

TITLE AGREEMENT ARTIST

THE UNDERSIGNED:

1. the company under German law SellaBand AG.

hereinafter to be referred to as: "*SellaBand*"

and

2. , artist name " _____ ",

address :

postal code and place :

country :

or in case of a group:

name :

address :

postal code and place :

country :

and name :

address :

postal code and place :

country :

and name :

address :

postal code and place :

country :

and name :

address :

postal code and place :

country :

and name :

address :

postal code and place :

country :

Together acting under the artist name " _____ "

hereinafter to be referred to as: "*Artist*",

and together referred to as "*Parties*";

DECLARE THAT THEY HAVE AGREED AS FOLLOWS:

Definitions

For the purposes of this Agreement, the following definitions shall apply:

- 1) Artist: performer, whether or not a group of performers, from whose performances of works Recordings are being made.
- 2) Demo: containing three Tracks, exclusively written and composed and produced by the Artist.
- 3) CD: the Recording to be recorded by the Artist under this Agreement, containing a minimum of 3 (three) Tracks.
- 4) Exploitation: all communication to the public and reproduction of Recordings in all manners or forms now known or hereafter invented, including the sale, delivery or otherwise bringing onto the market Reproductions of the Recording or Recordings in whatsoever form including lease and rental to the public and distribution, electronically or otherwise, by the Internet or other online distribution or by means of mobile communication like UMTS, broadcast or rebroadcast via cable, satellite, telephone, radio and television, presently known or yet unknown, or making the Recording public in any other way whatsoever, including the import, offer and stocking of such Reproductions.
- 5) Master: analogue or digital image and/or sound and/or information carrier consisting of one or more Tracks, for each Track of which the Title and the Artist are specified in this Agreement, on which the original Recording(s) are reproduced.
- 6) Recording: any fixation of sound and/or image and/or information or any combination of these, made with the intention of, or suitable for, the purposes of making Reproductions thereof.
- 7) Release: the commencement of the Exploitation of Reproductions by the publication of a certain configuration in any way whatsoever in a particular country.
- 8) Reproduction: a copy of one or more Recordings as impressed on a Master, or parts thereof, for the purposes of Exploitation, in the form of gramophone records, music cassettes, compact discs and similar laser-read carriers, mini discs and other MO Discs, DCC, CD-i, CD-ROM, CD-Video, DVD, VHS, HD-DVD, Blu-Ray, UMD and any other sound and/or image and/or information carrier according to presently known like, but not limited to the Internet and/or other online distribution methods and mobile communication like UMTS, and yet unknown techniques for recording and reproduction thereof.
- 10) Title: a musical work recorded or to be recorded as selected by SellaBand for performance by or performed by the Artist for the purposes of making one or more Recordings pursuant to this Agreement.
- 11) Track: a part of the Master containing a Recording of a particular performance by the Artist of a particular Title, whether or not made as a trial, uncompleted, or rejected by SellaBand, specified under paragraph 2.2;
- 12) Goal: the moment at which the Believer(s) has purchased 5.000 Parts of an Artist and raised the amount of \$ 50,000.

13) Net Revenues: the revenues actually received by SellaBand as a result of Exploitation and third party deals, reduced by all thereto related costs and taxes.

1. Subject matter of the agreement

1.1 SellaBand intends to produce sound recordings of the artist's tracks during the duration of this contract or has such sound recordings produced to produce a CD and exploit this. Therefore the artist will produce tracks for the production of the CD.

1.2 The CD will contain a minimum of 3 musical works, performances of which new sound recordings will be made, all exclusively written and composed by the Artist;

1.3 Parties have entered into consultation with each other and have reached agreement in regard to the provisions stipulated in this Agreement.

2. Duration of the contract

2.1 This Agreement commences on the date of achieving the Goal and shall be in force for a period of six (6) months, with the one sided option for SellaBand to extend the term of this Agreement during a reasonable term with a maximum of six (6) month in order to facilitate the production of the agreed Recordings. If SellaBand wishes to exercise this right it must inform the Artist to this end at least one (1) month prior to the end of the original contractual period.

2.2 During the contractual period mentioned in paragraph 2.1, Artist shall perform and record for SellaBand at least one (1) Recording ("CD") sufficient for the Exploitation of at least three (3) Track(s) with the Title(s):

- | | |
|----------|-----------|
| 1. _____ | 7. _____ |
| 2. _____ | 8. _____ |
| 3. _____ | 9. _____ |
| 4. _____ | 10. _____ |
| 5. _____ | 11. _____ |
| 6. _____ | 12. _____ |

3. Selection of Titles and Recordings

3.1 To the exclusion of other parties SellaBand has the exclusive right, and the Artist has the duty to cooperate therewith, to produce Recordings of the performances of the musical works by the Artist, existing of the mentioned Track(s). These Recordings will be made within 6 months after achieving the Goal (the Term of this Agreement).

3.2 To the exclusion of other parties SellaBand has the exclusive right to produce audio and/or audio-visual Recordings of the performances of the works by the Artist in the recording studio and/or in direct connection with the sound Recording made or to be made under the provisions of paragraph 2.2 and paragraph 3.1.

3.3 With reference to paragraph 2.2, the Artist will provide SellaBand with the repertoire for the CD, exclusively written and composed by the Artist. These Track(s) shall not contain cover tracks. The repertoire will be provided to SellaBand at the latest one (1) month after achieving the Goal.

3.4 Regarding the Tracks the Artist shall refrain from writing and/or composing texts containing excessively racist, violent, harassing, insulting, incorrect, discriminatory, hurtful or otherwise wrongful or unlawful content. If the Artist violates the obligations under this paragraph, SellaBand is reasonably entitled to refuse the recording of the specific Track(s) and demand the delivery of one or more new Tracks within a reasonable period. The Artist will be liable for

any consequences following thereof.

3.5 SellaBand will solely decide how, but after consulting the Artist, in which recording studio the Recordings will be made. Besides, SellaBand shall solely appoint the sound producer, an A&R manager and other persons which could be involved in the recording process. The Artist shall, only if this is reasonably necessary, repeat each work to be recorded until SellaBand reasonably considers that a Recording has been produced which is a suitable version in all respects, both artistically and technically sound.

3.6 SellaBand shall exclusively set the total recording, production and distribution budget to finance all costs and expenses, not exceeding the amount of the Goal (\$ 50,000), involved with (audio and audio/visual) Recordings, including the engagements in relation to the studio, sound producer and A&R manager and other expenses involved with the SellaBand program.

3.7 The recordings will result in the CD. Within the scope of the budget as mentioned under paragraph 3.6, SellaBand will produce at least 5,000 copies of the limited edition of the CD. The Believer shall receive as many as limited editions of the CDs he/she has purchased in advance by buying an equal number of Part(s) of an Artist in which he/she believes.

3.8 Outside the scope of the budget as mentioned in this paragraph SellaBand is exclusively entitled to produce regular edition copies of the CD.

4. Exclusivity of the Artist

4.1 During the term of this Agreement or during the extension thereof, as long as the Recordings have not been finalized, the Artist shall not perform for the purposes of making and exploring Recordings and/or audio-visual Recordings by or with third parties or directly and/or indirectly by the Artist him-/herself, nor shall he/she without the explicit prior written permission of SellaBand. Furthermore the Artist shall fulfil his/her obligations in this agreement personally and shall not assign his/her obligations to another without the prior written approval of SellaBand.

4.2 During the term of this Agreement the Artist is entitled to perform for promotional purposes for the Believers and others. As long as the Recordings have not been finalized, the Artist is however not entitled to make recordings for radio, television, or film without the prior written approval of SellaBand

4.3 If the Artist is requested by third parties to co-operate in any radio or television commercial and/or any other commercial radio and television project or activity, while the Recordings have not been finalized, the Artist shall not co-operate in such activities without the prior written consent of SellaBand. SellaBand will not withhold such consent unreasonably, as long as such activities do not violate the purposes of the SellaBand program and the release of the Recordings

5. Guarantees by the Artist

5.1 The Artist guarantees that there is no impediment whatsoever entering into this Agreement with SellaBand and fulfilling the obligations under this Agreement.

5.2 The Artist guarantees that none of the Titles he/she will record under the terms of this Agreement have previously been performed by him/her for the purposes of making Recordings by or with any third parties.

5.3 The Artist indemnifies and holds SellaBand harmless against each and any claim of third parties in regard to the rights granted by the Artist to SellaBand under the terms of this Agreement and with regard to any obligations related thereto towards SellaBand. The Artist guarantees furthermore that for the purposes of the Recordings made under this Agreement no use will be made in the performances of the Titles to be performed by the Artist of any fragment of any other work, performance or spoken word or any Recording thereof, for instance by sampling. The Artist indemnifies and

holds SellaBand harmless against any third party claim related thereto.

5.4 The Artist herewith fully authorises SellaBand to represent him/her in any court procedure or any dispute arising with regard to the Recordings made under this agreement and the Exploitation thereof, notwithstanding SellaBand's rights to claim (thereto related) costs and damages from the Artist in relation to paragraph 5.1, 5.2 and 5.3.

5.5 The artist guarantees to properly credit all who are involved in the recording of the album (SellaBand, producers, engineers etc.) on the artwork of the album. This also applies in the event the album is re-released by the artist or a representative of the artist after SellaBand's exploitation rights have expired

6. Assignment of rights by the Artist

6.1 The Artist hereby assigns to SellaBand to the exclusion of all others the unrestricted, irrevocable right to make Reproductions of the Recordings to be made under the terms of this Agreement and to sell or otherwise exploit such Reproductions anywhere in the world. SellaBand is a producer of phonograms in the sense of the German Neighbouring Rights Act ("§ 126 UrhG") and of international agreements. SellaBand is the full owner and holder of all Recordings made with the Artist under this Agreement and of all neighbouring rights and other rights in regard to these Recordings. The same provision applies to any trial recordings, uncompleted Recordings. Termination of the Agreement does not affect the rights of SellaBand in regard to the Masters and Recordings fixed thereon.

6.2.1 The assignment of rights mentioned in paragraph 6.1 shall be for the period of 1 (one) year after the Release of the Recordings.

6.2.2 After expiry of this period the Artist will grant SellaBand, at no extra costs, a non-exclusive license to exploit the Recordings for another 12 months. The share of revenues as mentioned in 11.3 will remain unaffected.

6.2.3 This agreement will be renewed automatically on an annual basis for an additional term of twelve months, unless terminated by either party 90 days before the end of this term.

6.3 SellaBand shall have the right of first and last refusal with regard to any proposal from third parties to exploit the recordings on an exclusive basis. Thereto the Artist shall at all times first notify SellaBand with all available details and information. SellaBand shall state if it wishes to exercise such right within thirty (30) days after receipt of aforesaid notification.

6.4. In so far as the performance of any other formalities is necessary to effect the assignment of the rights as intended in paragraph 6.1, 6.2 and 6.3 the Artist shall co-operate to that end on first request by SellaBand so that SellaBand can exercise such rights in accordance with the terms of this Agreement.

6.5 Parties shall refrain from any action, including any omission, by which they would obstruct in any way the regular sale and Exploitation of the Recordings by SellaBand or the exercising of any rights assigned under the terms of this Agreement.

6.6 The Artist grants SellaBand herewith an irrevocable power of attorney to act at law and otherwise, also on behalf of the Artist, in the event of any infringement by a third party of any right granted to SellaBand by the Artist under the terms of this Agreement, or in any case of the event of any infringement of the rights of SellaBand.

6.7 With reference to paragraph 4.1 the Artist is not entitled to transfer to a third party any of his/her rights and/or obligations ensuing from this Agreement, neither in whole nor in part, without the written permission of SellaBand.

7. Exploitation rights of SellaBand

7.1 To the exclusion of all others, SellaBand has the world-wide, exclusive, irrevocable, unrestricted right, to Exploit the Recordings (CD) and/or Audio-visual Recordings made under the terms of this Agreement, or parts thereof, in whatever way and in whatever form, and whether or not linked to any other Recording and/or audio-visual Recordings not made under the terms of this Agreement, interactive or otherwise, including but not limited to the production, the copying, the sale and distribution of Reproductions, on the Internet or wherever, public broadcasting and/or showing of the Recordings. At its discretion SellaBand also has the same rights to commence or cease the Exploitation of such Recordings and to determine in which form, for which price and under which brand, trade name or label such Exploitation shall be effected.

7.2 In the perspective of the Exploitation as mentioned under paragraph 1 and paragraph 7.1, the intention of SellaBand in the perspective of the SellaBand program is to exploit the Recordings by selling regular editions of the CD through the Internet, by itself or third parties. However, SellaBand is not bound to this intention and may exploit the Recordings in any other way. Regarding selling regular editions of the CD, the Artist is entitled to purchase regular editions of the CD from SellaBand under the conditions as mentioned under paragraph 11.1 and sell these copies or have them sold at his/her sole discretion.

7.3 SellaBand is explicitly entitled to include the Tracks on the Download Portal, where Visitors can download the Tracks. A minimum of three of the Artists Tracks will be available for free. The Tracks will continue to be included and free for downloading on the Download Portal, as long as the Artist will be listed on this portal.

7.4 SellaBand is entitled to transfer and/or to license its rights and obligations ensuing from this Agreement, in whole or in part, to any third parties on exclusive or non-exclusive terms. The Artist hereby grants his/her consent thereto in advance.

8. Promotion and promotional appearances

8.1 The Artist may at his/her own costs make him-/herself available for and co-operate in photo sessions, appearances for radio and/or television and for the public, live or otherwise, interviews and/or press conferences and generally all those activities which may publicise and promote the Artist and/or his performances, in accordance with the terms and conditions of this Agreement and the [Terms and Conditions](#). The Artist is however not obliged to do so.

8.2 Except for the artwork to be used for the CD and the promotion of the CD, in the widest sense, the Artist will be the owner of all photographs and slide material of the Artist and other promotional material made by or with the co-operation of the Artist in the perspective of the provisions of this paragraph.

9. Use of name, likeness and merchandising

9.1 SellaBand is entitled, to the exclusion of all others except for the Artist, to use the name, the artist name and the logo and trademark(s) of the Artist, as well as the artistic style, the likeness and biographical details of the Artist on covers, crystal and other boxes, inlay cards and other packaging material which contain Reproductions which are sold and exploited under this Agreement by means of any form of Distribution and on materials destined for promotional, trade and publicity purposes in connection with the Exploitation of such Reproductions. The Artist declares that, if applicable, the Artist, artist name, logo, trademark(s) chosen by him//herself, and any representation and/or lettering of that name, does not infringe upon any rights of third parties, and indemnifies and holds SellaBand harmless against all claims of third parties in this respect. On termination of the Artist's contract SellaBand is entitled to continue its use as described above in connection with the Exploitation of Recordings and Reproductions and the promotion thereof, but then on a non-exclusive basis.

9.2 The Artist hereby grants SellaBand an unlimited royalty-free license to use and exploit his/her name, any artist-, stage name and/or logo as a trademark(s) anywhere in the world for the purposes of this Agreement.

9.3 The Artist is entitled to produce merchandising products and exploit these products. The Artist will be entitled to the revenues following thereof.

10. Representation

10.1 If the Artist consists of a group of more than one person, all members of that group shall agree individually to the contents of this Agreement and shall be bound to this Agreement. However, in the [Registration Form](#) to be formally submitted before being allowed to participate in the SellaBand program, the group members will appoint one contact person, who will represent the group in all non-legal matters in relation to the SellaBand program. This person shall be authorized particularly:

- a) Accepting payments from SellaBand with a freeing effect for all group members
- b) Receiving contract relevant explanations from SellaBand
- c) Giving statement with effect about the complete music group to SellaBand

11. Remuneration

11.1 The Artist is entitled to purchase regular versions of the CD from SellaBand at a discounted price per copy. The Artist can therefore place orders with SellaBand. The Artist shall pay monies due to SellaBand after receiving an invoice in relation to his/her order. The Artist is at his/her sole discretion entitled to sell these copies, worldwide and without any restrictions, in accordance with all applicable laws and regulations. The Artist will be solely entitled to all revenues following thereof.

11.2 Currently this price is set at USD 5,00 (ex VAT & shipping). SellaBand can decide, at its sole discretion, to change this price.

11.3 The Net Revenues generated by music sales will be shared equally between Artists, all the Believers involved and SellaBand. The artist is entitled to 1/3 (one third) of all net revenues made by music sales. This includes sales of both downloads and physical products and licensing fees received by SellaBand for the use of Artist's Track(s) in for example, but not limited to, movies and commercials. This rule applies to sales through the website www.sellaband.com and third parties.

11.4 The Net Revenues generated by advertisement on the SellaBand website will be shared equally between Artists, all the Believers involved and SellaBand. The share of these revenues for the Artists will be split according to the market share of each Artist on the download portal.

11.5 No other payments are due to the Artist beyond those provided for in this Agreement in regard to the assignment of rights relating to Recordings and Reproductions and licences for the use of the name, Artist name, logo and representations of the Artist as set out in this Agreement.

11.6 The parties agree all payments will be made in USD.

11.7 Remunerations due to the Artist on the basis of this Section are credited to Artist Balance on SellaBand at the end of each calendar quarter. An overview of all revenues is available on the Artist Overview page.

11.8 At all times, under the condition that the Artist Balance has a value of more than \$1, an Artist can withdraw money from his/her Artist balance and transfer it to his/her own bank account or credit card. An Artist can withdraw money by clicking on the 'Pay Out' button on his/her Artist Overview Page. The costs are \$1 for each withdrawal. The money will be transferred within four weeks after the request.

11.9 Taxes, Interest and/or IRS Penalties. It is hereby acknowledged by the Artist that the Artist shall be fully responsible for any and all taxes, interest and penalties arising from receipt by Artist of any remuneration from SellaBand. In addition to the general indemnification granted elsewhere by the Artist to SellaBand, the Artist hereby agrees to indemnify and hold SellaBand, its officers, directors, shareholders, predecessors, successors-in-

interest, employees, agents, subsidiaries and affiliates, harmless from any demands, any withholding tax on capital, loss, liability claims or expenses (including attorneys' fees), made against SellaBand by any third party due to or arising out of or in connection with Artist's uses of the Site.

12. Copyright and music publishing

12.1 All music publishing rights of the Artist in regard to all Titles to be recorded by SellaBand with the Artist, whether made or to be made by the Artist under his/her own name, the Artist's name or any other pseudonym as composer and/or lyricist, or arrangements by the Artist, shall be assigned by the Artist to SellaBand, immediately after the recording of each Title. SellaBand will be entitled to these publishing rights in relation to the Titles, subject to the terms and conditions of the [Publishing Agreement](#).

13. Force majeure

13.1 In the event of force majeure caused by circumstances beyond the control of either party, the party affected shall immediately inform the other party in writing of the cause, the nature and the expected duration of the circumstances and the provisions of this Agreement which cannot be fulfilled as a result. The enforcement of such provisions will be suspended for the duration of the force majeure. In the event that such circumstances still prevail 30 days after the above-mentioned notification, the parties will endeavour to reach agreement about modification of the provision or provisions suspended due to force majeure.

13.2. In the event that such agreement cannot be reached within the following two weeks, either party has the right to terminate this contract in writing to the other party, on the provision that the Artist cannot terminate this Agreement as a result of force majeure which has occurred on his/her side.

13.3. Inability to appear or perform and circumstances in regard to the functioning of the Artist can never be deemed to be force majeure on the side of the Artist in the sense of this clause.

14. Breach of contract, termination

14.1 Any failure to comply with his/her obligations under this Agreement, if and in so far as the nature of the non-compliance permits, shall be remedied by the Artist within a period of 14 (fourteen) days. If rectification is not possible within this period, the Artist shall be deemed in default without the need for any further notice of default. If the nature of the non-compliance renders rectification impossible, the Artist shall be deemed in default without the need for any further notice of default immediately after the non-compliance occurs. SellaBand will then be entitled to terminate this Agreement with immediate effect without prejudice to SellaBand's right to alternative or supplementary compensation, including but not limited to legal costs. SellaBand will have the right to off set the total amount of compensation due pursuant to this paragraph against any sums it currently owes the Artist or will owe the Artist in the future for whatever reason.

14.2 If the Artist fails to comply with his/her obligations under this Agreement on purpose, as he/she for example does not want to cooperate with the realization of the Recordings after achieving the Goal, the Artist is liable to forfeit an immediately payable penalty to SellaBand, not eligible for off-setting, of \$ 50,000, notwithstanding SellaBand's right to claim the factual damages suffered. The Artist will not be liable under this paragraph in case of force majeure or if the violation of the obligations is an evident consequence of a split up of the Artist, if the Artist concerns a group.

14.3 SellaBand is entitled to terminate this Agreement in writing with immediate effect without notice of default or judicial intervention being required if one or more of the circumstances of Section 15.2 of the [Terms and Conditions](#) is applicable.

15. General

15.1 Full or partial invalidity or annulment of any paragraph of this Agreement, for whatever reason, shall not invalidate the remaining paragraphs or the remainder of the paragraph in question in any way. The (sections of the) paragraph in

question will be converted by operation of law to the rightfully acceptable provision to which it corresponds most closely in content and spirit.

15.2 Notice shall be provided to each party at the following e-mail addresses:

SellaBand: info@SellaBand.com

The Artist: _____

15.3 Additions and amendments to this Agreement are only valid if they have been agreed in writing and signed by all parties concerned.

15.4 When the artist is an entrepreneur, the provisions of these general terms and conditions are subject to material German law excluding UN purchasing law. When the artist is a consumer, agreements including these general terms and conditions are subject to German law as far as this does not conflict with binding legal provisions, and notably provisions of the law on consumers' protection.

15.5 When the artist is a merchant in the sense of the Commercial Code, a legal person of public right, or a Federal Special Fund, Sellaband's head office shall be the exclusive place of jurisdiction for all claims arising from the use of the website. The same applies to persons who do not have a general place of jurisdiction in Germany or persons who, after conclusion of the agreement, have moved their habitual residence or abode to outside of Germany or whose habitual residence or abode is not known when legal proceedings are instituted.

MADE, DRAWN UP AND SIGNED IN DUPLICATE in _____ on [date]

SELLABAND Ag

ARTIST
