

Terms and Conditions House of Tracks

Version: March 2018

Welcome to House of Tracks (HOT). We are a market place and as such an online platform that facilitates the online buying and selling of new custom made Tracks (sound recordings). By accessing www.houseoftracks.com and its services, applications or tools (collectively referred to as "HOT") you are agreeing to the following Terms and Conditions:

HOT is provided to you by House of Tracks B.V., Cruquiusweg 94A, 1019AJ Amsterdam, The Netherlands, registered in The Netherlands at the Dutch Chamber of Commerce with number 853069323. These Terms and Conditions constitute a legally binding agreement between you and House of Tracks B.V. and are effective as of 6th March, 2018 for all new users, and upon acceptance, for all users before that date. For Sellers selling Tracks before March 2018, upon accepting these Terms and Conditions, their current Tracks are covered by these Terms and Conditions, and any future uploaded Tracks.

By clicking the "Become a label" button or the "Create an account" button when registering at HOT as a Buyer or Seller of Tracks and by otherwise accessing or using the HOT websites, services, applications and tools, you accept these Terms and Conditions.

1. Using HOT

You declare that you are acting in the course of a profession or business. Our services and any preview content viewed through our website, are for User's personal use only. We grant you as a User a limited, non-exclusive, non-transferable license to access Track-samples and previews through our service on a streaming-only basis.

As a condition of your use of HOT (including houseoftracks.com and its related websites, services, applications and tools) you agree that you will not:

- violate any laws;
- violate HOT's Upload Rules;
- post any threatening, abusive, defamatory, obscene or indecent material or otherwise communicate any false or misleading material or message of any kind;
- infringe any third-party's right;
- distribute viruses or any other technologies that may harm HOT or the interests or property of HOT users;
- impose or contribute to imposing an unreasonable load on our infrastructure or interfere with the proper working of HOT;
- copy, modify, or distribute any other person's content without their prior written consent;
- copy, modify or distribute rights or content from the HOT website, services, applications or tools or HOT's own copyrights and trademarks;
- harvest or otherwise collect information about users, including tracks and email addresses, without their consent;
- bypass measures used to prevent or restrict access to HOT;
- use our website for public performances of any sample or preview content viewed or listened to through our website;

- sell any infringing, stolen or counterfeit items or otherwise infringe the copyright, trademark or other rights of third parties.

You are solely responsible for all information that you submit to HOT and any consequences that may result from your post or upload. We reserve the right at our discretion to refuse or delete content that we believe is inappropriate or breaching the above terms. We also reserve the right at our discretion to restrict a User's usage of HOT either temporarily or permanently, or refuse a user's registration. If we believe that you are breaching these Terms and Conditions in any way and/or behaving suspiciously on the HOT websites, services, applications or tools, we may, without compensation or notice and at our discretion, inform other HOT users that have been in contact with you and recommend that they exercise caution. If HOT thinks it is necessary, we may offer other users your contact details so they can get in contact with you if something

2. Abusing HOT

HOT and the House of Tracks community work together to keep the HOT websites, services, applications and tools working properly and the community safe. Please report problems, illegal content and policy breaches by using our Notice and Take Down Tool.

Without limiting other remedies, we may issue warnings, limit or terminate our service, remove hosted content and take technical and legal steps to keep users off HOT if we think that they are creating problems, infringing the rights of third parties or acting inconsistently with the letter or spirit of our policies (including, without limitation, circumventing temporary or permanent suspensions or harassing the HOT employees or other users). However, whether we decide to take any of these steps, remove hosted content or keep a user off HOT or not, we do not have any obligation to monitor the information transmitted or stored on our sites, services, applications and tools and we do not accept any liability for unauthorized or unlawful content on HOT or use of HOT by users. HOT is a global network and website. You may be subject to additional laws or other restrictions in the country from where your track is uploaded or bought. We may remove your track if it is reported on our websites, services, applications or tools, or if we believe it causes problems or violates any law or policy.

3. Fees and Services

3.1 House of Tracks

HOT charges a fee for its services. Our fees are quoted in euros and we may change them from time to time. We'll notify you of changes to our fee policy by posting such changes on the HOT website. We may choose to temporarily change our fees for promotional events or new services; these changes are effective when we announce the promotional event or new service.

3.2 Purchasing tracks

You as a Buyer are responsible for paying the HOT fees when they're due. If you don't, without prejudice to any other right or remedy we may be entitled to under these Terms and Conditions or by law, we may limit your ability to use the services. If your payment method fails or your account is past due, we may collect fees owed using other collection mechanisms.

HOT cannot be held liable for any infringement or legal problem concerning the Track. If you have any complaints, please contact HOT using the address details on the contact page or at the end of these Terms and Conditions.

3.3 *Selling tracks*

You as a Seller acknowledge that your tracks may be deleted from the HOT websites, services, applications or tools in case we believe these Terms and Conditions, including our Upload Rules, are breached, either directly or indirectly.

HOT cannot be held liable for any infringement or legal problem concerning the Track. If you have any complaints, please contact HOT using the address details on the contact page or at the end of these Terms and Conditions.

3.4 *General – all users*

We reserve the right not to refund the HOT users for any fees paid through use of our sites, services, applications and tools in the following cases:

- If you breach, in our opinion, these Terms and Conditions, which include, without limitation, our Upload Rules;
- If your tracks (**including musical compositions and/or parts of musical compositions and/or vocals and/or vocal parts**) went live with exposure on the HOT websites, services, applications or tools, even for a limited time, and that they benefited from the service associated with the paid fee;
- If you have removed your content yourself;
- If you post duplicate or illegal Tracks as defined in our Upload Rules;

Please note that the above list is not exhaustive.

4. **Upload Rules**

For the latest version of the Upload Rules of House of Tracks, go to:

https://houseoftracks.com/storage/app/media/HOT_Upload_Rules.pdf

5. **Payment**

Payments to HOT are non-refundable. However, at any time and for whatever reason, we may provide a refund, discount or other consideration to a Buyer with respect to the fees paid to HOT, for example if it is established that the sold Track(s) are duplicates and/or illegal Tracks as defined in our Upload Rules. In case of infringement of our Terms and Conditions, you are obliged to pay back HOT's fee to HOT. Such fee shall immediately be due as from the time of infringement and you need to pay the fee within 7 days after receiving such notice. You shall be sole responsible for any costs of payment and/or currency losses and/or currency differences. HOT can also, at its own discretion, deduct this fee from and/or settle this fee with any amounts due to you. This shall, in any case, not waive HOT's right to ask for reimbursement of any damages including legal fees. Buyer is responsible for paying any governmental taxes and fees associated with any purchased Track through HOT, including, but not limited to, sales, use or value-added taxes. Buyer agrees to pay for all Track(s) and content Buyer purchases through the HOT websites, services, applications or tools and that we may charge Buyer's payment

method for any Track(s) purchased and for any additional amount that may be accrued by or in connection with Buyer's account. Buyer is responsible for the timely payment of all fees.

6. Content

HOT contains content from us, you, and other users. HOT is protected by copyright laws and international treaties. Content displayed on or via HOT is protected as a collective work and/or compilation, pursuant to copyrights laws and international conventions. You agree not to copy, distribute or modify content from HOT without our express written consent. You may not disassemble or decompile, reverse engineer or otherwise attempt to discover any source code contained in HOT. Without limiting the foregoing, you agree not to reproduce, copy, sell, resell, or exploit for any purposes any aspect of HOT (other than your own content). When you upload a Track or post other content on HOT, you grant:

- a. to HOT a worldwide, exclusive, royalty-free, transferable licence (with the right to sub-licence) to use, reproduce, distribute, prepare derivative works of, display, and perform the content in connection with the provision of our (houseoftracks.com) service and HOT's business, including without limitation for promoting and redistributing part or all of our (houseoftracks.com) services (and derivative works thereof) in any media formats and through any media channels, including third-party websites or advertising media. In addition, you waive all moral rights you have in the content to the fullest extent permitted by law;
- b. to each User of our websites, services, applications and tools, a worldwide, non-exclusive, royalty-free licence to access your content through our service and to display and publicly perform such content to the extent permitted by the functionality of our service and under these Terms and Conditions.

The above licences granted by you terminate when we or you remove or delete your content from our website.

7. Transfer of rights

7.1 General

Users have the choice to configure their accounts in three different ways. All tracks transferred (sold) via this account transfer the same rights. Therefore, it is not possible to make exceptions for certain tracks. The three different ways you can configure your account are as follows:

- a. Not a Collective Rights Organisation member and transfer of copyright; or
- b. Collective Rights Organisation member and transfer of copyright; or
- c. Collective Rights Organisation member and no transfer of copyright.

7.2 A. No membership of a Collective Rights Organisation and transfer of copyright

When you select the button that you are not a member of a Collective Rights Organisation (CRO) or Performing Rights Organisation (PRO) like Buma in The Netherlands, SABAM in Belgium, GEMA in Germany or PRS in the UK. The Buyer of the track becomes the owner of the copyrights and neighbouring rights which are vested in the recording (artist and fonogram producer's neighbouring rights. 'Fonogram producer's neighbouring rights' are called copyrights on a sound recording in the USA).

You, as a Seller, for that purpose hereby agree to transfer these copyrights and neighbouring rights to the Buyer automatically upon receipt of the money paid for the Track by the Buyer. If, for whatever reason, a transfer of these rights is not acknowledged in a country because of the legislation in such country, you, as a Seller, hereby grant an exclusive, worldwide, perpetual, irrevocable, royalty-free, sub-licensable (through multiple tiers) right to Buyer to exercise any and all copyright, artist and phonogram neighbouring rights to Buyer in order for the Buyer to be able to use the content bought in any way it deems fit.

You, as a Buyer, are considered to be the new Owner of the acquired Track (Master). You, as a Buyer, are considered to be the new owner of the copyrights in the musical work recorded. The copyrights in the musical work belong to the Buyer of the musical work. After you, as a Buyer, purchased and paid for a Track, the Track will be removed from the HOT network.

HOT cannot be held liable by you as a Seller or you as a Buyer for any infringement or legal problem concerning the Track. If you have any complaints, please contact HOT using the address details on the contact page or at the end of these Terms and Conditions.

HOT cannot be held liable for not genuinely filling in this contract or selecting which situation applies to you with regard to your membership of a CBO/PRO.

7.3 *B. Member of Collective Rights Organisation and transfer of copyright*

When you select the button that you are a member of a Collective Rights Organisation (CRO) or Performing Rights Organisation (PRO) like Buma in The Netherlands, SABAM in Belgium, GEMA in Germany or PRS in the UK, and wish to sell your copyright. In this case, the Buyer of a Track becomes the owner of the copyrights and neighbouring rights which are vested in the recording (artist and fonogram producer's neighbouring rights. 'Fonogram producer's neighbouring rights' are called copyrights on a sound recording in the USA).

You, as a Seller, for that purpose hereby agree to transfer these copyrights and neighbouring rights to the Buyer automatically upon receipt of the money paid for the Track by the Buyer.

You, as a Seller, understand the local Collective Rights Organisation's or Performing Rights Organisation's rules about the transferability of copyright. In The Netherlands, for example, you need to fill in forms at the Buma/Stemra website which allows you to transfer your copyrights to third parties:

<https://www.bumastemra.nl/auteursuitgevers/flexibel-beheer/>

and/or

https://www.bumastemra.nl/wp-content/uploads/2017/02/PV2.BST_.518.1116.01-A4-Wijzigingsformulier-auteursrechten.pdf

You, as a Buyer and/or seller, hereby understand and accept the lawfulness of 'Stiply' autographs as a legally binding written agreement. If, for whatever reason, a transfer of these rights is not acknowledged in a country because of the legislation in such country, you, as a Seller, hereby grant an exclusive, worldwide, perpetual, irrevocable, royalty-free, sub-licensable (through multiple tiers) right to Buyer to exercise any and all copyright, artist and

phonogram neighbouring rights to Buyer in order for the Buyer to be able to use the content bought in any way it deems fit.

You, as a Buyer, are considered to be the new Owner of the acquired Track (Master). You, as a Buyer, are considered to be the new owner of the copyrights in the musical work recorded. The copyrights in the musical work belong to the Buyer of the musical work. After you, as a Buyer, purchased and paid for a Track, the Track will be removed from the HOT network.

HOT cannot be held liable for any infringement or legal problem concerning the Track. If you have any complaints, please contact HOT using the address details on the contact page or at the end of these Terms and Conditions.

HOT cannot be held liable for not genuinely filling in this contract or selecting which situation applies to you with regard to your membership of a CBO/PRO.

7.4 C. Member of Collective Rights Organisation without transfer of copyright

When you select the button that you are a member of a Collective Rights Organisation (CRO) or Performing Rights Organisation (PRO) like Buma in The Netherlands, SABAM in Belgium, GEMA in Germany or PRS in the UK, but do not want to sell your copyright. In this case, the Buyer of a Track becomes the owner of neighbouring rights which are vested in the recording (artist and fonogram producer's neighbouring rights. 'Fonogram producer's neighbouring rights' are called copyrights on a sound recording in the USA).

You, as a Seller, for that purpose hereby agree to transfer these neighbouring rights to the Buyer automatically upon receipt of the money paid for the Track by the Buyer.

You, as a Buyer, hereby accept these rights. If, for whatever reason, a transfer of these rights is not acknowledged in a country because of the legislation in such country, you, as a Seller, hereby grant an exclusive, worldwide, perpetual, irrevocable, royalty-free, sub-licensable (through multiple tiers) right to Buyer to exercise any and all artist and phonogram neighbouring rights to Buyer in order for the Buyer to be able to use the content bought in any way it deems fit.

The copyright vested in the musical work is NOT part of the transfer of rights. You, as a Buyer, are considered to be the new Owner of the acquired Track (Master). You, as a Buyer, are NOT considered to be the new owner of the copyrights in the musical work recorded. The copyrights in the musical work belong to the author of the musical work and you, as a Buyer, need prior permission to use this copyright. Collecting Societies such as Buma/Stemra can usually provide such permission by means of a blanket license. After you, as a Buyer, purchased and paid for a Track, the Track will be removed from the HOT network.

HOT cannot be held liable for any infringement or legal problem concerning the Track. If you have any complaints, please contact HOT using the address details on the contact page or at the end of these Terms and Conditions.

HOT cannot be held liable for not genuinely filling in this contract or selecting which situation applies to you with regard to your membership of a CBO/PRO.

8. Infringement

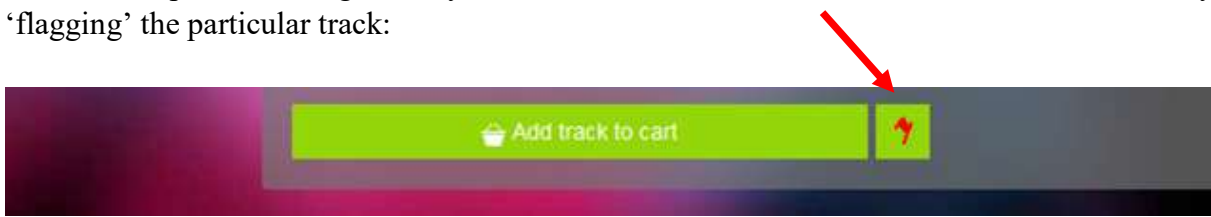
8.1 General

You as a Seller guarantee us and the Buyer that you do not post Tracks that infringe the rights of third parties. This includes, but is not limited to, Tracks that infringe on intellectual property rights such as copyright, neighbouring right, design and trademark laws (e.g. offering counterfeit, pirated, or ripped music for sale).

A large number of Tracks of different genres are offered on HOT by individuals. A Buyer or an entitled party, in particular owners of copyright, trademark rights or other rights can report any Track which may infringe on their rights or the rights of third parties or for which Track it is clear that it is impossible for the Seller to be the owner to the copyright, trademark rights or other rights, and submit a request for such Track to be removed. If a (preferably legal) representative of the entitled party reports this to us by using the Notice and Take Down Tool, products infringing on the intellectual property rights of others will, without notice, immediately be removed by HOT.

8.2 Reporting an infringement

In order to report an infringement, you need use the Notice and Take Down Tool. You do so by ‘flagging’ the particular track:



You can use the Notice and Take Down Form that appears to report the track, please check if you filled the form completely.

The information requested is for the purpose of ensuring that the parties reporting these tracks are either the entitled party or their officially authorized representative or for the purpose of giving relevant information concerning a breach of the rights of third parties. This information must also enable HOT to identify the content to be removed. The "Notice and Take Down Tool" is intended to enable rights owners to ensure that products or content offered by HOT Sellers do not infringe the copyright, trademark rights or other intellectual property rights of others. If you use our Notice and Take Down Tool, you guarantee us that the information provided in the form is accurate and that you are authorized to make the complaint on behalf of the owner of the intellectual property right(s) involved. If you as a User misrepresent that certain content is infringing, you are liable for damages (including costs and reasonable attorney fees). Fraudulent or abusive notices or other abuse of our website may result in account termination and other legal consequences.

9. Liability

9.1 General

Nothing in these Terms and Conditions shall limit our liability for fraudulent misrepresentation, or for death or personal injury resulting from our own gross negligence or the gross negligence of our agents or employees. You agree not to hold us responsible for any (other) behavior of Users of HOT; like what Users of HOT post, upload, buy, sell or do.

9.2 *House of Tracks use*

Users use HOT websites, services, applications or tools solely at their own risk. We do review Sellers uploads, but we are not involved in the actual transactions between Buyers and Sellers, except for facilitating the payment. As most of the content on the HOT website comes from other Users, we do not guarantee the accuracy of uploads and/or postings or user communications or the quality, safety, or legality of what's offered. We, our subsidiaries or any of our shareholders, directors, officers, employees or licensors are not liable to you for any loss of profit (whether incurred directly or indirectly), any loss of goodwill, loss of business reputation, any loss of opportunity or any loss of data suffered by you through the use or inability to use our website or services. We, our subsidiaries or any of our shareholders, directors, officers, employees or licensors are also not liable to you for any loss or damage which may be incurred by you as a result of any changes which HOT may make to its services, or for any permanent or temporary cessation in the provision of our services or any features within our services, or your failure to provide us with accurate account information or your failure to keep your password or HOT account details secure and confidential.

In no event do we accept liability of any description for the posting by Users of any unlawful, threatening, abusive, defamatory, obscene or indecent information, or material of any kind which violates or infringes upon the rights of any other person, including without limitation any transmissions constituting or encouraging conduct that would constitute a criminal offence, give rise to civil liability or otherwise violate any applicable intellectual property or other law. You agree that if any third party brings a claim against HOT related to content that you as a Seller posts, then, to the extent permissible under the laws of the Netherlands or (if not applicable) under local law, you will indemnify and hold HOT harmless from and against all damages, losses and expenses of any kind (including reasonable attorney fees and costs) arising out of such claim. You acknowledge that we cannot guarantee continuous, error-free or secure access to our services or that defects in the service will be corrected. While we will use reasonable efforts to maintain an uninterrupted service, we cannot guarantee this and we do not give any promises or warranties (whether express or implied) about the operation and availability of our websites, services, applications or tools. Accordingly, to the extent legally permitted we expressly disclaim all warranties, representations and conditions, express or implied, including those of quality, legality, merchantability, merchantable quality, durability, fitness for a particular purpose and those arising by statute.

We are not liable for any loss, whether of money (including profit), goodwill, or reputation, or any special, indirect, or consequential damages arising out of your use of, or inability to use HOT, even if you advise us or we could reasonably foresee the possibility of any such damage occurring.

HOT cannot be held liable for any infringement or legal problem concerning any Track. If you have any complaints, please contact HOT using the address details on the contact page or at the end of these Terms and Conditions.

9.3 *Other jurisdictions*

Some jurisdictions do not allow the disclaimer of warranties or exclusion of damages, so such disclaimers and exclusions may not apply to you.

9.4 *Limitation*

Despite the previous paragraphs, if we are found to be liable, our liability to you or any third party (whether in contract, tort, negligence, strict liability in tort, by statute or otherwise) is limited to the greater of:

- a. the total fees you paid to us in the 6 months prior to the action giving rise to liability, or;
- b. 200 euro.

Nothing in these Terms and Conditions shall affect any non-waivable statutory rights that may apply to the User.

10. Release

User agrees to indemnify and hold HOT and our affiliates, joint ventures, our officers, directors, agents, representatives and employees as well as our potential Buyers and Sellers, harmless from any and all claims, demands, liabilities, damages (actual and consequential), losses, costs, expenses and demands, including, without limitation, reasonable attorney fees, of every kind and nature, known or unknown, arising out of or in any way connected with any claim, action, suit or proceeding made or brought by any third party due to or arising out of User's breach of these Terms and Conditions or User's violation of any law of the rights of a third party or caused by a dispute between you and one or more other HOT Users.

11. Ending your relationship with House of Tracks

These Terms and Conditions will continue to apply until terminated by either you or HOT as set out below. If you want to terminate your legal agreement with HOT, you may do so by

- a. notifying HOT at any time and;
- b. closing your HOT account.

We may at any time terminate our legal agreement with you if:

- you have breached any provision of these Terms and Conditions, or have acted in any manner which clearly shows that you do not intend to, or are unable to comply with the provisions of these Terms and Conditions; or
- we are required to do so by law; or
- we are no longer providing our services to users in the country in which you are a resident or from which you use our services; or
- the provision of our services to you by us is, in the opinion of HOT, no longer commercially viable.

When these Terms and Conditions come to an end, all of the legal rights, obligations and liabilities that you and we have benefitted from or which have accrued over time or which are expressed or implied to continue indefinitely, shall be unaffected by this termination and the provisions with regard to jurisdiction, your guarantees, liabilities and applicable laws shall also continue to apply to such rights, obligations and liabilities indefinitely.

12. Personal Information

12.1 Storage

By using HOT, you agree to the collection, transfer, storage and use of your personal information by HOT on servers located in the Netherlands (and parts in the USA) as further described in our Privacy Policy.

(https://houseoftracks.com/storage/app/media/HOT_Privacy_Policy.pdf)

You also agree to receive marketing communications from us unless you tell us that you prefer not to receive any such communications. HOT reserves the right to ask you to provide a copy of your valid identity card and/or passport as further described in our Privacy Policy, this solely with the purpose to ensure that (legal) measures can be undertaken against Buyers and/or Sellers in case it is established that the rights of Buyers, Sellers, or third parties have been infringed.

12.2 Transferability

By using HOT, you agree that your account is personal and not transmittable. You cannot sell, transfer in any way, share, give away or donate your account (label) to other parties. If anyone or someone gets access to your account and/or label (-details) and acts like he is you (IE: uploads or distributes tracks via your account), you remain liable as stated under these Terms and Conditions.

13. Resolution of disputes

If a dispute arises between you and HOT, we strongly encourage you to first contact us directly by email info@houseoftracks.com or via the contact form (<https://houseoftracks.com/contact>) to seek a resolution. We will consider reasonable requests to resolve the dispute through alternative dispute resolution procedures, such as mediation or arbitration, as alternatives to litigation. We are however not obliged to agree to such an alternative dispute resolution procedure and we reserve our right to have the dispute resolved by a court.

14. General

14.1 Agreement

These Terms and Conditions and the other policies posted on HOT constitute the entire agreement between HOT and you, superseding any prior agreements. No agency, partnership, joint venture, employee-employer or franchiser-franchisee relationship is intended or created by this Agreement. These Terms and Conditions shall be governed by and construed in accordance with the laws of the Netherlands. You agree that any claim or dispute you may have against us must be resolved by the courts of the Netherlands. You and us hereby both agree to submit disputes to the exclusive jurisdiction of the Amsterdam courts. Notwithstanding this, you agree that we shall still be allowed to apply for injunctive remedies (or other equivalent types of urgent legal remedy) in any jurisdiction of our choice. In case of violation of the above listed Terms and Conditions within the EU, House of Tracks B.V. reserves the right to seek all remedies available by law including compensation of (our or third party) damages caused by you, up to an amount of € 50.000,-, excluding full legal fees, for payment of which you are liable too. You also agree that all extra-judicial and judicial costs incurred by us are to be borne by you in case you violated our Terms and Conditions.

14.2 Returns

HOT does not cover returns because you hear and understand what you buy at the moment you buy it. Consumers who purchase items from Business sellers over the internet generally have the right to return the item; this is not the case at HOT, as the Sellers are not automatically considered businesses, and the Buyers cannot automatically be considered consumers.

14.3 Violation

In case of violation of the above listed Terms and Conditions outside the EU, House of Tracks B.V. reserves the right to seek all remedies available by law including compensation of (third party) damages caused, up to an amount of € 100.000,- and full legal fees, for payment of which you are liable too. You also agree that all extra-judicial and judicial costs incurred by us are to be borne by you in case you violated or our Terms and Conditions. If we don't enforce any particular provision, we are not waiving our right to do so later. If a court strikes down any of these terms, the remaining terms will survive. We may automatically assign this agreement in our sole discretion in accordance with the notice provision below.

14.4 Notices

Except for notices relating to illegal or infringing content, for which notices we refer you to our Notice and Take Down Tool (8.2), your notices to us must be sent by registered mail to House of Tracks B.V., Cruquiusweg 94A, 1019AJ Amsterdam, the Netherlands and/or via e-mail to info@houseoftracks.com. We will send notices to you via the email address you provided, or by registered mail. Notices sent by registered mail will be deemed received within five days following the date of mailing. We may update and change these Terms and Conditions from time to time, which changes shall be effective immediately. However, for existing Buyers and Sellers these changes take effect when you next upload or post us or (if this is sooner) 15 days after we posted these updated terms on our HOT website.

Amsterdam, March 2018

[previous version, February 2018. Updated 6th March 2018: added article 12.2]