# VERBAND DEUTSCHER SPRECHER (VDS) TERMS AND CONDITIONS As of January 1st, 2020

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#### Overview

With payment for the voice recording, the exploitation rights revert to the client, however, only within the agreed framework and for the agreed purpose. The compensation for the voice recording does not constitute an exclusion from competition. Total exclusivity (e.g., no other advertising by the voice-over for a certain period) or product exclusivity (e.g., no other coffee advertising for a specific period) can be agreed upon for an additional fee to be negotiated in individual cases. The exclusivity agreement must be in written form.

Terms in detail:

#### **GENERAL TERMS**

The exploitation rights for voice recordings are only transferred after full payment. Voice recordings themselves cannot be purchased because ownership and copyright may not be transferred. With the exploitation right, license is acquired for the use of the voice recording for the specified purpose and period. If the recordings, even in part, are used for further publications, a corresponding additional fee is due, which is negotiated and remunerated separately.

### **TELEVISION AND RADIO**

The general terms and conditions of broadcasting companies do not automatically apply. The individual agreement of the parties is decisive. If no individual contractual arrangement has been made, the following conditions apply accordingly.

# ADVERTISING VERSIONS (RADIO, TV, CINEMA and ONLINE)

By paying for a specified version, the client receives the right to use the voice recording for presentations and market tests. In the test phase, the client is permitted to create any number of versions from the language material. However, the tests may not be broadcast without permission or delivered on the Internet or otherwise to a broad public, e.g., be made accessible for advertising, information or sales purposes. In the event of broadcast or delivery, a utilization fee is payable in addition to the version remuneration. The same applies to each individual case of the utilization of parts of a version.

# ADVERTISING SPOTS (RADIO, TV, CINEMA and INTERNET-ONLY)

With the payment for an individual spot, the client receives the right to broadcast the respective spot by means of the agreed medium within the agreed broadcasting area (on the Internet, calculated based on the agreed number of broadcasts or the agreed media budget), limited to the Federal Republic of Germany for a period of one year. The exploitation right generally begins at the time of the first broadcast. If the time of the first broadcast is not stated, the exploitation right applies from the date of recording.

With the broadcasting rights for the Federal Republic of Germany, the client also receives the right to broadcast on those European-wide channels that are based in Germany. For broadcasts on channels whose registered office is not in the Federal Republic of Germany, or for each additional country (e.g., Austria, Switzerland etc.), a further utilization fee is payable for the corresponding medium. If the client uses a spot or (voice-over) segments of a spot to produce another or a new radio, TV, cinema or online spot, a further exploitation fee is payable; the same applies to the change from one medium to another, e.g., if a radio spot (or parts thereof) becomes a cinema spot or a TV spot on the Internet is used as a pre-roll.

The same applies to the production and broadcast of sales videos, industrial films, POS videos, at public events, etc., if these are broadcast or published via another medium, in particular on the Internet. In the production and distribution of videos and other multimedia applications that are offered for sale or used for advertising purposes, separate exploitation fees are payable, depending on the number of copies. This also applies to streaming broadcasts.

Special price structure issues are typically involved in the production of radio spots for local stations: Here, the publication fee is less expensive because the broadcasting area is strictly limited. A local radio spot includes the broadcast in any number of stations in a single local area (a single city / a single district) or a region with a coverage area of max. one million inhabitants.

#### REMUNERATION

Unless a separate fee agreement has been made, the current price list of the voice-over applies to the amount of the individual remuneration, which can be requested at any time and is available for inspection in the production studios.

In the event that a production date cannot be met by the client, a cancellation fee of 40% of the respective remuneration is due for payment to the voice-over; unless the client cancels the production, on weekdays at least 18 hours before the agreed time. If the voice-over cannot meet the agreed-to production date for reasons for which he / she is not responsible, e.g., illness or acts of God, the proof of which he / she must provide on request, he / she is not liable for any associated costs of the client.

Mistakes for which the voice-over is responsible (e.g., pronunciation errors) must be reported within 14 days. Corrections will be made within this period without additional fee. After 14 days, the client will be charged a fee for a new recording. If a voice-recording has been accepted by the client who is personally present, or by a person commissioned by him, no further complaints can be made after this acceptance (due to mistakes for which the voice-over is responsible). In such a case, a correction of the original recording is considered a new recording to be charged. If a text has to be recorded again after acceptance due to changes in the text, this is also considered to be a new recording that has to be charged.

#### **DUTY TO INFORM**

The client is obliged to inform the voice-over before the first broadcast or use of, when a voice-recording, a version and/or a spot, either in the original or in a modified form, using the originally agreed or another medium, or with other parameters (number of broadcasts, media budget, new broadcast area, different time), is broadcast or used. Should the client be unable to provide this information within a reasonable time-frame, except in justifiable circumstances, it must be submitted to the voice-over at the latest within 10 week days after the first broadcast. If the client does not meet this requirement to inform on time, the voice-over can demand 10% interest p. a. of the invoice amount for the period of time that elapses between the time the information was due (at the latest 10 week days from broadcast or use) and the day on which the voice-over found out about the broadcast or use thereof. The right to demand default interest in the event of late payment after the invoice has been issued remains unaffected.

#### **BREACH OF CONTRACT**

In the event of a breach of the duty to inform, or if a voice recording, version or spot is used or distributed contrary to the agreement, e.g., beyond the agreed time, area and / or the agreed medium, the client undertakes - without prejudice to the obligation to pay the corresponding exploitation fee - for each case of violation, excluding the acceptance of the continuation of the contract, a contractual penalty in the amount of 4 -fold the utilization remuneration due the voice-over. The client is equally liable for violations caused by third parties involved in the production at his instigation.

## LIABILITY

The voice-over is not liable for the content of the productions.

#### **APPLICATION OF TERMS AND CONDITIONS**

The above terms and conditions are deemed to have been agreed upon when the voice-over receives the contract, otherwise the client's terms and conditions do not automatically apply. The definitions and conditions of the VDS remuneration card, valid at the time the order is placed, apply to the respective versions and/or utilization.

# **APPLICABLE LAW / JURISDICTION**

The law of the Federal Republic of Germany applies to these terms and conditions and the entire legal relationship between the contracting parties. The place of jurisdiction is the residence of the voice-over.

#### **FINAL PROVISION**

Should a clause in these terms and conditions, or a provision within the framework of other agreements, be or become ineffective, the effectiveness of all other provisions or agreements will not be affected.