

**Distribution Agreement No.**

between

iGroove AG  
Churerstrasse 135  
CH-8808 Pfäffikon SZ  
VAT No. CHE-177.019.822

*- hereafter referred to as iGROOVE -*

and

PRODUCER

*- hereafter referred to as PRODUCER -*

**1. Subject of the Agreement**

With this Agreement, the PRODUCER transfers the exclusive right to iGROOVE to commercially publish sound and audiovisual recordings of the artist (according to Annex, No. 12) in the territory (according to Annex, No. 4) and to distribute them in any non-material form (especially streaming and downloading).

**2. Delivery/Obligations of the PRODUCER**

2.1

The PRODUCER shall deliver the audio recordings under the Agreement as defined in the Annex (hereafter referred to as "**Contractual Recordings**") and in compliance with the technical specifications stipulated by iGROOVE either to the address requested by iGROOVE or upload them himself into the account opened for the PRODUCER on the iGroove platform (igroovemusic.com). The audio files and cover art include a song list, which contains the following information for each song: artist, title, author, composer, price, date of publication, contributors, publisher (together called "**Metadata**"). If the PRODUCER does not deliver the Contractual Recordings with his own ISRC and label code, iGROOVE shall be entitled, but not obliged, to exploit the Contractual Recordings under its own ISRC and label code.

## 2.2

iGROOVE together with the PRODUCER shall determine the date and all other modalities of publication; PRODUCER shall have the ultimate right of decision about the date of publication. Concerning the Contractual Recordings (according to Annex, No. 12), the parties agree that the PRODUCER must deliver such recordings within ninety (90) days after signing the Agreement in a final, defect-free condition. The PRODUCER shall transfer catalog recordings (i.e., already published recordings) to iGROOVE within thirty (30) days of signing the Agreement, and their deletion shall be requested from the previous distributor.

## 2.3

iGROOVE shall be entitled to hear/view all Contractual Recordings, and, in the event of a reasonable suspicion that one or more Contractual Recording(s) infringe the guarantees under clause 5.1, iGROOVE shall be entitled in good faith to refuse delivery and publication of the relevant Contract Recordings and to demand rectification.

### **3. Exclusivity**

The PRODUCER guarantees for the duration of the Agreement that neither the PRODUCER nor the artist will re-record or otherwise reproduce the works on which the Contractual Recordings are based, in whole or in part, in the contractual version or any other version, under his name or the name of a third party or anonymously, for himself and/or third parties, or exploit them for himself and/or by third parties, or transfer the corresponding rights to third parties.

The PRODUCER guarantees for the duration of the Agreement that the artist or distributor will not make audio or audiovisual recordings of artists available to any third party and that the artist or distributor will refrain from any own exploitation of corresponding audio or audiovisual recordings or other contractual products. This excludes TV/radio broadcasts and concerts of the artist, where he performs Contractual Recordings, nor does it include the use of excerpts on the PRODUCER's websites and social media channels and those of the artist for advertising and promotional purposes.

If future releases are subject to the Contract (according to Annex, No. 12), the PRODUCER is obliged to publish all future releases exclusively via iGROOVE until the contractually agreed number of releases (according to Annex, No. 12), has been reached. Exceptions to this agreement require the written consent of iGROOVE.

### **4. Transfer of Rights**

#### 4.1

The PRODUCER transfers to iGROOVE exclusively all rights of use in the Contractual Recordings. iGROOVE is, therefore, solely entitled to distribute, make publicly accessible, and evaluate the Contractual Recordings in the territory (according to Annex, No. 4) and during the evaluation period (according to Annex, No. 5) in any nonphysical form available today or in the future and to announce or advertise the Contractual Recordings in all media and in any manner whatsoever. iGROOVE may also exercise the rights, claims, and powers conferred on it herein concerning any part or excerpts of the Contractual Recordings or performances or transfer the exercise thereof to third parties.

## 4.2

The PRODUCER grants iGROOVE power of attorney to take action against any unauthorized use under this Agreement and to take legal action.

## 4.3

The PRODUCER authorizes iGROOVE to use or has iGROOVE use his name, project name, or the name of the artist(s) (including pseudonyms), trademarks, logos, illustrations, photographs and biographies of the artist(s) free of charge for advertising and promotional purposes.

## 5. Guarantee of the PRODUCER

### 5.1

The PRODUCER guarantees

- that he has already acquired all rights transferred under this Agreement and, if not already done so, will acquire by the time of publication by iGROOVE and that no obligation prohibits him from entering into and fulfilling this Agreement.
- that the use and distribution of the Contractual Recordings do not violate copyrights, ancillary copyrights, or other third-party rights, and that neither the Contractual Recordings themselves nor the pseudonyms, artwork, promotional material, photos, trademarks, etc., are used in any way that could violate the rights of third parties.
- that the Contractual Recordings have no illegal content and, in particular, are not racist, defamatory, glorify violence, or are otherwise unlawful and/or offend common decency.
- that the image and/or sound carriers to be supplied by him are labeled following the legal requirements (in particular, concerning the required age rating) and that they do not violate any law or third parties' rights.
- that he has adequately remunerated or will adequately remunerate all parties involved in connection with the Contractual Recordings and that he has borne or will bear all costs and fees (except for copyright royalties, e.g., payments to GEMA, which are paid by end-user platforms), which have been or will be incurred in connection with the production of the Contractual Recordings.
- that he acknowledges the rules of the *Bundesverband der Phonographischen Wirtschaft*, will refrain from anything that amounts to chart manipulation, and keep the Contractual Recordings free from streaming manipulation.

## 5.2

In the event of a breach of any guarantees referred to in clause 5.1, the PRODUCER shall indemnify and hold iGROOVE harmless on first demand from and against all claims, demands, liabilities, costs, and fees of any kind made against iGROOVE and its licensees. The PRODUCER shall reimburse iGROOVE for all direct and indirect losses and expenses incurred (including reasonable legal defense costs).

## 5.3

Also, if iGROOVE should be of the opinion, at its reasonable discretion, that the exploitation of a Contractual Recording violates the rights of a third party or a guarantee given in clause. 5.1, iGROOVE shall be entitled to remove the respective Contractual Recordings concerned and take all other measures to prevent further damage. Where possible, iGROOVE will consult with the PRODUCER in this respect. Claims for damages by iGROOVE shall remain unaffected.

## **6. Revenue Sharing**

### 6.1

iGROOVE shall pay the PRODUCER a license advance (according to Annex, No. 8), which can be fully offset against any revenue share or license share of the PRODUCER but is nonrefundable in the event of the fulfillment of the Agreement by the PRODUCER. If the PRODUCER fails to comply with the Agreement's provisions, iGROOVE shall not be obliged to pay out any advance shares not yet paid out.

### 6.2

The PRODUCER shall receive a license share (according to Annex, No. 9) of the actual revenues generated from the evaluation of the Contractual Recordings. Here, actual revenues generated are revenues invoiced and paid to iGROOVE from the Contractual Recordings' exploitation less value-added tax and other applicable sales taxes.

### 6.3

The participations mentioned above are 'all-inclusive,' i.e., no further obligations, fees, artist's fees, or the like are payable by iGROOVE, and all claims of the PRODUCER or artist are thus fully satisfied.

## **7. Settlement and Payment Modalities**

### 7.1

The compensation within the scope of this Agreement will be solely credited to the PRODUCER's account on [igroovemusic.com](http://igroovemusic.com). The PRODUCER is not entitled to set off claims from this Agreement against claims from other agreements or other claims against iGROOVE or assign them to third parties.

### 7.2

The PRODUCER is responsible for his tax and insurance matters and shall pay all taxes and social security contributions due from the contractual income himself. In the event of direct deduction of taxes or social security contributions by iGROOVE or its licensees due to statutory provisions, iGROOVE shall be authorized to offset these deductions against the PRODUCER's participation claims. The PRODUCER shall indemnify and hold iGROOVE harmless from all tax claims and duties borne by the PRODUCER.

### 7.3

iGROOVE shall settle monthly, although for the first time within approximately sixty (60) days of the publication date of the first Contractual Recording, the income earned from the exploitation of recordings covered by the Agreement and shall transfer the revenue share to which the PRODUCER is entitled under clause 6.1. Licenses and other income from transactions with third parties shall be settled and paid upon receipt of payment by iGROOVE with the next due invoice. Otherwise, billing and payment will take place in the next billing period. Upon payment of the PRODUCER's revenue share under this Agreement, all claims of the PRODUCER for any use of the Contractual Recordings by iGROOVE or its licensees are settled. The invoices shall be deemed approved by the PRODUCER if the PRODUCER does not object thereto within three (3) months after delivery, stating reasons.

### 7.4

iGROOVE is entitled to withhold all or parts of the PRODUCER's revenue share if iGROOVE has claims against the PRODUCER due to a breach of the contractual obligations assumed by the PRODUCER or if such claims are imminent.

## **8. Term of Agreement**

This Agreement shall enter into force at the beginning of the Agreement (according to Annex, No. 2), and iGROOVE shall be entitled to evaluate the Contractual Recordings for the evaluation period (according to Annex, No. 5) under the terms of this Agreement. At the end of the evaluation period (according to Annex, No. 5), the Agreement shall be extended for an indefinite period until the Agreement is terminated by either party giving ninety (90) days' notice to the end of a quarter. However, the evaluation period continues until the advance payment (according to Annex, No. 8) has been repaid in full. Therefore, an ordinary termination by the PRODUCER is only possible if no advance payment components are outstanding. The PRODUCER waives the plea of limitation concerning advance payments.

## **9. Final Provisions**

### 9.1

This Agreement does not establish an employment relationship or a contractual relationship similar to an employment relationship between the contracting parties. In particular, there is no company-law relationship between the parties. Notices from iGROOVE to the PRODUCER shall be sent with discharging effect to the email address, which the PRODUCER has stored in the account with igroovemusic.com.

Contractual consent or approvals are treated as granted if the PRODUCER does not express a contrary opinion within ten (10) working days after sending a corresponding written request (email complies with the form requirements) from iGROOVE to the authorized recipient address.

### 9.2

Should the PRODUCER fail to fully comply with this Agreement's obligations, iGROOVE shall be entitled to terminate this Agreement without further justification within ten (10) days. In the event of termination of the Agreement, the PRODUCER shall be liable for any advance payments already received and undertakes to reimburse to iGROOVE in full the entire amount already received and not offset within fifteen (15) days upon request. Here, iGROOVE shall be entitled, even after the end of the agreement, to use the income from the Contractual Recordings' exploitation to redeem the advance payments already made.

### 9.3

iGROOVE shall be entitled to transfer rights and obligations under this Agreement and the Agreement as a whole to third parties or deposit them as security.

## **10. Applicable Law and Jurisdiction**

Swiss law applies exclusively to this Agreement, excluding the conflict rules of private international law. All disputes arising out of or connected with this Agreement shall be subject to the ordinary court's exclusive jurisdiction at the respective registered office of iGROOVE.

**11. Reservation of Written Form**

This Agreement, including the Annex, which forms an integral part of this Agreement, contains all agreements made between the PRODUCER and iGROOVE. Both parties declare that no other agreements exist when the Agreement is concluded. Any changes and amendments to this Agreement must be made in writing. Notices must also be made in writing unless the Agreement states otherwise.

**12. Reservation of Validity**

Should individual terms of this Agreement be or become invalid, this shall not affect the validity of the remainder of the Agreement. Ineffective clauses shall be replaced by clauses economically closest to the ones originally intended. The parties are obliged to cooperate in a respective clarification of the agreement text. The same is applicable in case of contractual gaps.

**13. Best-Deal-Guarantee**

If the PRODUCER receives a better deal within the first sixty (60) days after this Agreement was signed, the PRODUCER may terminate this Agreement with a notice period of thirty (30) days from the end of the month after full repayment of the license advance (according to Annex, No. 8). All revenues generated by then will be settled according to clauses 6.1, 6.2 and 6.3.

Place, date: Pfäffikon SZ,

iGROOVE  
Moris Marchionna (A&R Director)

PRODUCER

\_\_\_\_\_

\_\_\_\_\_

iGROOVE  
Dennis Hausammann (CEO)

PRODUCER

\_\_\_\_\_

\_\_\_\_\_