

## TERMS AND CONDITIONS FOR THE PROVISION OF MUSICRAFT DIGITAL DISTRIBUTION SERVICES

(hereinafter referred to as the "**Terms and Conditions**") of **Great Vizier Entertainment** s.r.o., registered in the Commercial Register maintained by the Municipal Court in Prague under file no. C 325332, with head office at Rižská 1580/7, 102 00 Prague 10 Hostivař, ID: 08789304, VAT ID: CZ08789304 (VAT payer), (hereinafter referred to as the "**Company**"), contact e-mail: info@musicraft.eu.

### I. INITIAL PROVISIONS

These Terms and Conditions govern the mutual rights and obligations between the Company and entities or individuals in the course of their business or independent exercise of their profession (hereinafter referred to as the "**Customers**") arising from the provision of digital distribution and other related marketing and promotion services by the Company to Customers (hereinafter referred to as the "**Services**") for the purpose of public distribution of digital copies of unreleased sound (hereinafter referred to as the "**Phonograms**") or audiovisual (hereinafter referred to as the "**Video Clips**") recordings of artistic performances.

**The following annexes are an integral part of these Terms and Conditions: the policy on the processing of personal data and the use of cookies**, the current version of which can be found here: <https://www.musicraft.eu/en/privacy.pdf> and **information on the scope and price of services provided in the individual tariff categories**, the current version of which can be found here: <https://www.musicraft.eu/en/services/>.

### 2. ENTERING INTO THE AGREEMENT

The agreement on the provision of Services between the Company and the Customer (hereinafter referred to as the "**Agreement**") can be entered into by placing an order via a web form on the Company's website. In the web form, the Customer selects the tariff category of Services depending on the required scope of performance (see more in clause 5 of these Terms and Conditions), and for each of the tariff categories of Services, the price of the Services valid on the date of access to the Company's website, including value added tax, is indicated when the Customer places the order; any delivery or performance costs are already included in the price of the Services.

After selecting the tariff category of the Services, the Customer fills in the required personal data within the scope of the e-mail address, name and surname, and payment data for online card payment within the scope of the card holder name, card number with its validity date, and country or region, and subsequently submits the order by clicking on the field "Confirm order with payment obligation," which confirms the advance payment in the amount of the full price of the Company's Services. By paying the advance payment for the price of the Services online by credit card, the Customer gives the Company consent to authorize the credit card used to automatically charge the price of the Services in the future annual periods; the Customer may withdraw this consent to the Company at any time.

The Customer is obliged to enter all the required data within the order correctly and truthfully and to check the them before sending them in, as after the entered data is sent in, it is not be possible to detect and correct any errors before placing the order. The Company considers the data entered by the Customer correct and true and is not obliged to inspect in any way whether such data are correct and up to date and shall not be liable for any complications caused by the provision of incorrect, false, or outdated data by the Customer.

The Agreement is entered into when the order confirmation is sent to the Customer's e-mail address provided to the Company. The advance payment for the price of the Services, which is provided by the Customer at the time of placing the order, is applied towards the agreed price of the Services at the time of the conclusion of the Agreement.

### 3. CUSTOMER'S COOPERATION

In order for the Company to begin the provision of the Services, the Company requires the Customer's necessary and indispensable cooperation and assistance. If the Customer has not already provided the materials and information listed below prior to entering into the Agreement, without undue delay after entering into the Agreement, but no later than 14 business days prior to release date of the Video Clips and/or Phonograms, the Customer shall provide the Company with:

- Video Clips and/or Phonograms on a digital medium suitable for their public communication in the course of the provision of the Services,
- input information for the purpose of preparing metadata for the content provided (in particular information on the title of the Phonogram or Video Clip, the performers, publisher, composer and other authors, ISRC and UPC codes, etc.); and
- graphic materials (artwork) for the content provided or for the music album of the content provided (hereinafter referred to as the "**Graphic Materials**"),

either via the Company's web interface for the Customers or via the Company's contact email address or other means of electronic communication as agreed between the Company and the Customer. The Customer undertakes to provide the aforementioned media and other necessary materials to the Company in sufficient quality and in accordance with the technical standards customary in the digital music distribution industry so that such materials are ready for digital distribution and enable the commercially successful release of the provided content. The Customer further agrees to provide the Company with any other necessary assistance depending on nature of the Services provided.

The agreed dates for the provision of the Services, in particular the Customer's requested release date for the Video Clips and/or Phonograms, are binding only if the Customer provides the Company with the media and other necessary materials and other necessary assistance pursuant to this clause 3 in a proper and timely manner; otherwise the Company cannot guarantee to meet the agreed dates and shall not be liable to the Customer for any delays caused thereby.

### 4. GRANT OF RIGHTS

By entering into the Agreement, the Customers represents and warrants that:

- in relation to the provided Phonograms and/or Video Clips (hereinafter referred to as the "**Recordings**"), as the producer of the phonograms or audiovisual fixations and/or the holder of the licence to use the Recordings,
- in relation to the artistic performances recorded on the Recordings (hereinafter referred to as the "**Performances**"), as the performer and/or a licensee of the Performances,
- in relation to works performed on the Recordings by performers (hereinafter referred to as the "**Works**"), as the author and/or licensee of the Works, and
- in relation to the Graphic Materials, as the author and/or licensee of the Graphic Materials,

they are authorized to grant a licence at least to the extent of this clause 4 (Recordings, Performances, Works and Graphic Materials collectively referred to as the "**Provided Content**"), and that they have not granted an exclusive licence to a third party to the extent of the rights granted hereby prior to the conclusion of hereof.

The Customer grants to the Company a non-exclusive licence to publish the Provided Content (if it has not yet been published) and to use the Provided Content by making electronic (analogue and digital) copies of it and communicating it to the public via a computer or another similar network, including the internet and mobile

networks, all in its initial form and after alteration, in whole or in part, separately or in a collection, or after connecting the Provided Content or parts or elements thereof with other work or elements, including after inclusion in a database or in conjunction with or interrupted by third party advertising. A (sub)licence under this paragraph also includes the authorization to create unique identifying digital files (identifiers) of the Provided Content and to mark the Provided Content with unique identifiers for its recognition on platforms of digital service providers (streaming platforms, music and video download portals, mobile music and video platforms, etc.). (The (sub)licence under to this paragraph is granted for the purposes related to the digital distribution of Recordings and Video clips, including the related advertising and promotional activities of the Company and persons deriving their authorization from the Company, for the duration of the Agreement and for the additional transitional period pursuant to the last paragraph of clause 5, without territorial, quantity, technological or other limitation, without any obligation to exploit the granted (sub)licence and with the authorization to assign or grant to third parties a (further) sub-licence, even repeatedly; such third parties, as well as persons deriving their authorization from them, shall be entitled to further assign the granted sublicense or grant (further) sublicences without any restriction.

The (sub)licence to use the Provided Content under the preceding paragraph does not include the ways of use which are subject to compulsory collective management under the legislation in the given territory. If any of the authors of the Works is, at the date of conclusion of the Agreement, represented in the exercise of their copyright in the Works on the basis of a contract with a collective management organization, the (sub)licence pursuant to the preceding paragraph shall not include the use of the Work in ways and/or to the extent of time and territory which is licensed on behalf of the author by a collective management organization (operating in the relevant territory) on the basis of an agreement concluded between that author and a collective management organization or on the basis of reciprocal agreements concluded between collective management organizations, for as long as such representation of that author by a collective management organization lasts.

If the Graphic Materials contain personal attributes of performers or other natural persons, in particular their name, likeness or image (including a photograph) or their biographical data, the Customer further grants to the Company an irrevocable authorization (and warrants that they are authorized and has the necessary permission from such persons to the extent provided in this paragraph) to use the personal attributes of such persons for purposes related to the digital distribution of Recordings and Video clips, including the related advertising and promotional activities of the Company and persons deriving their authorization from the Company, for the duration of the Agreement and for the additional transitional period pursuant to the last paragraph of clause 5, without territorial, quantity, technological or other limitation, with the authorization to further grant the authorization pursuant to this paragraph to third parties, even repeatedly; such third parties, as well as persons deriving their authorization from them, shall be entitled to further grant the authorization without any restriction.

In consideration for grant of rights under this clause 4, the Company shall provide the Customer with the remuneration under clause 7.

## 5. PROVISION OF SERVICES

Under the Agreement, the Company shall provide the Customer with Services during the term of the Agreement within the scope of one of the following tariff categories of Services selected by the Customer in the order: (i) "ESSENTIAL", (ii) "EXPANDABLE", or (iii) "EXCEPTIONAL", the specification of which is listed in the document **"Information on the scope and price of the provided services in individual tariff categories"**, the current version of which is found here: <https://www.musicraft.eu/en/services/>.

The Company is entitled to use subcontractors in the provision of Services to Customers.

The Parties agree that the Provided Content already uploaded to the digital content services shall be available in these services for further transitional period after the termination of the Agreement, the length of which depends on the tariff category of Services chosen by the Customer, after which it shall be withdrawn.

## 6. PRICE OF SERVICES

The price of the Services (excluding VAT) for the tariff category selected by the Customer in the order is in the document **"Information on the scope and price of services provided in individual tariff categories"**, the current version of which can be found here: <https://www.musicraft.eu/en/services/>. The Company is a payer of VAT and the price of Services is thus increased by VAT at the statutory rate.

The Customer is obliged to pay the price of the Services to the Company upon the conclusion of the Agreement; a tax document – invoice is subsequently issued by the Company and delivered to the Customer's e-mail address specified in the order; and if the invoice is not delivered automatically, at any time upon the Customer's request.

If the term of the Agreement is automatically extended, the price of the Services for the next annual period shall be automatically charged to the credit card used by the Customer in the order (the preceding paragraph applies mutatis mutandis), otherwise the price of the Services shall be paid by the Customer on the basis of an invoice issued by the Company and delivered to the Customer; and shall be payable 14 days from the date of issue. The price of the Services for subsequent annual periods shall be governed by the Terms and Conditions in force on the first day of the respective annual period.

## 7. CUSTOMER'S REMUNERATION

The Company undertakes to pay the Customer a remuneration for the grant of rights under clause 4 in the amount of 100 % of the revenue actually collected by the Company for further grant of rights under clause 4 to third parties, i.e. after deduction of fees in the form of any tax imposed on the exploitation of the Provided Content abroad (outside the Czech Republic) and after deduction of the aggregator's service fees for the administration and delivery of the Provided Content to the digital content services.

The Customer's remuneration shall be billed monthly for each preceding calendar month no later than on the last day of the following calendar month, and as for the transitional period according to the last paragraph of clause 5, no later than on the last day of the third calendar month following the termination of the Agreement.

The Customer may issue invoices for the remuneration on the basis of each billing received, unless the amount of the remuneration invoiced would be less than EUR 100 (or the equivalent in another currency), in which case the Customer may invoice for the remuneration in the following billing period (this limitation does not apply to billing and invoicing after termination of the Agreement).

The Company is obliged to pay the Customer's remuneration on the basis of invoices issued by the Customer and delivered to the Company, due at least 14 days from the date of delivery, to the Customer's bank account indicated on the invoice. If the Customer is a VAT payer, they shall add VAT at the statutory rate.

## 8. FINAL PROVISIONS

The Customer may receive documents relating to the performance of the Agreement at their e-mail address specified in the order.

The Agreement is concluded for a definite period of one year, with automatic extension for another year (even repeatedly), unless one of the parties notifies the other party in writing no later than on the last day of the annual period that they are not interested in extending the term of the Agreement (for the purposes of this paragraph, the written form is also maintained in notification by means of electronic communication between the contact addresses of the parties). The Company undertakes to notify the Customer of the approaching end of the relevant annual period by e-mail to the Customer's e-mail address at least two months prior.

The Agreement shall terminate upon expiration of the period as set forth in the preceding paragraph and for other reasons specified by law or herein. The Agreement shall further terminate upon the expiry of the Customer's license rights granted to the Company pursuant to clause 4, of which the Customer shall notify the Company promptly, no later than the following day. The Company may terminate the Agreement at any time with effect from

the date of delivery of the written notice to the Customer; the price of the Company's Services pursuant to clause 6 in the amount proportional to the performance already provided by the effective date of termination (but at least in proportion of the term of the Agreement to the period pursuant to the first sentence of the second paragraph of this clause 8) shall not be affected thereby. In the event of a breach of the Customer's obligations under the Agreement, the Company may withdraw from the Agreement with effect from the date of delivery of the written withdrawal to the Customer; the price of the Company's Services pursuant to clause 6 in full shall not be affected thereby and shall represent the Company's flat-rate remuneration for the performance already provided by the effective date of withdrawal. If the Customer is in default with payment of the price of the Services (or part thereof), the Company may, to the extent at its discretion, to discontinue the provision of the Services for the duration of the Customer's default, and the Company's right to payment of the price of the Services in full shall not be affected thereby.

The parties may mutually set off their claims arising from the Agreement or another legal relationship. The eligibility of claims for set-off shall not be limited by the fact that the claim is uncertain, indeterminate, or time-barred.

The provisions of the Terms and Conditions are an integral part of the Agreement. The Company may make changes to the wording of the Terms and Conditions to the following appropriate extent:

- change the annexes to the Terms and Conditions, the method of changing the Terms and Conditions, the method of delivery and other communications under the Agreement between the Company and the Customer, the scope of the rights granted, or the method of billing or invoicing between the Company and the Customer;
- other reasonable changes to the Terms and Conditions justifiable by changes in the technical solutions used by the Company in the performance of the Agreement or by changes in its subcontractors; and
- reasonable changes to the Terms and Conditions other than those set out herein if justified by a change in circumstances which the Company could not have foreseen at the time of entering into the Agreement.

If the Customer does not agree with the change, they are entitled to refuse the change of Terms and Conditions up until the last day of the calendar month in which they were notified and to terminate the Agreement with notice period ending on the last day of the following calendar month (unless the Agreement expires earlier by the lapse of the term) by e-mail to the Company's e-mail address or by a registered mail to the Company's registered office; otherwise, the proposed change of Terms and Conditions shall be effective from the date of its notification to the Customer. If the Customer refuses the change of the Terms and Conditions, the Customer shall at the same time express to the Company that they no longer wish to extend the term of the Agreement pursuant to the second paragraph of this clause 8, since the extension is conditioned by the Customer's approval of the most current wording of the Terms and Conditions. The Company shall notify the Customer of changes to the Terms and Conditions by e-mail to the Customer's e-mail address.

If the legal relationship established by the Agreement contains an international (foreign) element, then the parties agree that their legal relationship is governed by Czech law and that the Czech court of the Company's head office shall have jurisdiction to hear any dispute related to these Terms and Conditions and/or the Agreement.

These Terms and Conditions are written in Czech and English version. In case of discrepancies between the language versions, the Czech version shall prevail. The second language version is available here: <https://www.musicraft.eu/cz/terms.pdf>.

If any provision of the Terms and Conditions is or becomes invalid or ineffective, the invalid provision shall be replaced by a provision with a meaning as close as possible to the invalid provision. The invalidity or ineffectiveness of a provision shall not affect the validity of other provisions. Changes and amendments to the Agreement or to the Terms and Conditions shall be made in writing.

These Terms and Conditions are effective as of June 1st, 2023.