

## FREELANCE CONTRACT

by and between

- (1) **Children'sBook Illustrated**, a company duly existing and organised under the laws of **The Netherlands**, with registered office in **Amsterdam**, fiscal identification code **6573827564** (the "**Customer**").

and

- (2) **Anna Schmidt**, born in **Nijmegen** on **28/04/1980** fiscal identification code **175639276** (the "**Freelancer**").

Customer and the Freelancer are severally referred to as the "**Party**" and jointly as the "**Parties**".

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### WHEREAS

- (A) Customer is a company active in the **literature** field.
- (B) The Freelancer has extensive experience in **designing and illustrating**.
- (C) Customer is willing to appoint the Freelancer, which is willing to accept, as provider of the services described under Clause 3 of this contract (the "**Services**");
- (D) the Parties intend to regulate the provision of the Services by the Freelancer to Customer according to the terms and conditions of this freelance contract (the "**Contract**").

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**Accordingly**, the Parties agree as follows.

### 1. DEFINITIONS AND INTERPRETATION

- 1.1 In the Contract, the following words and expressions will have the following meanings:

<b>Basic IP Rights</b>	means the Intellectual Property Rights of the Freelancer or of any other third party created independently from the Contract which the Services are based on or which are necessary for the proper utilization of the Result of the Services;
<b>Escrow account</b>	Escrow is an instrument based on the Jur beta platform where tokens are held on behalf of the parties.
<b>Open Layer</b>	A decentralized dispute resolution system, based on blockchain and game theory. The community can vote between the options given by the freelancer and the customer in the instance that a conflict arises. Refer to attachment two: the White Paper for a more detailed description
<b>Shared folder</b>	Shared folder is an online document on Google Drive which can be seen and altered by both parties.
<b>Wallet</b>	A wallet is an app that allows users to store and retrieve their JUR Tokens.
<b>Business Day</b>	means any day which is not a Saturday or Sunday
<b>Clause</b>	means each clause of the Contract;
<b>Confidential Information</b>	means the Intellectual Property Rights over the Customer Project, as well as the result of the Services and any information regarding the Customer Project regardless whether the Freelancer has been made privy of such information before, during or after the execution of the Contract and whether such information are oral, written or else;
<b>Consideration</b>	means the price that Customer will pay to the Freelancer as

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	consideration for the provision of the Services;
<b>Contract</b>	has the meaning ascribed to it in Whereas (D);
<b>Customer Project</b>	has the meaning ascribed to it in Whereas (A);
<b>Force Majeure</b>	means any event which (i) impedes, delays or inhibits to a Party the performance of any of its obligations, (ii) is beyond the reasonable control of that Party, (iii) is unforeseeable, (iv) occurs with no misconduct or negligence of the affected Party and (v) can not be inhibited by the affected Party even applying a reasonable care;
<b>Intellectual Property Rights</b>	means any patents, copyrights, models, designs, trademarks, trade names, product designations, trade practices, databases, know-how, secret and commercial information, processes, methods, business plans, business models, technical specifications, marketing strategies, prices, production costs and margins as well as requests for registration having as object the mentioned rights;
<b>Result of the Services</b>	means all of the Intellectual Property Rights, reports, data, concepts, software, source codes and object codes, electronic sheets, presentations, analysis, studies, ideas, codes, manuals, inventions, corporate models, prototypes, magnetic data, graphs, recommendations, notes, specifications or any other information, documents or materials created or manufactured by the Freelancer or which is a result of a joint effort of the Parties during the performance of the Contract;
<b>Services</b>	has the meaning ascribed to it in Whereas (C) and are described in Clause 3.

- 1.2 The singular includes the plural and vice versa; words importing one gender only are deemed to include all other genders; and references to persons include bodies corporate, partnerships and unincorporated associations.
- 1.3 The possible invalidity of one of the clauses of the Contract does not cause the entire Contract to be invalid, unless it is found that the Party in favor of which the hypothetically invalid clause was stipulated would not have stipulated the Contract without it.

## 2. SCOPE

- 2.1 By signing the Contract, the Freelancer undertakes to provide the Services to Customer upon payment of the Consideration.
- 2.2 The Contract does not constitute, gives rise to or evidences any agency, partnership or joint venture between the Parties hereto.

## 3. SERVICES

- 3.1 The Parties acknowledge that the Services consists of illustrating a children's book.
- 3.2 The Freelance undertakes to provide the Services so as to meet the following conditions:
  - (a) The illustration shall be made with Adobe Illustrator.
  - (b) Every page needs to be illustrated authentically. Thus, every illustration on each page needs to be unique.
  - (c) There are fifteen pages, every page needs one illustration.
  - (d) The illustrations shall be according to the story which will be provided by the customer.
  - (e) The freelancer should leave space next to each illustration for the texts.

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- (f) The illustrations shall be in color.
- (g) The horse as the main figure of the children's book needs to resemble the horse in the pictures which will be provided by the customer. The image provided by the customer can be seen in the attachment.
- (h) As the picture illustrates, the horse shall be brown and shall have white spots on its belly.
- (i) The freelancer needs to upload her drafts and illustrations she has made so far, every five working days. The customer will review the drafts and illustrations uploaded to the shared folder and the freelancer will make alterations according to the customer's wish.
- (j) As soon as the illustration is finished, the Freelancer needs to upload the final product to a shared folder while respecting the time limit agreed by the parties (see the clause 5.3). If the Customer approves the uploaded illustrations, then the tokens will be transferred into the freelancer's wallet.
- (k) The Freelancer represents to possess knowledge and equipment which is suitable for the correct performance of the Services.

#### **4. ACCEPTANCE OF SERVICES**

- 4.1 When the Freelancer considers the supply of Services to be complete in accordance with the Contract, the Freelancer will notify Customer in writing and will request that Customer accepts the Services.
- 4.2 Payment for the whole or any portion of the services equals acceptance.
- 4.3 Customer will not be obligated to accept any Services that is not in accordance with the requirements of the Contract. The Freelancer will immediately, at its risk and cost, take all steps to complete and correct the Services that Customer refuses to accept.

#### **5. CONSIDERATION**

- 5.1 The freelancer shall be rewarded by a sum upon completing the services. The sum consists of a fixed amount of €500,00 and a variable amount of €100,00 per page. The sum will be converted to JUR Tokens according to the exchange rate that applies at the time the contract is signed.
- 5.2 The amount decided upon by the parties in article 5.1 of the present contract shall be deposited into an escrow account provided for by the Jur ecosystem which in turn will release the amount paid by customer into the wallet of the freelancer upon the completion of the contract. The escrow account shall use a wallet in order to hold the JUR Tokens.
- 5.3 The freelancer has to deliver the final product within three months of signing the contract.
- 5.4 If the time limit is not respected by the Freelancer, then the reward will be reduced by 5 percent per 24 hours.

#### **WARRANTY**

- 5.5 The Freelancer warrants that the Services are:
  - (a) fit for purpose;
  - (b) provided accurately, diligently and in compliance with the highest business field standards;
  - (c) compliant with all the requisites established by any applicable laws.
- 5.6 Further to the remedies provided for under the Swiss law, in the event of breach of any of the warranties provided for in the present Clause, upon Customer's discretion, the Freelancer:
  - (a) delivers to Customer substitute Services with no extra charges; or

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- (b) reimburses to Customer the costs borne for the purchase of the Services from a third party.
- 5.7 The Freelancer is liable for any defects or improper functioning of the Services.
- 5.8 Without prejudice to the other provisions of the present Clause, the Parties further agree that:
  - (a) the Freelancer's warranty for defect lasts 2 years starting from the acceptance of the Services by Customer;
  - (b) the Freelancer guarantees the proper functioning of the Services for a period equal to 5 years starting from the acceptance of the Services by Customer;
  - (c) if the functioning defects render the Services not fit for its intended purpose, the Freelancer will substitute or fix the Services in order to assure the proper functioning.
- 5.9 During the warranty period, repair or substitution costs and expenses are on the Freelancer.
- 5.10 Customer is required to notify to the Freelancer the defects of the Services and the functioning defects of the Services within 15 calendar days from discovery otherwise Customer will lose the warranty rights for failing to observe a time-limit.
- 5.11 Acceptance of the Services as per Clause 4 does not affect the warranty obligations of the Freelancer set forth in the present Clause.

## **6. SUBCONTRACTING**

- 6.1 The Freelancer will not subcontract, in whole or in part, the Services without the prior written consent of Customer, not to be unreasonably withheld, provided that the Freelancer may, without consent, Subcontract with its Affiliates.
- 6.2 Notwithstanding previous Clause 7.1, no subcontract will bind nor is intended to bind Customer, and each subcontract will name the Freelancer as the contracting party in the Freelancer's own right and not as an agent of Customer.
- 6.3 The Freelancer will be fully liable to Customer for the subcontracts, the complete performance of the Services which is supplied by a subcontractor and, further, the Freelancer will fully perform and discharge all obligations it may have pursuant to its subcontract with each subcontractor.
- 6.4 The Freelancer is liable for managing its subcontracts and for any liability arising under such subcontracts, including any liability arising in connection with Customer's exercise of any rights and remedies under the Contract. The Freelancer will be responsible for all work, and acts, omissions and defaults of any subcontractor as fully as if they were the work, acts, omissions or defaults of the Freelancer.

## **7. INTELLECTUAL PROPERTY RIGHTS**

- 7.1 The Freelancer acknowledges that the Customer Project is the exclusive property of Customer and that Customer is the only owner or legitimate user of the Intellectual Property Rights concerning the Customer Project.
- 7.2 The Freelancer acknowledges that any of the Intellectual Property Rights over materials, documents and information (including electronic information) provided by Customer to the Freelancer are and will be in any moment Customer's property.
- 7.3 The Freelancer acknowledges that any of the Intellectual Property Rights over the Result of the Services are and will be in any moment Customer's property. Therefore, all the Intellectual Property Rights over the Result of the Services are hereby granted and transferred from the Freelancer to Customer with no further charge or cost.
- 7.4 The Freelancer irrevocably waives, and undertakes to procure that the Freelancer's personnel does the same, any rights of use, economical or moral or similar, transferable or non transferable, that they might have with reference to the Result of the Services.
- 7.5 If required by Customer, the Freelancer executes any documents and performs any actions, and procures that the Freelancer's personnel does the same, reasonably necessary in order to

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adequately transfer the Intellectual Property Rights over the Result of the Services to the Customer.

- 7.6 The Freelancer accurately keeps the original documents regarding the Result of the Services and keeps a registry with the documents suitable to evidence the independent creation process. At the termination of the effects of the Contract, or sooner upon Customer's request, the Freelancer delivers to Customer such documents.
- 7.7 The Freelancer is granted with a non exclusive and free of charge license for the use of the Result of the Services only for the performance of the Contract.
- 7.8 The Freelancer grants Customer with a worldwide, non exclusive, free of charge and irrevocable license for the use of the Basic IP Rights. Customer is allowed to grant this license to companies belonging to Customer.
- 7.9 The Freelancer is obliged to obtain any authorization for the use of any third party's Intellectual Property Rights which are necessary or useful for the Services. Related costs are included in the Consideration.
- 7.10 The Freelancer guarantees that Customer's exploitation, use or distribution of the Result of the Services does not breach any third party's Intellectual Property Rights nor it is a misappropriation of such rights.
- 7.11 The Freelancer:
  - (a) undertakes not to claim any right to any of the Intellectual Property Rights over the Customer Project;
  - (b) agrees not to register or use or manufactures any of the Intellectual Property Rights over the Customer Project anywhere in the World.
- 7.12 The Freelancer undertakes to keep Customer harmless and indemnified against any and all claims, actions, liabilities, proceedings, obligations, losses, fines, penalties, damages, costs, expenses and payments requested by any third party alleging that the Services or the Basic IP Rights violates their own Intellectual Property Rights.

## **8. CONFIDENTIALITY**

- 8.1 The Freelancer acknowledges that, for the performance of the Contract, it may be made privy of Confidential Information.
- 8.2 The Freelancer acknowledges and agrees that any disclosure of the Confidential Information does not grant the Freelancer any right, title or interest in or to any of the Confidential Information. All such rights, titles and interests will continue to vest solely with and be owned exclusively by Customer.
- 8.3 Therefore, the Freelancer undertakes:
  - (a) not to use (otherwise than for the purposes of the Contract), disclose or permit the use by third parties of any of the Confidential Information;
  - (b) to receive, protect and maintain the Confidential Information in the strictest confidence;
  - (c) to exercise a high degree of care in preserving the secrecy of the Confidential Information;
  - (d) not to duplicate the Confidential Information without Customer's express written consent;
  - (e) not to use the Confidential Information to produce or to exploit, including without limitation, the technologies and the know-how provided by the Confidential Information itself, during and after the termination of the Contract;
  - (f) to return to Customer all the Confidential Information and to destroy or permanently erase all of the possible copies of the Confidential Information.
- 8.4 The Parties agree that the Confidential Information may be disclosed, but not used, if the latter are:

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- (a) information that is part of the public domain at the time it is disclosed, it being understood that the burden of determining whether such Confidential Information is actually part of the public domain will rest on Customer;
- (b) information which, after its disclosure to the Freelancer, becomes part of the public domain through no fault of the Freelancer;
- (c) information which is required to be disclosed pursuant to any statute, regulation, order or subpoena, provided that prior written notice of such disclosure is given to Customer as soon as possible in order to afford Customer an opportunity to set up, if possible, protective measures.

## **9. NON COMPETITION**

9.1 Unless the Parties agree in writing otherwise, the Freelancer undertakes not to:

- (a) perform the Services in favour of third parties which, directly or indirectly, are in competition with the Customer Project;
- (b) do any business (selling, producing or marketing), either directly or indirectly or through others, concerning goods or services which, directly or indirectly, are in competition with the Customer Project;
- (c) accept appointments (of any kind and/or content, none excluded, even for the performance of simple services of consultation or subordinate employment) from companies that operate businesses which, directly or indirectly, are in competition with the Customer Project;
- (d) do any business (selling, producing or marketing) in the interests or on behalf of companies that perform activities which, directly or indirectly, are in competition with the Customer Project.

9.2 The Parties acknowledge that the Consideration has been agreed upon also in light of the non-competition obligations under the present Clause.

## **10. DURATION AND WITHDRAWAL**

10.1 The Contract is valid from the signing date until completion of the Services.

10.2 The obligations under Clauses 8, 9 and 10 are valid for the duration of the Contract and for the 3 years following the termination of the Contract.

10.3 Customer has the right to withdraw from the Contract by sending to the Freelancer a 15 Business Days prior written communication.

## **11. TERMINATION FOR BREACH**

11.1 Each Party may terminate the Contract by written notice to the other Party if the other Party commits a breach of any of the provisions of the Contract, and fails to remedy such a breach, if capable of being remedied, within 10 Business Days of receipt of written notice from the non-breaching Party.

11.2 Customer has the right to immediately terminate the Contract by giving to the Freelancer a written notice if the Freelancer is in breach of the obligations established under Clauses 8, 9 or 10.

## **12. EFFECTS OF TERMINATION**

12.1 Upon termination of the Contract for any reason whatsoever, the Freelancer will promptly provide to Customer all available, even if partially, outputs and Result of the Services.

12.2 The termination of the Contract for any reason whatsoever does not cease or diminish the binding force or effect of any of the provisions of the Contract which are expressly provided to come into force on, or to continue in force after, such termination.

## **13. LIQUIDATED DAMAGES**

13.1 The Freelancer acknowledges and agrees that Customer may be irreparably harmed by the

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breach of any of the provisions set forth under Clauses 8, 9 and 10.

14. Therefore, without prejudice to other possible claims and damages, in case of breach of any of the Clauses 8, 9 and 10 and for each breach, the Freelancer will pay to the Customer the lump sum equal to double the Consideration as liquidated damages.

#### **15. ASSIGNMENT OF THE AGREEMENT**

- 15.1 The Freelancer has no right to assign the Contract or the relevant rights and obligations in whole or in part to a third party without Customer's prior written consent.
- 15.2 The Freelancer already grants Customer with the authorization to assign the Contract or the relevant rights and obligations to a third party. For these purposes, as soon as requested by Customer, the Freelancer will promptly take all the necessary actions for the assignment of the Contract or of its rights or obligations.
- 15.3 Customer has the right to disclose any information necessary for the assignment of the Contract or of its rights or obligations regarding the Contract, including its negotiation.

#### **16. FORCE MAJEURE**

- 16.1 If a Force Majeure event occurs, the Party whose obligation is inhibited is required to inform the other Party within 5 Business Days providing all the details and to take all the reasonable steps in order to remedy the situation.
- 16.2 No Party is responsible for possible breaches of its obligations under the Contract if the performance is impeded or delayed or inhibited by a Force Majeure event communicated according to the present Clause and the deadline for the performance of the affected obligation/s is thus postponed.
- 16.3 If the obligation of the Freelancer is impeded by Force Majeure, the Freelancer pays back to Customer the advance payment, if any, paid by Customer.

#### **17. NOTICES**

- 17.1 All notices or other communications required or permitted to be delivered or given under the Contract must be in writing and are delivered by hand or sent by prepaid telex, cable or telecopy, or sent by registered, certified or express mail or by a reputable courier service or by email to the contact details that each Party will provide to the other in writing from time to time.

#### **18. MISCELLANEOUS**

- 18.1 The written form is required for the validity of any amendment or addition to the Contract, as well as for the validity of its termination or waiver by one of the Parties to any of the rights in any way deriving from the Contract or for the valid remission of the relative obligation for the account of the other Party.
- 18.2 Mere silence, or the absence of a prompt reaction, in case of any violation by one of the Parties can not be construed as acceptance of the violation or as a waiver of the right to demand fulfillment of the obligation hypothetically violated, or as a waiver of the rights and/or powers deriving to the compliant party from such violation.
- 18.3 The Contract represents the final and complete definition of the relations between the Parties, and overrules and extinguishes any previous agreements, expectations or negotiations between them.
- 18.4 The Contract is not valid until signed by a duly authorised officer(s) on behalf of each Party. No deletion, addition or amendment to any part of the Contract other than the filling in of blank spaces intended to be filled in and duly initialled by both Parties is binding upon the Parties unless made in writing and signed in like manner.
- 18.5 Each Party bears its own costs and expenses for the negotiation and execution of the Contract
- 18.6 The Contract does not create rights in favour of third parties.

#### **19. DISPUTE RESOLUTION**

20. Any dispute arising out of or in connection with this contract, including any question regarding

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its existence, validity or termination, shall be referred to and finally resolved by means of the Jur beta platform's open layer, operating as an online dispute resolution platform based on the blockchain technology. \*\*\*\*\*

25/10/2019, Nijmegen

The Customer  
Chidren'sBook Illustrated

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The Freelancer  
Anna Schmidt

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