

## EXCLUSIVE PERSONAL SERVICES AGREEMENT

This agreement made as of this \_\_\_\_\_ day September 2009 (this "Agreement"), by and between \_\_\_\_\_, (hereinafter referred to as "Company") and \_\_\_\_\_ (hereinafter referred to as "you").

WHEREAS, Company is desirous of engaging your personal services, both collectively and individually, in connection with the Entertainment Industries;

WHEREAS, you deem it is in your best interest to enter into this Agreement and you agree to provide such personal services as set forth herein on an exclusive basis upon the terms and conditions set forth herein;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is agreed as follows:

### **I. STANDARD TERMS AND CONDITIONS**

1. Definitions. All capitalized terms and phrases used in this Agreement shall have the meanings and definitions as set forth in Section VIII of this Agreement, except as may otherwise be defined herein.

2. Term. The Term of this Agreement shall be as set forth in Section II, paragraph 1 below. If company shall either release two singles of your recordings or obtain a third party distribution agreement for your recording services within 18 months, then you may elect to terminate the term.

3. Exclusivity. During the Term of this Agreement, the services provided by you in this Agreement shall be exclusive to Company.

4. Territory. The World.

5. Scope of Company's Activities. Company agrees to provide the following services in accordance with Sections II – VII of this Agreement:

(a) Section II; Recording: fund and record new original Masters featuring your performances for marketing and distribution;

(b) Section III; Music Publishing: exploit the copyrights in and to all Compositions owned by you in accordance with the terms of this Agreement;

(c) Section IV; Tours, Concerts: promote your live performances;

(d) Section V; Merchandising: use and authorize or sublicense others to use your Licensed Marks for commercial purposes;

(e) Section VI; Sponsorships and Endorsements: enter into sponsorship and endorsement agreements as set forth herein, and

(f) Section VII; Management: generally advise, guide and counsel you in the development and furtherance of your career in the Entertainment Industries.

6. Engagement.

(a) During the Term of this Agreement, except as otherwise provided herein, Company hereby engages you and you hereby agree to provide the following exclusive personal services:

- (i) Record and perform as an artist for the purpose of making Master Recordings for Company as set forth in Section II of this Agreement;
- (ii) Perform as a songwriter and composer as set forth in Section III of this Agreement; and
- (iii) Perform as a professional vocalist in connection with live performances and concerts as set forth in Section IV of this Agreement.

(b) In addition to the personal services provided in paragraph 6(a)(i)-(iii), you hereby grant to Company the exclusive right to:

- (i) use and authorize or sublicense others to use your Licensed Marks;
- (ii) act as your authorized representative to negotiate the terms of exploitation of your Licensed Marks in connection with products; and
- (iii) act as your personal manager.

7. Consideration.

(a) In consideration for the services to be rendered and rights granted by you hereunder, Company shall pay to you the sum of \_\_\_\_\_, payable as follows:

- (i) A signing bonus of \_\_\_\_\_ Dollars \_\_\_\_\_ payable upon execution hereof; and before completion of your first LP.

(b) Furthermore, Company shall pay you additional compensation in the sum of \_\_\_\_\_ if Nielsen SoundScan reports that any Album recorded hereunder achieved sales of more than One Hundred Thousand units (100,000). In the event Nielsen SoundScan reports that any Album recorder hereunder achieved sales of more than Two Hundred and Fifty Thousand units (250,000), then Company shall pay you the additional sum of \_\_\_\_\_.

(c) Company further agrees that the minimum sum of \_\_\_\_\_ will be allocated for the advertising, marketing and street team promotions of each Album recorded hereunder.

8. Power of Attorney. You hereby irrevocably appoint Company for the Term of this Agreement as your true and lawful attorney-in-fact to sign, execute and deliver any and all contracts in your name, to make execute, endorse, accept, collect and deliver any and all checks and notes as your said attorney, to demand, sue, collect, recover and receive goods, claim money, interest or other items that may be due to you or belong to you and to make, execute, and deliver receipts, releases and other discharges therefore under sale or otherwise; and to defend, settle, adjust, compound, submit to arbitration and compromise, all actions, suits, accounts, claims and demands whatsoever that are or shall be pending in such manner and in all respects as Company in its sole discretion shall deem advisable. Without in any way limiting the foregoing Company shall execute and perform any other act, deed, or thing whatsoever that reasonably ought to be done, executed and performed of any and every nature as fully and effectively as you could do if personally present; and you hereby ratify and affirm all acts performed by Company by virtue of this Power of Attorney.

9. Web site. During the Term, Company has the exclusive right to use your professional, group or individual Licensed Marks in connection with websites relating to your activities in the Entertainment Industries. Company also has the right to use your Licensed Marks in URLs and to control any URLs which incorporate your Licensed Marks. You have the right to approve the content of websites pertaining primarily to you within five (5) days of Company's request. You will not unreasonably withhold your approval.

10. Accounting.

(a) Company shall render accounting statements to you within ninety (90) days after the last day of June and December of each year for the preceding six (6) month period. Statements shall be accompanied by the payment of the aggregate monies, if any, payable to you during the accounting period to which the statement relates, after deducting: (i) any and all recoupable advances and costs under this Agreement, and (ii) the amount of any payments or withholding required to be paid pursuant to any law, or union or guild, rule or regulation. No monies shall be payable to you by Company until payment has been received by Company.

(b) At any time within two (2) years after any statement is rendered by Company, you shall have the right to examine Company's books and records with respect to such statement. Such examination shall be: (i) conducted after at least thirty (30) days written notice to Company, (ii) commenced at a mutually convenient time, and (iii) conducted at your sole cost and expense by an independent certified public accountant designated by you. Such examination shall be made during Company's usual business hours at the place where Company maintains the books and records that relate to monies payable hereunder and that are necessary to verify the accuracy of the statements specified in your notice to Company. Your sole right to inspect Company's books and records shall be as set forth in this paragraph 10. Company shall have no obligation to make available any such books and records more than once with respect to each statement rendered hereunder, or more than once during any calendar year. Unless notice is given to Company as provided in this paragraph 10, each statement and other account rendered by Company shall be final, conclusive, and binding upon you, and shall constitute an account stated. You shall be foreclosed from maintaining any action, claim, or proceeding against Company in any forum or tribunal with respect to any statement or account due hereunder, or with respect to a claim arising from an audit of Company's books and records, unless: (i) written notice is made to Company as provided in this paragraph 10 and (ii) such action, claim, or

proceeding is commenced against Company in a court of competent jurisdiction within two (2) years after the date on which such statement or other account is rendered.

11. Warranties and Representations. You warrant and represent that:

(a) (i) you have read, understood and voluntarily agreed to abide by the terms and conditions of this Agreement, (ii) you are under no disability, restriction or prohibition, whether contractual or otherwise, with respect to your right to: (A) enter into this Agreement, (B) perform each and every term and provision of this Agreement, and (C) grant the rights granted to Company hereunder;

(b) the exercise by Company of any and all of the rights granted to Company in this Agreement will not violate or infringe upon any Common law or statutory rights of any person, including, without limitation, contractual rights, copyrights, and rights of privacy;

(c) Company shall not be required to make any payments of any nature for, or in connection with, the acquisition, exercise or exploitation of rights by Company pursuant to this Agreement, except as specifically provided in this Agreement;

(d) you are or will become and will remain to the extent necessary to enable the performance of this Agreement, a member in good standing of all labor unions or guilds, membership in which may be lawfully required for the performance of your services hereunder;

(e) the rights granted herein are free and clear of any claims, demands, liens, or encumbrances;

(f) You shall not enter into any agreement which would interfere with the full and prompt performance of your obligations hereunder; and

(g) You are at least eighteen (18) years old.

12. Indemnification. You will at all times indemnify and hold harmless Company and any licensee(s), employee(s), agents, assigns, officer(s), director(s), attorney(s), and/or affiliate(s) of Company (collectively the "Indemnified Parties") from and against any and all claims, damages, liabilities, costs and expenses, including legal expenses, attorneys and paralegal fees, arising out of any alleged breach or breach by you of any warranty, representation or agreement made by you herein. You will reimburse Company and/or the Indemnified Parties on demand for any payment made at any time after the date hereof in respect of any liability or claim in respect of which the Indemnified Parties are entitled to be indemnified. Upon the making or filing of any such claim, action or demand, or upon the reasonable belief by Company that such a claim, action or demand is imminent, Company shall be entitled to withhold from any amounts payable under this Agreement such amounts as are reasonably related to the potential liability in issue and all costs associated therewith. You shall be notified of any such claim, action or demand and shall have the right, at your own expense, to participate in the defense thereof with counsel of your own choosing; provided, however, that Company's decision in connection with the defense of any such claim, action or demand shall be final.

13. Unique Services; Injunctive Relief. You hereby acknowledge that your services are of special, unique, unusual, extraordinary and intellectual character involving skill of the

highest order which gives them a peculiar value, the loss of which cannot be reasonably or adequately compensated for by damages in an action at law. Any breach of this Agreement with respect to such services would cause Company irreparable damage. Company shall be entitled to seek injunctive and other equitable relief, in addition to whatever legal remedies are available to Company, to prevent or cure any such breach or threatened breach.

14. Suspension; Termination.

(a) If your voice or your ability to perform hereunder becomes materially impaired, or if you fail, refuse, neglect or are unable to comply with any of your material obligations hereunder, then, in addition to any other rights or remedies which Company may have, Company shall have the right, exercisable at any time by notice to you: (i) to terminate this Agreement without further obligation to you, or (ii) to extend the Term of this Agreement for the period of such default. Company's obligations hereunder shall be suspended for the duration of any such default.

(b) If because of: act of God; unavoidable accident; fire; lockout, strike or other labor dispute, riot or civil commotion; act of public enemy; enactment, rule, order or act of any government or governmental instrumentality (whether federal, state, local or foreign); failure of computer facilities; loss of books or records; or other cause of a similar or different nature not reasonably within Company's control, then, without limiting Company's rights, Company shall have the option by giving you notice to suspend the Term of this Agreement for the duration of any such contingency and Company shall be excused of its obligations hereunder during such suspension, including its obligation to account and pay royalties. No such suspension shall exceed six (6) months.

15. Waiver. A waiver by Company of any term or condition of this Agreement in any instance shall not be deemed or construed as a waiver of such term or condition for the future, or of any subsequent breach thereof.

16. Breach. The failure by either party to this Agreement to perform any of their respective obligations hereunder shall not be deemed a breach of this Agreement, unless within thirty (30) days after the non-breaching party learns of a breach, said party serves written notice to the breaching party specifying the nature thereof, and the breaching party fails to correct such breach within thirty (30) days from receipt of the notice or in the event that the breaching party is not reasonably capable of correcting the breach within a thirty (30) day period, the breaching party does not commence to cure such breach within such thirty (30) day period.

17. Independent Contractors. It is understood and agreed that in entering into this Agreement, and in rendering services pursuant hereto, you have, and shall have, the status of an independent contractor and nothing herein contained shall contemplate or constitute you as Company's employee or agent.

18. Complete Understanding; Entire Agreement. This Agreement supersedes any and all prior negotiations, understandings, and agreements between the parties hereto with respect to the subject matter hereof. This Agreement sets forth the complete understanding of the parties with regard to the subject matter contained herein. No modification shall be binding unless confirmed in writing and signed by both parties.

19. Assignment. Company shall have the right, at its election, to assign this Agreement, and any or all of its rights and obligations hereunder, in whole or in part. Any such assignee shall likewise have the right to assign this Agreement. Company shall have the unlimited right to sublicense any of its rights hereunder. You may not assign this Agreement or any of your rights hereunder and any such purported assignment shall be void.

20. Governing Law. This Agreement shall be deemed to have been made in the State of Florida, and its validity, construction, performance, and breach governed by the laws of the State of Florida applicable to agreements made and to be wholly-performed within. Any and all disputes arising under this Agreement shall be litigated only before courts within the Broward County and the State of Florida and the parties hereby consent to the sole and exclusive jurisdiction before such courts.

21. Notices. All notices to be given to you hereunder and all statements and payments to be sent to you hereunder shall be addressed to you at the address set forth below, or at such other address as you shall designate in writing from time to time. All notices to be given to Company hereunder shall be addressed to Company at the address set forth below, or at such other address as Company shall designate in writing from time to time:

Company: [REDACTED] You:

[REDACTED]

[REDACTED]

All notices shall be in writing and shall either be served by personal delivery (provided that a written receipt shall be obtained indicating that such delivery was made), certified mail - return receipt requested -or fax, all charges prepaid. A courtesy copy of all notices to Company shall be sent to ~~ROTHSCHILD ROSENBERG ADLER, 100 S.W. Second Street, Suite 2000, Miami, FL 33130~~, Attn. Richard C. Wolfe, Esq. Except as otherwise provided herein, such notices shall be deemed given when personally delivered, or mailed all charges prepaid, except that notices of change of address shall be effective only after the actual receipt thereof.

22. Legal Counsel. **THIS DOCUMENT CONTAINS IMPORTANT LEGAL TERMS AND RIGHTS THAT AFFECT YOU. YOU HEREBY ACKNOWLEDGE THAT COMPANY HAS ADVISED YOU TO SEEK INDEPENDENT LEGAL COUNSEL AND YOU HAVE SECURED OR HAVE HAD THE OPPORTUNITY TO SECURE LEGAL COUNSEL TO REPRESENT YOU IN CONNECTION WITH THIS AGREEMENT.**

## II. RECORDING

1. Term. The term of this Agreement (the "Term") shall consist of an initial contract period (the "Initial Contract Period"), plus four (4) separate, consecutive options to extend the Term for a "Second," "Third," "Fourth," and "Fifth" contract periods under the same terms and conditions as the Initial Contract Period. The Initial Contract Period shall commence as of the date of set forth on page 1 of this Agreement and shall continue until the date fifteen (15) months after the initial U.S. commercial release of the first Album or unless otherwise terminated sooner

by Company. The option proceeds shall commence upon expiration of the immediately preceding Contract Period and shall continue until the earlier of the exercise of the next option or fifteen (15) months after the initial U.S. commercial release of the then current Album. Each option shall be automatically exercised by Company unless Company gives you written notice to the contrary at any time prior to the expiration of current Contract Period.

2. Delivery. You will record and deliver sufficient Masters to constitute one (1) Album no later than six (6) months following Company's request thereof.

3. Recording Procedure.

(a) Company will pay recording costs for each Album using studios and producers approved by the Company. You will use good faith efforts to make technically and commercially satisfactory Masters. Delivery of a Master will occur only when you deliver to Company the Masters and all clearances, artwork and other materials which Company needs to release an Album without any third party claims and as otherwise in compliance with this Agreement.

(b) You shall not enter into any agreement on behalf of Company or incur, directly or indirectly, any liability or expense of any kind for which Company may be held liable, in connection with any recording session hereunder or otherwise, without having first obtained Company's prior written approval as to the nature, extent and limit thereof.

4. Ownership of Rights and Exclusivity.

(a) Company owns, in perpetuity, all rights in the Masters and any other recordings made by you before the Term and delivered to Company, together with the performances on those recordings and copyrights in the recordings. Company also owns any artwork used in the packaging or exploitation of your records. For the purposes of this clause, you are our employee for hire. If for any reason, you are not considered our employee for hire, you hereby assign to Company all copyrights in the Masters and any other recordings made by you before the Term and delivered to Company for the life of such copyrights. Any grant to Company of copyrights includes any extensions and renewals of those copyrights.

(b) Company has the exclusive right to exploit and license or assign for exploitation the Masters delivered in connection with this Agreement or any derivatives thereof. Company can exploit the Masters in any manner in Records or any other medium or field of use, in the form delivered or otherwise. Company also has the exclusive right to use your Licensed Marks in connection with our exploitation of the Masters or as otherwise set forth in this Agreement.

(c) You hereby agree that all Masters made prior to this Agreement listed on the attached Schedule One are hereby deemed incorporated by reference with the same force, effect and rights granted to Company as for newly created Masters.

5. Recoupment. Company has the right to recoup from Gross Receipts all Recording Costs, advances and other recoupable costs, including amounts set forth in this agreement, as well as any royalties payable to any third party producer, artist or song writer.

6. Controlled Compositions. Each composition embodied in a Master which is written or owned, in whole or in part, by you or any entity owned or controlled by you are referred to as a "Controlled Composition." You hereby license to Company for the United States Controlled Compositions for a mechanical royalty equal to seventy-five percent (75%) of the Statutory Rate up to a maximum of ten (10) tracks per Album. The term "statutory rate" as used in this Agreement shall mean the minimum per-selection mechanical royalty rate under the United States Copyright Act as of the date you first deliver to Company a Master embodying such Controlled Composition.

7. Re-recording Restriction.

(a) You shall not perform or render any recording, producing, mixing or engineering services for the purpose of making Records or Masters for any person other than Company. After the expiration of the Term of this Agreement, you will not perform (for the purpose of making Records) any Controlled Composition which was recorded hereunder for any person other than Company until five (5) years after the date of delivery of the Master containing such Composition, or two (2) years after the expiration date of the Term of this Agreement, whichever is later.

(b) You shall not record, manufacture, distribute or sell, or authorize or knowingly permit your performances to be recorded by any party for any purpose without an express written agreement prohibiting the use of such Record in violation of any provision of this Agreement, including the restrictions in paragraph 7(a) above.

8. Additional Consideration. In addition to the compensation payable to you pursuant to Section I, Paragraph 7 of this Agreement, Company shall pay you \_\_\_\_\_ (40%) of the Gross Receipts collected by Company in connection with your Albums recorded hereunder offset by the advances described above on the first album and 45% on each album recorded thereafter. Furthermore, you shall receive the additional sum of \_\_\_\_\_ upon your completion of your Second Album, and each Album recorded thereafter, payable ½ on commencement of the album and ½ on completion and delivery.

### III. MUSIC PUBLISHING

1. Engagement. All musical compositions or musical scores written, composed or arranged by you, in whole or in part, alone or together with others, during the Term of this Agreement (including Controlled Compositions), as well as all musical compositions acquired directly or indirectly by you during the Term, shall be referred to in this Section III as "Compositions". You shall deliver either a lead sheet, manuscript copy, or tape copy of each Composition promptly upon the completion or acquisition of such Composition. Company shall use its reasonable efforts in its best business judgment to exploit all Compositions but Company's failure to exploit any or all of the Compositions shall not be deemed a breach hereof. Company in its sole discretion may make studio facilities available for you so that you, subject to the supervision and control of Company, may make and/or perform demonstration recordings of the Compositions. You shall not incur any expense or liability for which Company may be responsible in connection with any demonstration recording session without having first obtained Company's written approval as to the nature, extent, and limit of such liability. You shall not be



entitled to any compensation (except as otherwise provided for herein) with respect to services rendered in connection with such demonstration recording sessions. All recordings and reproductions made at demonstration recording sessions hereunder shall become the sole and exclusive property of Company, free of any claims whatsoever by you or any person deriving any rights from you.

2. Rights Granted.

(a) You hereby sell, transfer and assign to Company all right, title and interest in and to the Compositions, including, without limitation, the copyrights therein throughout the World (and all renewals and extensions thereof) and all causes of actions relating to the Compositions whenever accrued or accruing as more fully described on the attached Exclusive Songwriter Agreement of even date. You grant to Company the sole and exclusive right, throughout the World and in perpetuity, to administer, control, use, exploit, and otherwise deal in and for the Compositions and collect income in connection therewith whenever earned. Without limiting the generality of the foregoing, Company shall have the unrestricted and exclusive right, throughout the World and in perpetuity:

- (i) To perform the Compositions publicly, whether for profit or otherwise, by means of public or private performance, radio broadcasting, television, or any and all other means whether now known or which may hereafter come into existence;
- (ii) To substitute a new title or titles for the Compositions or any of them and to make any arrangement, adaptation, translation, dramatization, or transposition of the Compositions or any of them, in whole or in part, and in connection with any other musical, literary, or dramatic material, and to add new lyrics to the music of any of the Compositions or new music to the lyrics of any of the Compositions, all as Company may deem expedient or desirable provided, however, that Company shall consult with you, subject to your availability, with respect to any of the foregoing;
- (iii) To secure worldwide copyright registration and protection of the Compositions in Company's name or otherwise as Company may desire at Company's own cost and expense and at Company's election, including any and all renewals and extensions to copyrights, and to have and to hold said copyrights, renewals, extensions, and all rights of whatsoever nature thereunder existing, for and during the full term of all said copyrights and renewals and extensions thereof;
- (iv) To make or cause to be made, and to license others to make, master records, transcriptions, sound tracks, pressings, and any other mechanical, electrical, or other reproductions of the Compositions, in whole or in part, in such form or manner and as frequently as Company in its sole and exclusive discretion shall determine, including the right to synchronize the same with sound

motion pictures, and the right to manufacture, advertise, license, or sell such reproductions for any and all purposes, including without limitation private performances and public performances, radio broadcast, television, sound motion pictures, wired radio, phonograph records, and any and all other means or devices whether now known or which may hereafter come into existence;

- (v) To print, publish, sell, and license others to print, publish, and sell, sheet music, orchestrations, arrangements, and other editions of the Compositions in all forms, including without limitation the inclusion of any or all of the Compositions in song folios, song books, mixed folios, or lyric magazines with or without music;
- (vi) To enter into agreements with related or unrelated third parties for the so-called "subpublication" of the Compositions throughout the World and to collect all fees and royalties becoming due thereunder; and
- (vii) To exercise any and all other rights of every and any nature now or hereafter existing under and by virtue of any common law rights and any copyrights and renewals and extensions thereof in any and all of the Compositions.

(b) With respect to all Compositions written or co-written by you during the Term hereof, you acknowledge that you are Company's employee for hire, that such Compositions are works made for hire, and that Company is accordingly the "author" of such compositions for all purposes including the purposes of the 1909 and 1976 U.S. Copyright Act and all other applicable copyright law. If any such composition is determined not to be a work made for hire for Company, it will be deemed transferred to Company by this Agreement together with all rights in it.

(c) You further grant to Company, without any compensation other than as specified herein, the perpetual right to use and publish and to permit others to use and publish your name (including any professional name heretofore or hereafter adopted by you), your photograph or other likeness, or any reproduction or simulation thereof, and your biographical material, and the titles of any and all of the Compositions, in connection with the printing, sale, advertising, performance, distribution, and other exploitation of the Compositions, and for any other purpose related to Company, its affiliated and related companies, or to refrain therefrom. This right shall be exclusive during the Term hereof and nonexclusive thereafter. You shall not authorize or permit the use of your name or likeness or biographical material concerning him, or other identification, or any reproduction or simulation thereof, for or in connection with any Composition other than by or for Company. You grant Company the right to refer to you as Company's "Exclusive Songwriter and Composer" or other similar appropriate appellation during the Term hereof.

(d) You hereby agree that all Compositions made prior to this Agreement listed on the attached Schedule Two are hereby deemed incorporated by reference with the same force, effect and rights granted to Company as for newly created Compositions.

3. Warranties and Representations. You hereby warrant and represent that : (i) no copyright registration will be made with respect to any of the Compositions except by Company; and (ii) you shall not assign or grant any rights, or do or permit any act, which would prevent all or any portion of a Composition from becoming a Composition made in connection with this Agreement.

4. Separate Agreement: The Exclusive Songwriters Agreement attached hereto shall be deemed to control your Songwriters Royalties.

#### **IV. CONCERTS; TOURS**

1. Rights Granted. You hereby grant, for the Term and the Territory, to Company the following exclusive rights to: (i) promote your live performances, including but not limited to concerts and tours; (ii) identify Company as the exclusive promoter thereof; (iii) sell-off your live performances to a third party local promoter; (iv) to use your Licensed Marks in connection with the performances, concerts, tours, tour website, including the advertising and promotion thereof; (v) secure sponsorship agreements granting sponsorship rights in connection with your performances, concerts and tours, including “tie-ins” where services or products are given in lieu or in addition to monetary consideration, provided that each sponsorship agreement is subject to your prior approval; (vi) license and otherwise authorize third parties to make radio and/or Internet broadcasts of your performances and concerts; (vii) secure agreements for the filming of your performances and concerts; and (viii) synchronize and publicly perform Compositions in the advertisements of your performances, concerts and the tours and tour website.

2. Compensation. Company shall pay you Seventy Five Percent (75%) of the net profits collected by Company in connection with your performances at concerts and tours hereunder.

#### **V. MERCHANDISING**

1. Rights Granted.

(a) During the Term hereof, you hereby grant to Company the sole and exclusive worldwide right and license to utilize the Licensed Marks in connection with the manufacture, distribution, sale and promotion of merchandise through any and all manners and channels of distribution whatsoever, including in and about the venue and area of a performance and through your fan clubs and the sole and exclusive right and license to establish and to utilize the Licensed Marks in connection with your website. You hereby grant Company the unrestricted right to sublicense to any third party the manufacture, distribution, supply, and promotion of merchandise hereunder, in whole or in part and the right to enter into joint distribution arrangements with third parties for the distribution of merchandise.

(b) Company shall submit to you, for your approval, a deal memo detailing the specifics of each such proposed license or advertisement. You shall, within five (5) days following receipt by you of each proposed deal memo, advise Company as to whether such proposed deal memo is accepted or rejected. Your approval shall be deemed given in the event that you shall fail to submit objections in accordance with the foregoing sentence.

2. Compensation. Company shall pay you Seventy Five Percent (75%) of the Net Profits it receives from the distribution of merchandise of your Licensed Marks through any and all manners and channels of distribution. For purposes hereof, the term "Net Profits" shall mean the gross revenue actually received by Company resulting from the distribution of merchandise of your Licensed Marks; less all out-of-pocket costs incurred or spent by Company in the distribution of same.

## **VI. SPONSORSHIPS AND ENDORSEMENTS**

1. Rights Granted. You hereby grant to Company the exclusive right during the Term hereof and in the Territory to: (i) enter into agreements for premiums, give-aways, promotional tie-ins concerning you or your Licensed Marks; (ii) enter into endorsement and sponsorship agreements on your behalf with respect to any product category. Company shall submit to you, for your approval (which may be withheld for any reason), a deal memo detailing the specifics of each such proposed agreement. You shall, within five (5) days following your receipt of each proposed deal memo, advise Company as to whether such proposed deal memo is accepted or rejected.

2. Compensation. Company shall pay you Seventy Five Percent (75%) of the Net Profits it receives in connection with any promotional agreements entered into on your behalf with respect to you, your Licensed Marks or any product category.

## **VII. MANAGEMENT**

1. Offers of Employment. You shall immediately advise Company of all offers of employment, and all inquiries concerning your career, so that Company may determine and advise you whether same are compatible with your career.

2. Not A Talent Agent. You and Company hereby acknowledge and agree that Company is not an employment agent, theatrical agent, or licensed artist's manager, and that Company has not promised to procure employment or engagements for you and that Company shall not be obligated to procure or to attempt to procure any employment or engagements for you hereunder.

3. Conflicts of Interest. Company's recording, publishing, touring, and merchandising activities shall not constitute or be deemed to constitute a breach of this Agreement or of Company's fiduciary obligations to you pursuant to this Section VII and shall not in any way effect Company's right to compensation in connection with management services provided by Company hereunder.

## **VIII. DEFINITIONS**

As used in this Agreement, the following terms will have the following meanings:

1. "Album" means a Record embodying no less than twelve (12) Masters, containing no less than forty-five (45) minutes of playing time.

2. "Entertainment Industries" shall include, without limitation, recording and producing phonograph records, music publishing, motion pictures, theater, television, personal appearances, concerts, the use of your name, likeness and biographical information for commercial or promotional purposes and the sale, licensing or other disposition of musical, literary, dramatic or other artistic material which you may create, compose or acquire.

3. "Gross receipts" shall mean all non-refundable monies actually collected by Company in connection with this Agreement, net of recording costs or other expenses incurred by company.

4. "Licensed Marks" shall mean: your names, symbols, logos, trademarks, servicemarks, designs, copyrights, signatures, likenesses and/or images or the individual members of the group (if applicable) or in any other capacity.

5. "Master" or "Masters" means a recording made by you during the Term or which you deliver with the intent that it fulfill your delivery commitment.

6. "Recording" means a recording of sound, without or with visual images, which is used or useful in the recording, production or manufacture of records.

7. "Record" means all forms of reproductions, whether embodying sound alone or sound together with visual images, manufactured or distributed primarily for home use.

8. "Recording costs" include, without limitation, producer advances and fees, tape costs, studio costs, session fees, mastering costs, equipment rental, travel costs and other costs incurred in connection with the recording of the Masters.

AGREED AND ACCEPTED



\_\_\_\_\_  
By:

\_\_\_\_\_  
By:

**SCHEDULE ONE  
MASTER RECORDINGS**

**SCHEDULE TWO  
COMPOSITIONS**