the assignment / order is completed.
- 10.8 If the client cancels an assignment / order within 24 hours before commencing an assignment / order, then Audentity is entitled to charge cancellation charges of 15% of the total agreed price.
- 10.9 If the client fails to pay within the period specified in paragraph 2 of this article 10, then the client is legally in default, and the client is due to Audentity a delay interest in accordance with the legal interest rate of Article 6: 119 a Dutch Civil Code (now 8,00 % on an annual basis) of the invoice amount for each month that the client is in default of payment. For the calculation of the interest, part of the month applies as a whole month.
- 10.10 Payments made by the client, irrespective of the destinations indicated by the client, will always be due to all interest and costs due and subsequently payable by the most indebted invoices.
- 10.11 Notwithstanding the foregoing, the client is liable to Audentity for all costs incurred in collecting the amounts due to Audentity and for the insurance of his rights, including both judicial and extrajudicial collection charges, without prejudice to Audentity's right to claim compensation for damages, costs and interests, which for Audentity result



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from non-timely or non-proper compliance or dissolution of the agreement between parties.

10.12 These legal and extrajudicial collection costs also include the collection, administration and settlement costs of lawyers, process-servers / ushers and other experts. The extrajudicial collection costs are calculated in accordance with Article 6:96 Dutch Civil Code. These amounts are 15% with a minimum of € 300.

10.13 In the event of liquidation, bankruptcy or suspension of payments of client, Audentity's claims and client's obligations towards Audentity will be immediately due.

Article 11 Suspension

11.1 If the client is attributable in default and therefore does not comply with previously agreed obligations, Audentity is entitled to suspend the performance of the work without prejudice to his other powers and rights under the law and these terms.

11.2 If Audentity has grounds for doubting the legality of the performance of an agreement, he shall be entitled to suspend performance and execution of its obligations until client demonstrates to Audentity's satisfaction that this execution is legitimate.

Article 12 Final products (final material)

12.1 All materials submitted by the client are kept on the Audentity server for as long as required and will be treated confidentially.

12.2 The client shall at all times provide and communicate information of the final product (final material), such as cuesheets, broadcast schedules and such, as soon as known to Audentity. Audentity shall at all times provide and communicate the client of information about the participation of composers, musicians and the like used.

12.3 Layouts / compositions (demos and set-up of music and sound that are further elaborated as a whole composition) that Audentity manufactures remain at Audentity's own control at all times.

Article 13 Intellectual Property Rights and Use Rights

13.1 Layouts / compositions manufactured by Audentity remain at all times the intellectual property (copyright) of Audentity and publisher Schwartz and Sons.

13.2 All music and sound and the final material manufactured by Audentity for a specific assignment /order shall, at all times, remain the intellectual property (copyright) of Audentity, unless otherwise agreed.



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- 13.3 The client acquires, subject to the correct fulfillment of his payment and other obligations under the agreement, only those exclusive operating rights for the final material for a specified period agreed upon in writing with Audentity upon acceptance of the agreement. At the end of the agreed period of exclusive exploitation rights, the music and the final material will remain in Audentity's portfolio.
- 13.4 The client is under no circumstances entitled to resell or reuse Audentity's intellectual property rights (copyrights) in a campaign if the period of exclusive exploitation rights has expired, without prior and explicit consent of Audentity.
- 13.5 The demos that Audentity composes and produces for the client will be placed and listed in Audentity's library and Audentity is entitled to sell these materials again to third parties, unless otherwise agreed.
- 13.6 The client grants Audentity the right to disclose the contracted work and final material for promotional purposes for the contractor on his website and social media, with full credits, unless otherwise agreed.
- 13.7 The client warrants that Audentity will be reported as such on all duplications of the work commissioned by the client and in all related publicity material, unless Audentity declares in writing that listing is not required. Listing is made at a location that is in accordance with Audentity's importance for production.

Article 14 Termination and dissolution of the agreement

- 14.1 If the client wishes to terminate or cancel the agreement before the end of the agreement, then the client is obliged to pay the agreed compensation and any additional costs incurred by Audentity at the same time as the cancellation or termination, unless and subject to a deviation of a cancellation arrangement by a further written agreement. Cancellations must in all cases be made in writing.
- 14.2 Without prejudice to the remaining rights of Audentity from the law or these terms, Audentity is entitled to suspend or terminate an agreement without judicial intervention and without notice when:
 - a. The bankruptcy of the client is requested or requested or by a suspension of payments.
 - b. client by seizure, or otherwise, loses jurisdiction over its assets or significant parts thereof.
 - c. Audentity has a well-founded suspicion that the client can not meet his obligations in good time.
 - d. Client is in default and attributably fails to comply with its obligations of the agreement with Audentity.



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- 14.3 Due to the termination of the agreement, Audentity's claims are immediately due. Without prejudice to the other obligations of the client from the agreement, the client is bound to pay Audentity the entire amount that the contractor would owe under the agreement, with the legal interest rate from the date of the dissolution.
- 14.4 The client is liable for all damages and costs that Audentity suffers from such suspension or dissolution by the client. Audentity is not liable for any compensation for damage suffered by the client by such dissolution.

Article 15 Validity of the terms and conditions

If one or more provisions in these terms and conditions are at any time be wholly or partially void or annulled, then the remaining provisions in these terms and conditions will remain fully applicable. The parties will then consult each other to replace new provisions replacing the null or void provisions, with as much as possible complying with the purpose and purpose of the original provisions.

Article 16 Applicable law and competent court

In all legal relationships involving Audentity, only Dutch law applies. Any disputes will be submitted to the legally competent court.

General terms and conditions of payment and delivery - Audentity English - version November 8, 2017