

General Terms

1. Description. Threads shall create the Work in accordance with the project description and the given specifications
2. Due Date. A preliminary design shall be delivered within 7 days after either the Client's authorization to commence work or, if the Client is to provide reference, layouts, specifications or advance against expenses, after the Client has provided same to Threads, whichever occurs later
3. Grant of Rights. Upon receipt of full payment, Threads shall grant to the Client the following rights in the finished art (unless specified otherwise in estimate):
For use as: Marketing / Promotional material
In the following territory: Clients Home Country
For the following time period: 5 years
With respect to usage shown above, the Client shall have exclusive rights. This grant does not include electronic rights, unless specified to the contrary in estimate, in which event the usage restrictions shown above shall be applicable. For purpose of this agreement, electronic rights are defined as rights in the digitized form of works that can be encoded, stored, and retrieved from such media as computer disks, CD-ROMS/DVD's, computer databases and network/web servers.
4. Reservation of Rights. All rights not expressly granted shall be reserved to Threads, including but not limited to all rights in preliminary designs
5. Fee. Client shall pay the purchase price of (included in estimate) for the usage rights granted. Client shall also pay sales tax if required.
6. Additional Usage. If Client wishes to make any additional uses of the Work, Client shall seek permission from Threads and pay an additional fee to be agreed upon.
7. Expenses. Client shall reimburse Threads for expenses. Such expenses shall be invoiced at cost plus 15 percent, which additional percentage is included in the estimate. At the time of signing the Confirmation of Assignment or the commencement of work, whichever is first, Client shall pay Threads 50 percent of Total estimated expense amount as a non refundable advance against expenses. If the advance exceeds expenses incurred, the credit balance shall be used to reduce the total amount payable, or, if the total amount has been fully paid, shall be reimbursed to the client.
8. Payment. Client shall pay Threads within fifteen (15) days of the date of Threads's , which shall be dated as the date of delivery of the finished design. In the event that work is postponed at the request of the Client, Threads shall have the right to bill pro rata for the work completed through the date of that request, while reserving all other rights. Overdue payments shall be subject to interest charges of 10 percent monthly.
9. Advances. At the time of signing this form or the commencement of work, whichever is first, Client shall pay Threads 25 percent of the fee as an advance against the total fee. Upon approval of the preliminary design, Client shall pay Klaus Hougesen an additional 25 percent of the fee as an advance against the total fee.
10. Revisions. Threads shall be given the first opportunity to make any revisions requested by the client. If the revisions are not due to any fault on the part of Threads, an additional fee shall be charged. If Threads objects to any revisions to be made by the Client, Threads shall have the rights to have its name removed from the published work.
11. Copyright Notice. Copyright notice in the name of Threads shall accompany the Work when it is reproduced.
12. Authorship Credit. Authorship credit in the name in the name of Threads shall accompany the Work when it is reproduced. If the design is used as a contribution to a magazine or for a book, authorship credit shall be given, unless specified to the contrary in the preceding sentence.
13. Cancellation. In the event of cancellation by the Client, The following cancellation payment shall be paid by the Client: (A) cancellation prior to finished design being turned in: 50 percent of fee, (B) cancellation due to finished design being unsatisfactory 75% percent of fee, and (c) cancellation for any other reason after the finished design is turned in: 100% percent of fee. In the event of cancellation, the Client shall also pay any expenses incurred by Threads, and Threads shall own all rights in the Work. The billing upon cancellation shall be payable within fifteen (15) days of the Client's notification to stop work or the delivery of the finished design, whichever occurs sooner.
14. Ownership and Return of Artwork. The ownership of original artwork, including preliminary designs and any other materials created in the process of making the finished design, shall remain with the Threads. All such artwork shall be returned to Threads by bonded messenger, air freight or registered mail within fifteen (15) days of the Client's completing its use of the artwork. Based on the specifications for the Work, a reasonable value for the original, finished design is 1000 euro. Original photography, illustration, and related copyrightable materials shall remain the property of the third party licensor FIX, provided that Threads has obtained rights sufficient for the usage. The above charges are only for use of such materials on this particular Work, unless purchase/reuse rights are arranged by third party/Client or Threads. The above charges are for one-time use only.
15. Permissions and Releases. The Client shall indemnify and hold harmless Threads against any and all claims, costs, and expenses, including attorney's fees, due to materials included in the work as request of the Client for which no copyright permission or privacy release was requested or uses that exceed the uses allowed pursuant to a permission or privacy release.
16. Arbitration. All disputes shall be submitted to binding arbitration and arbitration award may be entered in any court having jurisdiction thereof.
17. Miscellany. If the Client authorizes Threads to commence work, the terms of this form shall be binding upon the parties, their heirs, successors, assigns, and personal representatives; the form constitutes the entire understanding between the parties; its terms can be modified only by an instrument in writing signed by both parties, except that the Client may authorize expenses and revision orally; a waiver of a breach of any of its provisions shall not be construed as a continuing waiver of other breaches of the same or other provisions hereof; and the relationship between Client and Threads shall be governed by the International trade laws and the appropriate Danish laws.

KLAUS LYNGGAARD HOUGESEN
president, threads