

End User Licence Agreement

Article 1

SUBJECT MATTER OF THE AGREEMENT AND RIGHTS OF UTILISATION

MAGIX Entertainment GmbH grants the licensee a non-exclusive licence for the enclosed Magix software product. The licensee receives the right to use the purchased software and the music files on a workstation with a CPU to the extent indicated hereafter:

- a) The Magix software product may only exclusively be used for personal purposes in the private sector. The wave files may be freely combined with MAGIX programmes, processed and used in any manner for personal purposes. It is, however, expressly prohibited to surrender the original files to third parties. The software including the music files may not be transmitted, licensed, rented or leased in any form whatsoever, neither for payment nor free of charge.
- b) Commercial utilisation is only permissible with the express written approval of MAGIX.

Any commercial utilisation of both the original files or modified files or works which are created from the MAGIX music files, or any other form of commercial utilisation, is expressly prohibited. Musical works which were created with the MAGIX soundpool must visibly contain the reference "MAGIX SOUND CREATION".

- c) If a programme package contains more than one media form, then the licensing is restricted to only one media form.
- d) Title and the copyrights or other proprietary rights to the software continue to be retained by MAGIX Entertainment GmbH. The user recognises the title and all copyrights to software, music files, backup copies and documentation on the part of the licensor. For every manner of warranty the product must be registered with a registration card or by fax with MAGIX Entertainment GmbH. The responsibility for the utilisation of the licensed programmes in accordance with the agreement is borne by the purchaser of the programmes.

Article 2
COPYING PROHIBITION

The licensed programme as well as the written documentation may not be copied by you, neither in whole nor in part, with the exception of the creation of a copy of the software for backup purposes.

Article 3
ASSIGNMENT

The assignment of rights and obligations arising from this licence agreement to third parties is only possible with the approval of MAGIX Entertainment GmbH.

Article 4
ALTERATION PROHIBITION

The licensee may effect no alterations to the licensed software or have such alterations effected by third parties. The software may not be broken up into its modules, may not be transformed into object code, deciphered, imitated or used in any other way whatsoever than provided for in the agreement.

Article 5
CLAIM FOR DAMAGES

MAGIX Entertainment GmbH is entitled to the copyrights and the proprietary rights to the licensed software and to the music files. MAGIX Entertainment GmbH can make a claim on the user for every violation of the proprietary rights for which the user is responsible. For every instance of a contravention of one of the obligations arising from this agreement the licensee recognises a contractual penalty, which shall be stipulated by Munich Regional Court in the case of dispute. The contractual penalty shall be payable to MAGIX Entertainment GmbH. This does not exclude the assertion of damages in the case of a higher loss.

Article 6
WARRANTY AND LIABILITY

The licensee is aware that errors in software programmes and in the corresponding documentation cannot be excluded in accordance with the current state of the art. Consequently, the subject matter of the agreement is software which is in principle usable as defined in the programme description and the user manual. Magix supplies the software as seen and tested. Magix and its suppliers cannot guarantee the performance or the results which the licensee achieves through the utilisation of the software or the accompanying material. Magix and its suppliers assume neither expressly nor implicitly a warranty or guarantee that no proprietary rights of third parties shall be violated, and also not that the software is customary or suitable for a specific purpose. Magix and its suppliers shall in no case be liable for direct or indirect losses, consequential losses or special losses, including lost business profits or lost savings.

Magix shall, in so far as is technically possible, effect subsequent rectification free of charge for errors to the programme or to the system which were not avoidable in accordance with the state of the art. Otherwise, in so far as is permissible, the warranty is excluded for these errors.

The licensee can demand subsequent rectification in the case of deviations of the programmes from the programme description which are asserted within 30 days of surrender to the licensee. Subsequent rectification also includes the supply of a new programme version with a different scope of performance. If subsequent rectification is in actual fact not possible, then the licensee can send back the faulty software to Magix and demand the supply of a new programme version or reimbursement of the purchase price.

MAGIX assumes no responsibility that the programmes are completely error-free or that the programme functions meet the customer's requirements or work together with other programmes in the selection effected by the customer, also not if the value or the suitability is thus cancelled or markedly reduced for the utilisation described in accordance with the product range and which is thus presupposed.

Any claims for damages are limited to the amount of the paid licence fee.

Liability for claims by third parties is also excluded. More extensive warranty claims are expressly excluded. Intent and gross negligence remain unaffected.

Magix is not liable for losses which arise on account of improper use of the CD-ROM or CD+. In this respect MAGIX once again points out that when playing the CD+ in an audio CD-player, for example, the first track may not be played, as the appliances connected to it can thus be damaged.

Article 7

LICENCE PROVISIONS OF OTHER MANUFACTURERS

If additional software should be enclosed with the licensed product (e.g. Video for Windows etc.), then the utilisation and licensing terms of the manufacturer of the additionally supplied software are also applicable.

Article 8

SUPPORT

Registered users shall receive electronic BBS support. The free support exclusively comprises the clarification of installation questions or the elimination of installation problems by BBS (mailbox). Incurred telephone charges for return calls shall be charged to the licensee in accordance with the current price list. On request, the enclosed support agreement can be concluded for more extensive support.

Article 9

EFFECTIVENESS OF CONTRACTUAL PROVISIONS

If individual or several of the provisions of this agreement should be or become ineffective, then this shall not affect the effectiveness of the agreement in other respects. The ineffective provision shall be replaced by a substitute regulation which is as close as possible to the intended purpose. Place of performance is Munich. Sole place of jurisdiction, in so far as is possible, is Munich. The law of the Federal Republic of Germany is applicable.