

**EXCLUSIVE ARTIST AGREEMENT**

Concluded on the day indicated below between

Name: .....

Address: .....

Telephone number: .....

Email address: .....

Bank account: .....

Or

Band.....

Made up of the following artists:

1) .....

6) .....

2) .....

7) .....

3) .....

8) .....

4) .....

9) .....

5) .....

10) .....

The band is represented by its contact person:

Name: .....

Address: .....

Telephone number: .....

Email address: .....

Bank account: .....

referred to in short and predominantly as the “artist”, and

Name: .....

Address: .....

Telephone number: .....

Email address: .....

referred to in short as the “label”, as follows:

### 1. Subject of the Agreement

The subject of this agreement is the production of sound recordings with the artist for the purpose of comprehensive utilisation by the label.

### 2. Production

#### 2.1

The artist commits to be available to the label for the recording of music titles to the amount of one album with a total length of at least ... minutes each year of the agreement. The costs of recording and production are borne by the label.

#### 2.2

The artist is to adhere punctually to the production appointments that are to be arranged individually and ensure that the label can produce recordings of faultless quality. The final decision on the time and place of production rests with the label.

#### 2.3

The title selection and sequence is determined by agreement. The final decision rests with the artist.

#### 2.4

The artist commits to be available for the usual timescale required for the production of a music video at the expense of the label.

#### 2.5

The artist guarantees not to be prevented from fulfilling his obligations under this agreement. He indemnifies the label in this regard.

### 3. Granting of Rights

### 3.1

The artist transfers the exclusive, worldwide and transferable rights for the comprehensive utilisation of the contractual recordings to the label for the duration of the copyright protection period. The label accepts the transfer of rights.

### 3.2

The comprehensive transfer of rights includes, in particular:

- the neighbouring rights of the artist;
- the right to utilise individual or all contractual recordings in any composition whatsoever, for example, as part of a compilation;
- the right to refer to the performing artists by name;
- the right of the label to promote individual or all contractual recordings and the artists;
- the right to edit the contractual recordings, in particular, to shorten, remix or sample, and to utilise them in connection with a film or advertising, for products and services of third parties (third party advertising);
- the right to electronic merchandising, especially in connection with ring tones and other exploitation forms for telecommunications devices.

### 3.3

The comprehensive transfer of rights includes, in particular, the following types of utilisation:

- Reproduction in any configuration and distribution, for example, production and sale of CDs, DVDs and records and their sale;
- Renting and lending;
- Broadcasts, particularly online, terrestrial, satellite or cable, analogue or digital, radio or television streams;
- Public performance and
- Comprehensive online utilisation.

### 3.4

The transfer of rights essentially includes no copyrights to the recorded works. In the case of the inclusion of original compositions, the artist guarantees to be member of the AKM/AUME or other comparable musical collecting societies and to remain so during the exploitation period. In the event of termination of membership, the artist transfers to the label the copyrights in the scope of the last valid collection agreement of AKM/AUME. The label accepts this assignment.

In the case of original compositions, the comprehensive transfer of rights concerns the following copyrights, which are transferred non-exclusively by the artist to the label:

- The right to first publication;
- The right to combine the sound recording with a music video of the performer and to utilise the music video;

- The right to utilise the sound recording – individual or all contractual recordings – or the performer as part of advertising for the label. Note that the synchronisation rights remain otherwise unaffected and an additional separate agreement – for example, for a film or third-party advertising – is to be made with the artist.

### 3.5

The artist transfers the non-exclusive usage rights of the band name, trademark rights, photographs, graphics and other content which he provides for the purpose of fulfilling the agreement.

### 3.6

The label is entitled to transfer all or part of the contractual rights. The label is also entitled to grant sublicenses. Transfer and licensing is to serve the interests of the artist. In any event, the label remains secondarily obliged to fulfil the agreement.

### 3.7

The artist remains entitled to have his own website and to make all titles available to the public as (streamed) samples. The same applies for a music video produced in the scope of this agreement.

## 4. Exclusivity

### 4.1

The artist commits to be available exclusively to the label for the duration of the agreement for the production of sound and music video recordings (personal exclusivity).

### 4.2

The artist commits not to rerecord and utilise the works which form the basis of the contractual recordings – in any form whatsoever – for a period of ... (e.g. 5) years from publication (title exclusivity).

### 4.3

To ensure exclusivity, the artist agrees to grant the label the rights to those recordings that result from violation of the exclusivity requirement as of now. The label accepts the transfer of rights.

### 4.4

Recordings by the artist for radio and television station broadcasts, as a studio musician or ensemble member of minor significance, as well as recordings involved as an actor, producer or remixer are not part of the exclusivity.

## 5. Advertising

The artist will be available for promotional appearances, provided at least the cost of return travel, accommodation and meals are covered.

## 6. Utilisation

The label is obliged to exploit the contractual recordings in line with market practice (duty to exploit). The label will, in any event, produce a quantity of XX CDs. The first audio medium will be released within a period of XX months after concluding recording and will be distributed as follows: ..... . The decision on the manner and scope of the exploitation is made by the label alone. The copyright fees are borne by the label.

## 7. Shares

### Alternative 1: 7.1 Audio Medium – Fixed Share

For each audio medium unit, the artist receives a fixed amount of € XX (long-play album), or € XX (single).

100% of the sold, paid and not returned audio media are to be included. A returns allowance to the amount of ... % (5 to 20%) is excluded. If an audio medium is not exclusively made up of contractual recordings, the fixed share is calculated proportionate to the titles.

### Alternative 2: 7.1 Audio medium – Share of Turnover

For each audio medium unit to be accounted for, the artist receives the following share:

XX % of the dealer selling price for each audio album unit

XX % of the dealer selling price for each audio single unit

The dealer selling price is the price set by the label on the basis of the respective valid price list for the sale of the audio medium to retailers less sales and turnover tax. The dealer selling price is initially: € XX. An initial deviation to this price by the label needs the artist's approval.

100% of the sold, paid and not returned audio media are to be accounted for. A returns allowance to the amount of ... % (5 to 20%) is excluded. If an audio medium is not exclusively made up of contractual recordings, the share is calculated proportionate to the titles.

### 7.2 Online

The artist is entitled to a share of XX% of net revenues (revenue less turnover tax) from intangible sales of audio media.

### 7.3 Licensing

In addition, the artist receives:

50 % of the net revenue from the granting of a sublicense

50 % of the net revenue from the marketing of music videos

50 % of the net revenue from advertising or film revenue

### Alternative 3: 7.1 to 7.3 All Revenues – Cooperation

The label's initial cost investment is determined to the amount of € XX. As soon as this amount is reached ("break-even"), all revenue will be shared on a 50:50 basis. The parties have to agree on further investments which are subject to this rule.

#### 7.4

The label will balance its accounts with the artist within one month of the end of each calendar half year. The payment of the share is to take place within 14 days of the proper rendering of accounts by the artist, plus any applicable turnover tax. If several persons are involved as artists, debt is discharged against every individual by transfer of the share to the account stated. A payment total of under € 2 can remain unpaid and will be rolled onto the payment total of the following year. In any case, a payment must be made in the following year.

#### 7.5

The artist has the right to review or have reviewed by a private party obliged to confidentiality (lawyer or chartered accountant) the label's documents which form the basis of the settlements. If the review results in just one individual settlement of more than 3%, but at least € 100.00, to the disadvantage of the artist, the label bears the costs of the review. Otherwise the costs are borne by the artist.

### 8. Advance Payment

The label will provide a non-refundable advance payment of € XX, offset, however, with the shares to the respective sound recording.

### 9. Free and Concert Copies / Dumping

#### 9.1

The artist receives XX free copies upon request.

#### 9.2

The artist is entitled to purchase audio media from the label at production costs for the purpose of his/her own sales at concerts. The production costs are expected to amount to € XX per audio medium. Should the label prove that even just one concert copy was not sold at a concert venue, the artist is obliged to pay a contractual penalty of € 1,000.00. The label remains at liberty to claim more extensive damages.

#### 9.3

The label is to inform the artist of a reduction in the dealer selling price of more than 50% and to give him the option of purchasing the stock. The right also exists for any further price reduction below 50%.

## 10. Duration of Agreement

### 10.1

The agreement enters into force upon signing and is entered into for a period of XX (12 to 36) months (fixed agreement period).

### 10.2 (Optional)

The artist grants the label the option of twice extending for a further year. The option may be exercised in writing until 3 months prior to the end of the agreement. For the options-album, an advance of € XX is to be paid and the provisions of this agreement apply accordingly.

### 10.3

Note that for the duration of the exploitation period given in point 3.1, the label is entitled – also after the conclusion of the agreement period – to utilise the contractual recordings according to the conditions of this agreement.

### 10.4

Both contracting parties retain the right to extraordinary termination; in this case, rights fall back to the artist and a further exploitation of recordings can only take place after agreement because the label is entitled to the production rights of the recordings. As an important reason, it is agreed in particular that

- despite an additional period of at least 2 months being granted in writing, the first tangible audio medium did not appear in the period of point 6;
- the sound recordings are deleted from the label's catalogue. (if there are varying labels = label)

### 10.5

In the event of an end to contractual relations, the artist will enter the label's legal agreements with third parties.

## 11. Taxes

The artist is responsible for his own tax and insurance law issues. He has to pay the taxes and social security contributions payable from contractual revenue. In the event of a direct payment of taxes by the label due to legal requirements, the label is authorised to settlement corresponding to the artist's involvement. If the artist is subject to turnover tax, he will in addition receive the turnover tax at the statutory rate upon proving subjectivity to turnover tax.

## 12. Assertion of Rights

The artist will support the label in judicial or non-judicial enforcement of acquired rights by word and deed, in particular, make the necessary original documents available and, if necessary, perform – or bring about the performance of – the assignment of emerging necessary rights to the label. The label is entitled – but not obliged – to pursue violations by third parties against the contractual rights in its own name and at its own expense.

## 13. Band Clause

### 13.1

If the artist is made up of a number of persons, all group members authorise the above mentioned contact person irrevocably for representations with the label for the duration of contractual relations. The contact person is, in particular, entitled to accept declarations of intent and performances.

### 13.2

The obligations from this agreement affect the band as well as each band member. A departure from the band or a change in the make up for the duration of the agreement is only possible with approval of the label. The rights to the band name remain in this case, in any event, with the remaining members.

## 14. Miscellaneous

### 14.1

The exclusive jurisdiction of the competent court responsible for ..... (place) is agreed upon for all disputes arising in connection with the present agreement, including contractual effects before conclusion and after termination. The place of performance is ..... (place)

### 14.2

Substantive Austrian law applies, excluding the UN Sales Convention.

### 14.3

If any provision of this agreement, in whole or in part, should be or become invalid, or should there be a loophole in this agreement, the validity of the remaining provisions shall not be affected.

### 14.4

The present agreement conclusively governs the contractual relationship of the parties. With the signing of this agreement by the artist, collateral verbal agreements lose their effectiveness.

### 14.5

Changes and additions to the agreement must be in writing. This applies also to any departure from the written form requirement. Statements by email or fax comply with the written form.

14.6

To the extent that only the masculine form is given for references to natural persons, such references relate to men and women equally. In applying the form to particular natural persons, the respective gender specific form is to be used.