

In order to join the program, we have made up agreements for Artists and Believers. The small print is actually quite extensive, but the 10 points below summarise what the agreements mean for you as an artist. This is what you must agree with:

- 7 As an Artist on SellaBand you can stay or go as you please, when you please. At any time before you have reached the Goal of \$50,000, you can leave SellaBand and shut down your Profile Page.
- 8 Once an Artist has officially reached the Goal of \$50,000 he/she is obliged to fulfill the recording commitment with SellaBand. Of the \$50,000, at least \$30,000 will be used for recording the CD. SellaBand will assign an A&R manager who will book the producer, studio and mastering facility. The rest of the budget will be used for manufacturing, packaging and posting the 5,000 CDs to your Believers.
- 9 As a recording SellaBand Artist you'll enjoy total artistic freedom: It's your music, your choice.
- 10 All net advertising revenues generated on www.sellaband.com will be shared equally between Recording Artists, his/her/their Believers and SellaBand. The income per Artist and their Believers is based on the market share of the artist on the Download portal.
- 11 The net revenues from music sales will be split equally between the Artist, his/her/their Believers and SellaBand.
- 12 A minimum of three of the Recording Artist's tracks will be made available as free downloads.
- 13 SellaBand will own the Album Master for 12 months after completion of the recording of the CD. After one year the full rights to the Album Master will revert to you. You'll grant SellaBand a non-exclusive license for a further 12 months.
- 14 The songs you record with SellaBand will be published by SellaBand Publishing. In this agreement 60% of the publishing income from these songs goes to you, 10% goes to the Production team and the rest (30%) goes to SellaBand.
- 15 Every Artist on SellaBand.com is responsible for his/her own Profile Page. SellaBand has the right to shut down any Profile Page at any time, without further explanation.
- 16 As an Artist wanting to participate in the program, you must agree with the Title Agreement and the Publishing Agreement now, but they will only be in effect once you have reached the Goal of \$50,000.

These points are just a summary. As an Artist on SellaBand you must read, understand and comply with the full version of the agreement.

Terms and conditions for participation of the artist, in the SellaBand program

SellaBand operates the website www.sellaband.com. This portal allows artists to publish their music and offers users the opportunity to discover these artists and their music.

When an Artist has issued 5000 Parts, meaning the total amount received is \$50,000, SellaBand will utilise this budget in producing the Artist's songs.

After recording the CD the Artist will share in the revenue generated by music sales and by advertisements on the SellaBand website.

The SellaBand program is a worldwide online program for use by Artists and Believers of any nationality. It is SellaBand's obligation to include the following agreement which you must read and accept before continuing.

1. Definitions

Agreement & Registration:	the moment at which the Artist has indicated his/her acceptance to the Agreements and he/she has formally registered for the SellaBand program by submitting the Registration Form.
The Agreements:	the Conditions of use, the Privacy Policy, these Terms & Conditions, the Title Agreement and the Publishing Agreement
Privacy Policy:	the privacy policy that is applicable to the Conditions, as referred to in Section 14.1.
Artist:	performer, composer, lyricist, whether or not a group of performers, composers, lyricists, of whose performances of musical works Recordings are being made.
SellaBand:	the company under German law SellaBand AG.
Visitor:	every visitor of the SellaBand website with the internet address www.sellaband.com or thereto related webpages, including the Artist's webpage and the Download Portal.
Member:	A registered user
Believer:	a member who wants to buy Parts of \$10 in one or more Artists and has indicated his/her acceptance to the Believer Conditions.
Part:	a declaration of faith in an artist's success, and the transfer of the amount of 10 USD to obtain the limited edition album of the artist who has reached the goal.
Goal:	the moment at which the investments in an Artist have amounted to \$ 50,000.
Title:	a musical work recorded or to be recorded by the Artist for the purposes of making one or more Recordings pursuant to the Agreements.
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 of the Title

	Agreement.
Demo tracks:	the Tracks as recorded on the Demo.
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 the Title Agreement, on which the original Recording(s) are reproduced.
CD:	the Recording to be recorded by the Artist under the Title Agreement.
CD tracks:	A minimum of 3 (three) Tracks to be recorded on the CD.
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.
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.
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 of 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.
Download Portal:	a SellaBand webpage, listing the Artists who

Free Downloads:	have recorded the CD. Visitors can download CD tracks on this webpage. A minimum of three titles in the CD can be downloaded free of cost from the SellaBand website by visitors.
Net Revenues:	the revenues received by SellaBand as a result of Exploitation and third party deals, reduced by all thereto related costs and taxes.
Artist Overview :	Personal page of the Artist. This page is only accessible by the Artist with a password and login. From this page Artists can change their profile, upload pictures, songs and videos
Artist Profile:	Page of the Artist accessible by the users of SellaBand.
Artist Balance:	Overview of the earnings of an Artist on SellaBand

2. Subject matter of the agreement

This agreement applies to all activities of the Artist on the SellaBand website, especially to the Profile page he/she uses to attract Believers in order to reach the Goal of \$50,000. After reaching the Goal SellaBand and Artist, have to complete and sign the Title Agreement and Publishing Agreement. Before joining the SellaBand program the Artist must read and accept these Agreements.

The parties' rights and obligations from this agreement are linked to the general terms and conditions of use and the privacy policy .

3. Term

3.1 The Conditions shall remain in full force and effect while the Artist participates in the SellaBand program, in accordance with the Conditions and the Agreements. However, termination of the participation of the Artist will leave the licensing or transfer of rights to SellaBand unaffected. Besides, conditions which should survive termination of the participation of the Artist on the basis of their nature, shall remain in full force and effect.

3.2 Changes of these terms and conditions of use are specially indicated on the website and notified in writing, by e-mail, to registered users of SellaBand. In case the user does not object to such changes within two weeks after receipt of the notification, they are deemed to have been accepted. In case of a change of the general terms and conditions, the user is separately notified on the right of objection and the legal consequences of non-objection.

3.3 Any general terms and conditions of the Artist or any other general and/or special terms and conditions shall not apply or are hereby expressly rejected.

3.4 If the Artist consists of more than one individual (band), the applicant confirms, that she / he will fill in the registration form in the name and in full authority of and for all band members. The band members shall then furthermore include one contact person of these individuals on the Registration Form, followed by the names of the individual members of the group.

4. Personal details, Artist

4.1 The Artist must reach the age of 18 to participate in the SellaBand program. SellaBand is at its sole discretion entitled to request for further information or documents related thereto. The Artist shall provide SellaBand with this information after receiving such a request.

4.2 The Artist warrants that the participation of the Artist in the SellaBand program does not violate any applicable law or regulation and indemnifies and holds SellaBand harmless for any claims or damages resulting thereof.

4.3 The Artist shall fill in and submit the Registration Form truthfully and accurately at all times. SellaBand is at its sole discretion entitled, but not obliged, to verify the information filled in at the Registration Form.

4.4 SellaBand is not responsible or liable for any incorrect, inaccurate or unlawful information and/or actions and consequences following thereof in relation to the Artist's age and other personal details and information provided by the Artist at the Registration Form.

5. Artist's rights before the goal

After Agreement and Registration and before achieving the goal the Artist will have the following rights:

5.1 The Artist will create his/her own profile page, which will be based on the format of SellaBand's standard profile page for Artists. On this profile page the Artist will include his/her biography, including photographs, text, logos and other information and details with the purpose to promote the Artist. The Artist is not entitled to include (paid) commercial Banners or advertisements of third parties on his/her profile page. Besides, the Artist will upload the Demo for streaming on his/her webpage in accordance with SellaBand's instructions. Creation of the profile page shall take place in accordance with the Profile page Policy as defined in Section 8.

5.2 The Artist is entitled to withdraw from the SellaBand program at any time. If the Artist wants to withdraw, the Artist will inform SellaBand immediately in writing by sending an e-mail to info@sellaband.com.

5.3 The Artist will have total career freedom and is entitled to enter into agreements with record companies, managers, agents or publishing companies, in accordance with the agreements.

6 Artist' rights after reaching the goal

6.1 After achieving the goal, SellaBand will finance the below listed activities out of the amount of \$ 50,000: I) Tools needed to complete the Recording of the CD, including the guidance of an A&R manager, producer, studio, mixing and mastering, II) 5000 Limited Editions of the CD, III) Postage of the Limited Edition CDs to the Believers of the Artist. 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).

6.2 The Artist will write and compose all Tracks at his/her discretion and has full artistic freedom regarding text and composition, subject to the conditions of Section 7.5. The Artist is also entitled to decide which Tracks will be recorded for the CD in accordance with the Title Agreement.

6.3 The Artist will have total career freedom and is entitled to enter into agreements with recording companies, managers, agents or publishing companies, in accordance with the Agreements.

6.4 The Believers of the Artist will receive one Limited Edition of the CD per Part they own in the Artist.

6.5 A minimum of three of the Artists Tracks will be available for free on the Download portal of SellaBand. 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.

6.6 The Artist is entitled to purchase regular versions of the CD from SellaBand at a discounted price per copy. This price is currently set at \$5 (ex. VAT & shipping) but may change due to changes in costs and/or exchange rates. SellaBand can, at its sole discretion, decide to change this price.

6.7 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 fees received by SellaBand for licensing the master 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.

6.8 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.

6.9 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.

6.10 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 Artist Overview Page. The costs for a withdrawal are \$1 for each withdrawal. The money will be transferred within four weeks after the request.

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

6.12 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 the 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.

17 Artists' Duties after reaching the goal

7.1 After achieving the Goal, the Artist is not entitled to withdraw from the SellaBand program and the obligations, including recording obligations, under Section 7.2, unless as a result of force majeure. SellaBand is solely entitled to decide whether the Artist may withdraw from his/her obligations, or whether the recording session can and will be postponed, without liability for SellaBand.

7.2 Within a period of 6 months after achieving the Goal, the Artist shall record the CD exclusively with SellaBand. SellaBand shall at its sole discretion, but after consultation with the Artists, appoint a studio, producer and A&R manager to the Artist and bear the costs related thereto in accordance with Section 6.1.I.

7.3 After achieving the Goal, the Artist shall cooperate with and sign all documents necessary – particularly the Title agreement and the Publishing agreement to realize or formalize the Agreements and the Assignment the exploitation, reproduction and publishing rights thereof.

7.4 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.

7.5 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 his/her obligations under this Section, SellaBand is entitled to refuse the recording of the specific Track(s) and demand the delivery of one of more new Tracks within a reasonable period, or terminate the participation of the Artist in the SellaBand program, without liability of SellaBand.

18 Profile page Policy

8.1 To be able to include the biography and Demo as described in Section 5.1 on his/her profile page on the webpage www.sellaband.com, SellaBand will provide the Artist with a password. This password will be strictly personal and confidential. The Artist is solely responsible to maintain the confidentiality of the password. The Artist shall not disclose the password to third parties, nor will he/she provide third parties access to the webpage with the purpose to include or change information on the webpage.

8.2 The Artist shall include the Demo for streaming on his/her profile page according to SellaBand's instructions.

8.3 The Artist is solely responsible for the contents of his/her profile page. The Artist shall refrain from any photographs or text containing excessive nudity, pornographic, racist, violent, harassing or otherwise wrongful or unlawful content. Besides, the Artist shall refrain from any insulting, incorrect, discriminatory, hurtful or otherwise wrongful or unlawful remarks. SellaBand is entitled to remove specific photographs or texts contrary to this Section at all times, without liability.

8.4 The Artist shall inform SellaBand immediately if he/she suspects any unauthorized use or access of the password.

8.5 The Artist is not entitled to include (paid) commercial Banners or advertisements of third parties on his/her webpage, neither before or after the Goal is achieved.

9 Protection of intellectual property

9.1 The artist agrees not to infringe the intellectual and industrial property in relation to brands, tradenames, trademarks, copyrights of Sellaband, and notably the program and the website, and not to distribute, modify, reproduce or use in another way the brands, designs and copyrights. All the brands and trademarks that are possibly protected by third parties and are mentioned on the Internet offer are unrestrictedly subject to the provisions of the labeling and property laws in force.

9.2 All rights related to the Demo, including intellectual and industrial property rights like copy- and neighbouring rights, will belong to the Artist.

9.3 Notwithstanding the rights of the Artist under Section 9.2, SellaBand is entitled to have the Demo included on the Artist's profile page in such a way that Visitors are able to take notice of the Demo tracks through streaming. As far as needed, the Artist herewith explicitly grants SellaBand unrestricted permission to include the Demo tracks on the Artist's profile page for the intended purposes.

9.4 All rights related to the CD tracks, including intellectual and industrial property rights like copy- and neighbouring rights and Master rights, shall exclusively be vested in SellaBand, in accordance with the terms and conditions of the Title Agreement. Besides, Recording, Reproduction and Exploitation will take place in accordance with the Title Agreement.

9.5 All publishing rights related to the CD tracks shall exclusively be vested in SellaBand, in accordance with the terms and conditions of the Publishing Agreement.

9.6 The Artist herewith grants SellaBand free and unrestricted permission to use his/her name, Artist name, portrait, biography and all other relevant personal details, in relation to the SellaBand program and the promotion of the SellaBand program. This permission will end if and as soon as the Artist withdraws from the SellaBand program before achieving the Goal. If the Goal is achieved and the CD is recorded, SellaBand will have unrestricted entitlement to use the name, Artist name, portrait, biography and all other relevant personal details of the Artist for free, for the exploitation of the CD tracks, in the widest sense, worldwide and for an indefinite period.

10 Guarantees, warranties and indemnifications

10.1 The Artist shall act in such a way that he/she will not violate the Agreements in any way.

10.2 The Artist guarantees that he/she is fully entitled to the Demo tracks and indemnifies and holds SellaBand harmless for all claims related thereto.

10.3 The Artist guarantees that he/she is fully entitled to enter into the Agreements and indemnifies and holds SellaBand harmless against all third party claims related thereto.

10.4 The Artist shall not violate Section 7.5 and 8.3 and indemnifies and holds SellaBand harmless against all third party claims related thereto.

10.5 Each party indemnifies the other party against all claims of third parties as a result of gross negligence or intent by the indemnifying party with respect to the performance of any activities under the Conditions and/or the Agreements.

10.6 SellaBand is not responsible or liable for non-accessibility of the SellaBand website (www.sellaband.com) or thereto related webpages, such as the Artist's webpage, for whatever reason.

11 Liability

11.1 Parties are liable towards each other for damages which are the result of imputable failures to comply with the Conditions, notwithstanding their other rights, and subject to the terms of the Conditions.

11.2 Parties' liability on account of imputable failure to comply with the Conditions shall only arise if the claiming party immediately and validly notifies the other party in writing of his/her defaults and sets that party a reasonable period of time to remedy the failure and that party, after this period, still imputably fails to comply with his/her obligations.

12 Privacy Policy

12.1 The Privacy Policy of SellaBand will be applicable. This Privacy Policy is incorporated into the Conditions by this reference thereto.

13 Termination

13.1 Until the Goal is achieved the Artist is entitled to withdraw from the SellaBand program and therefore terminate the Conditions and/or the Agreements at any moment for whatever reason, subject to Section 5.2.

13.2 SellaBand may terminate the participation of the Artist in the SellaBand program with immediate effect without notice of default or judicial intervention being required and without any further legal liability towards the Artist in the following situations, and not limited thereto: if the Artist or his/her statutory representative(s) has not filled in the Registration Form truthfully; if the Artist's profile page contains any photographs or texts contrary to Section 8.3. Before termination SellaBand will at its sole discretion decide whether specific photographs or text can be removed to avoid termination, without liability of SellaBand; if Tracks written or composed by the Artist contain texts or compositions contrary to Section 7.5; if the Artist has been given notice of default and remains in default after having been provided with a reasonable term to fulfill his/her obligations; for urgent cause, in accordance with the relevant statutory provisions.

13.3 Termination of the participation of the Artist in the SellaBand program will leave the licensing or transfer of rights to SellaBand unaffected.

14 Force Majeure

14.1 Neither of the parties shall be liable for any delay or non-compliance with his/her obligations under the Conditions if he/she is unable to comply as a result of force majeure.

14.2 Parties will inform each other immediately in writing in case of force majeure which effects the SellaBand program or the Artist's participation therein. If the situation of force majeure has lasted for more than 30 (thirty) days, parties shall consult whether the force majeure is expected to be terminated within a reasonable period. If there is no such expectation, parties are entitled to terminate the Conditions and/or the Agreements in accordance with the applicable legislation and regulations, without liability.

15 Applicable law and jurisdiction

15.1 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.

15.2 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.

16 Additional terms

16.1 Should individual provisions of these conditions of use be or become void or ineffective and/or conflict with legal provisions, then this will not affect the validity of any other conditions of use. The ineffective provisions shall be replaced by the parties to this agreement by provisions that best meet the economic purpose of the ineffective provisions in a legally effective way. This shall correspondingly apply to any missing provisions.