

# **Digital Music Distribution Agreement between You (Licensor) and Blue2Digital (Licensee – Owned and Founded by VIDYPS 79)**

*This Agreement was last updated on September 01, 2012.*

## THE MAIN TERMS OF THE AGREEMENT IN A NUTSHELL:

1. You, as Licensor, confirm that you have permission to upload all of Your content and make it available worldwide (without restriction) or have obtained permission from the relevant rightsholder(s).
2. Blue2Digital does not claim any ownership rights in Your content. You will continue to own Your content and can use it in any way that You choose.
3. You or Blue2Digital can terminate this Agreement at any time by Your requiring from us to remove all Your content from our website or by our own removing Your content due to Your prospective violation of this Agreement.

## THE PARTIES AGREE AS FOLLOWS:

This Agreement sets out the terms and conditions agreed between You and Blue2Digital on the basis that Blue2Digital intends to distribute and make available Your music over the Internet. You own or have the right to exploit and to grant a worldwide licence to Blue2Digital to use the sound recordings, lyrics and any performance of any artist and/or performer embodied in Your track, together with any metadata, artwork, images, lyrics and sleeve notes which You upload and provide to Blue2Digital (together, "Your Content").

### 1. GRANT OF LICENCE

#### 1.1 Your Content

By uploading Your Content, You grant to Blue2Digital a non-exclusive licence (including the right to sub-license for all purposes related to the Blue2Digital and its affiliated services) throughout the world.

#### 1.2 Reserved Rights

All rights and licences not expressly granted to Blue2Digital under this Agreement are reserved by You. Ownership of Your Content shall remain with You or Your licensors.

### 2. DELIVERY

#### 2.1 You shall deliver to Blue2Digital:

- (a) Your Content, including copies of the master versions of Your Content from which Blue2Digital shall be entitled to make copies for the purpose set out in this Agreement;
- (b) All necessary, related artwork for use by Blue2Digital in connection with the marketing and promotion of Your Content;
- (c) A written schedule of the names and contact information of the author(s), composer(s) and/or music publisher(s) and performers of the songs embodied in Your Content, together with any additional copyright information and metadata in Your possession or under Your control relating to such songs and Your Content; and

2.2 Blue2Digital requires the information set out above to ensure that Your music is displayed correctly.

2.3 Blue2Digital may encode or transcode Your Content as required.

2.4 You can deliver Your Content and the material set out through digital uploads or if agreed with Blue2Digital, some other form of digital carrier.

### 3. TERM

3.1 This Agreement shall commence on the very date that You upload any of Your Content using the facility on the Blue2Digital services, and shall continue until such time as You or Blue2Digital terminate this Agreement by:

- (a) You require from us to remove Your Content from the Blue2Digital; or
- (b) Blue2Digital removes Your content on its own due to Your prospective violation of this Agreement.

3.2 Following termination of this Agreement, Blue2Digital may retain on a confidential basis one copy of any correspondence, information or data provided by You to Blue2Digital in order to comply with legal or regulatory requirements and/or internal document retention policies as well as any and all: (i) e-mails and any attachments contained in such e-mails; and (ii) any electronic files, each of which are automatically saved.

### 4. REPRESENTATIONS AND WARRANTIES

4.1 You represent, warrant and undertake to Blue2Digital that:

- (a) the information that You have provided when uploading your tracks is true, accurate, current, complete and is compliant with the Blue2Digital Website Terms of Use;
- (b) You are the owner or authorized licensor of Your Content throughout the world and have obtained all necessary rights, clearances, consents, releases, waivers, and authorizations in respect of Your Content;

- (c) You have full right and authority to enter into this Agreement and grant the licence in clause 1.1;
- (d) There is no present or prospective claim or litigation in respect of Your Content;
- (e) The use by Blue2Digital of Your Content shall not infringe the rights of any third party;
- (f) You have cleared all rights (including in the form of waivers of all moral rights, neighbouring rights or similar rights held anywhere in the world from any contributor to Your Content) and made all payments due to any performing artist, collecting society, producer or contributor to Your Content (including but not limited to music synchronisation clearances and fees, where applicable), that such payments are equitable in accordance with relevant legislation and that no further payments shall be payable by Blue2Digital; and
- (g) Your Content will not contain any contaminated file, viruses, worms, Trojan horses or other similar harmful or destructive code or program.

4.2 Blue2Digital warrants that it has the full right and authority to enter into this Agreement.

## 5. INDEMNITY

You hereby indemnify and will at all times keep Blue2Digital its parents, subsidiaries and affiliates fully and effectively indemnified from and against any and costs, claims, demands, investigations, liabilities, losses, damages, judgments, settlements, costs and expenses whatsoever, including attorneys' fees arising out of or in connection with this Agreement, made against or incurred by Blue2Digital in consequence of any actual or alleged breach or non-performance by You of any of Your representations, warranties, undertakings or covenants, or Your violation of any material term or condition, contained in this Agreement. You will cooperate as fully and reasonably as required by Blue2Digital in the defence of any claim. Notwithstanding the foregoing, Blue2Digital retains the exclusive right to settle, compromise and pay any and all claims, demands, proceedings, suits, actions or causes of actions which are brought against Blue2Digital.

## 6. ROYALTY SHARE

6.1 Blue2Digital will pay You 80%, 85% or 100% of royalties from making Your Content available through the Blue2Digital partners and services, depending on the payment model and the service you have chosen.

6.2 Where Blue2Digital discovers a duplicate item of Your Content, Blue2Digital shall only be liable to pay a royalty to the party who is legally authorised to grant a licence to Blue2Digital. If You believe someone has uploaded your tracks to the Blue2Digital services without Your consent, You may notify Blue2Digital by following the procedure set out in the Blue2Digital Website Terms of Use and Blue2Digital will act in accordance with such procedure.

6.3 Royalties shall only start to accrue from the date on which Your Content is first used on the Blue2Digital Services provided that You have accepted these Terms and Conditions. Blue2Digital shall not be liable to You or any third party for any retrospective use of Your Content on the Blue2Digital services or for any royalties that are or have been incorrectly paid by Blue2Digital to any third party who claimed ownership of Your Content.

6.4 Payments are made for the income generated on the previous month(s). There is a default minimum payment level per cycle of \$35 USD. If your total income of the previous month is under the minimum set for payment, that income will be carried over to the next payment cycle.

6.5 Payments shall only be made following Your data that You filled in the corresponding form during the Registration process on our website and shall be made to the person identified as the nominated payee in Your label account (the "Nominated Payee"). All the information and communication will be going via email as specified during your registering. Payments shall be made 30-60 days after the end of each month via a payment method chosen by Blue2Digital in its sole discretion and provided that the Minimum Royalty has been met.

6.6 Blue2Digital shall have discharged its obligation to pay royalties pursuant to by paying the amount to the Nominated Payee. Blue2Digital shall have no further liability in this regard. It is Your responsibility to make sure that the Nominated Payee details are correct.

6.7 Blue2Digital reserves the right to cover the administration fees and costs of distribution management activities that go beyond the deal previously made with the client, including music promotion activities performed on the Blue2Digital website or any other websites, Radio/TV stations, or Press, in order to increase the Blue2Digital's clients' incomes.

6.8 If this Agreement is terminated by You or Blue2Digital for any reason, any royalties equal to or above the Minimum Royalty owing to You shall be paid in full 30-60 days after the end of the calendar month in which the Agreement is terminated to the Nominated Payee. Any royalties owing to You that are less than the Minimum Royalty shall be credited to You for the purchase of Blue2Digital products on the Blue2Digital services.

## 7. ABUSE OF THE BLUE2DIGITAL WEBSITE

By using the service, You agree that You shall not do or cause anything to be done that causes You to receive an unfair advantage or unjust revenue or in any way prejudices the operation of the Blue2Digital Website or any part of it. In particular, You will not authorise, enable or engage in any activity which is or is intended to be fraudulent, unlawful, false or which artificially alters any information on or relating to the Blue2Digital Website, including (by way of example) falsifying the number of site impressions, uploading content that is already licensed to Blue2Digital or uploading duplicates of Your Content. Blue2Digital reserves the right, but is not obligated, to delete, move or edit Your Content and any information relating to Your Content uploaded through the Blue2Digital Website, in whole or in part, in our sole discretion. Blue2Digital reserves the right to suspend or terminate Your access to the Blue2Digital Website with immediate effect and without notice to You, and to pursue all legal remedies if Blue2Digital believes, in its sole discretion, that You are in breach of any part of this clause.

## 8. DEMONSTRATIONS

You agree that Blue2Digital may use Your Content (including screenshots) to demonstrate the functioning of the Blue2Digital services, provided that Blue2Digital shall not use Your Content as a direct product endorsement.

## 9. RELATIONSHIP

You acknowledge and agree that this Agreement sets out the business relationship between You and Blue2Digital.

The business relationship between You and Blue2Digital is of Licensor and Licensee and nothing in this Agreement shall be construed: (i) to give either party the power to direct or control the daily activities of the other party; or (ii) to constitute the parties as principal and agent, employer and employee, franchisor and franchisee, partners, joint venturers, co-owners, or otherwise as participants in a joint undertaking.

## 10. NO OBLIGATION

You acknowledge that Blue2Digital may change the scope of its services from time to time and without notice to You. Blue2Digital shall be under no obligation to stream or otherwise use Your Content.

## 11. MISCELLANEOUS

All notices or other communications required under this Agreement shall be given by email to the relevant party at the email addresses stated below and shall be deemed to have been given on the date that the email is read by the recipient (evidenced by a read receipt automatically sent to the sender).

Blue2Digital: [info@soundsofsoftware.com](mailto:info@soundsofsoftware.com)

You: The email address supplied by You when You registered to use the Blue2Digital service.

Nothing in this Agreement shall confer or purport to confer on any third party any benefit or the right to enforce any term of this Agreement.

If any provision of this Agreement (or part of any provision) is found by any court or other authority of competent jurisdiction to be invalid, illegal or unenforceable, that provision or part of such provision shall, to the extent required, be deemed not to form part of this Agreement, and the validity and enforceability of the other provisions of this Agreement shall not be affected.

This Agreement is governed by and shall be construed in accordance with the law of Serbia and E.U. and in the event of a dispute the parties shall submit to the exclusive jurisdiction of the Serbian and E.U. Courts.

Blue2Digital may, at its sole discretion, make changes to this Agreement at any time and will post any changes on this page. In certain circumstances, Blue2Digital may send an email to You notifying You of the change. You should, however, check these Terms and Conditions from time to time to ensure You are aware of any changes.

If You find any change unacceptable, You should terminate this Agreement by removing Your Content requiring from us to accomplish that. Failure to terminate this Agreement by removing Your Content following any change shall constitute Your acceptance of the new terms and conditions of this Agreement.

**THIS AGREEMENT SETS OUT THE TERMS AND CONDITIONS GOVERNING THE USE OF YOUR CONTENT ON THE BLUE2DIGITAL SERVICES. IF YOU ARE UNSURE ABOUT ANY OF THESE TERMS AND CONDITIONS YOU ARE ADVISED TO OBTAIN INDEPENDENT LEGAL ADVICE BEFORE ACCEPTING THEM.**

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