

ARTIST AND RECORD COMPANY MULTIPLE RIGHTS AGREEMENT

The following shall constitute an agreement ("Agreement") dated the ____ day of _____, 20__ between Expat Records, LLC ("Company") and _____ p/k/a _____ ("Artist") with respect to Artist rendering Artist's entertainment services ("Entertainment Services") for Company, during the term ("Term") of this Agreement. Company agrees to render certain services to assist in the development of Artist's career as follows:

Marketing and Promotion of Master Recordings:

1. **LICENSE:** Artist is a recording artist and the owner of master sound recordings ("Licensed Masters") embodying the recorded performances of Artist on that certain album entitled _____ (the "Album") as more fully described on Schedule A attached hereto. Company (and its Licensees) shall have the sole and exclusive right to exploit, license and sell the Licensed Masters, or any part thereof, forever throughout the Territory including, without limitation:

a. To manufacture, advertise, sell, distribute, lease, license, or otherwise use or exploit and sell the Licensed Masters, or Audio Products embodying the Licensed Masters, in any or all fields of use, including Digital Transmissions, by any method now or hereafter known, upon such terms and conditions as Company may elect or, in its sole discretion, refrain therefrom;

b. To use and publish the names (including all professional, group, and assumed or fictitious names), photographs and biographical material of Artist, in connection with the promotion, exploitation and sale of Audio Products; and

c. To release derivatives of any one or more of the Licensed Masters on any medium or device now or hereafter known, under any name, trademark or label which Company and its Licensees may from time to time elect.

d. Notwithstanding Company's rights set forth in this paragraph, Company agrees that it will not, without Artist's prior written permission, license any Master recorded and released hereunder in the following exploitations: for synchronization in films with an X rating or greater or in a scene in a motion picture containing nudity, regardless of MPAA rating.

2. **TERM AND OPTIONS:** The term of this Agreement shall commence as of the date hereof and shall continue for (1) year from the date of Delivery of the Master recorded hereunder ("Initial Period"). During the Initial Period, Artist shall not release, nor enter into an agreement to release any Master Recordings recorded by Artist for any reason or in any manner or configuration. In the event Artist records additional Master Recordings ("New Masters") comprising a long playing album ("LP"), extended play album ("EP") or singles during the Initial Period of this Agreement, Artist shall notify Company in writing of the completion of the New Masters and Deliver to Company such New Masters for Company's review. Company shall have sixty (60) days from the date of Delivery of the New Masters to notify Artist in writing (e-mail acceptable) whether or not Company wishes to release the New Masters for sale and exploitation under the terms of this Agreement. If Company notifies Artist of its intentions to release the New Masters, the terms set forth in the Initial Period as to the Licensed Masters shall be applicable to the New Masters in that the New Masters shall then be considered Licensed Masters

Artist Initial

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hereunder and the exclusivity terms of this Agreement shall continue for an additional one (1 year) from the date of Delivery by Artist of a fully mixed and mastered master recording of the New Masters.

3. **ARTWORK:** Company shall be the owner of the copyright in all artwork created for and incorporated into Articles, Merchandise and packaging of Artist's Audio Products ("Artwork") released pursuant to this Agreement. All costs of preparation of such artwork or paid by Company for preparation and rights to Artwork shall be an Expense as set forth in this Agreement. Company agrees to consult with Artist in connection with the preparation of the Artwork. Artist shall approval over the Artwork. However, in the event of a dispute, the decision of Company shall control.

4. **MASTER RIGHTS:** The Master shall, from the inception of their creation, be entirely the property of Artist in perpetuity, throughout the Territory, free of any ownership claim whatsoever by Company, except as set forth herein, or by any persons deriving any rights or interests from Artist.

5. **VIDEO RIGHTS:** During the term hereof, Company and its designees shall have the exclusive worldwide right to create, manufacture, and distribute audiovisual programs ("Videos") for commercial and/or promotional purposes including any commercial sale or other exploitation of so-called "long form" or "short form" Videos or authorize others to do so. All recording and production costs directly or indirectly incurred in connection with the creation of Videos shall be considered Expenses.

6. **DISTRIBUTION:**

a. Distribution Agreement: Company shall secure physical distribution for the Album released under the Initial Period by an independent distributor capable of national distribution no later than six (6) months after Delivery of the Licensed Masters by Artist. In the event Company enters into a distribution agreement with any Distributor of Audio Products, and in any event this Agreement is in conflict with the Agreement between Company and Distributor for the distribution of Artist's Audio Products, the Distribution Agreement terms shall control only as to those terms inconsistent and in conflict with the terms of this Agreement. However in no event shall the term of a Distribution Agreement affect Artist's Record Royalty Basic Rate.

b. Release Commitment: Company shall release in the United States, Audio Products derived from the Master within Six (6) months after delivery ("Delivery") of the respective Album via digital and physical channels in the United States. In the event Company fails to release Audio Products as set forth herein, Artist shall give written notice to Company of its failure to release pursuant to this paragraph. Company shall have an additional sixty (60) days from the date of receipt of written notice by Artist of Company's failure to release, to release Audio Products. If Company fails to release Audio Products within sixty (60) days following receipt of written notice by Artist, Company shall have no right to exercise its Option to extend this Agreement under the Option Period and this Agreement shall terminate by its own terms with neither party having any future obligations to the other except as it relates to the rights granted Audio Products released by Company including, but not limited to, the payment of royalties to Artist.

c. Artist may purchase from Company physical configurations of Audio Products manufactured by Company or its designees to sell direct to fans. Artist shall be limited to

selling Audio Products purchased from Company direct to customers (e.g. Artist's live performances, friends, family, etc) and shall not be offered for sale by Artist through Artist's website or any other wholesale or retail distribution network. Artist shall keep all money received from such sales, however, such sales shall not be royalty bearing, mechanical or otherwise.

7. **SIDE ARTIST**: Artist shall not be prohibited from performing as a so-called "side artist" for third parties. In connection with any such recording for anyone other than Company, the following conditions shall apply:

a. Artist's name and likeness shall not appear on the front cover of any such recording;

b. On any liner or inserts, Artist's name shall not appear in larger size type than any other side artist;

c. No more than one member of Artist may appear on the same recording without Company's written consent;

d. Artist shall not render a solo performance without the prior consent of Company, and;

e. Company shall receive a courtesy credit which states that Artist appears courtesy of Company; and

8. **GROUP ARTIST & LEAVING MEMBER**:

a. The Artist's obligations under this Agreement are joint and several. All references to "Artist" include all members of the group collectively and each member individually, unless otherwise specified herein.

b. If any member of Artist ceases to perform as a member of the group ("Leaving Member"), during the Initial Period, Artist shall promptly give Company written notice of such occurrence (the "Leaving Member Notice"). If the group disbands, each member of the group shall be deemed a Leaving Member.

i. None of the individuals herein named as Artist ("Present Members") or any who may hereafter become substituted therefore ("Substitute Members") shall, during the Term of this Agreement record for anyone other than Company, individually or as part of any other group, except performing as a side artist pursuant to the terms set forth in this Agreement. Each of the Present Members and Substitute Members agree that, without limiting any of Company's other rights and/or remedies, if there is a Leaving Member during the term hereof:

A. Company shall have the right to terminate the Term of this Agreement with respect to the remaining members of Artist by notice given to Artist at any time before the expiration of ninety (90) days after Company's receipt of the Leaving member Notice. In the event of such termination, all of the members of Artist shall be deemed Leaving Members as of the date of Company's notice to Artist and the terms of this paragraph shall then apply to any or all of such members.

B. If Company does not terminate the term of this Agreement with respect to the remaining members then the Royalties or other compensations otherwise payable pursuant to the terms of this Agreement with respect to such remaining members shall remain the same.

ii. Artist grants to Company an irrevocable option to engage the exclusive services of a Leaving Member as a recording artist. Said option, with respect to such individual, may be exercised by Company by giving Artist notice at any time before the expiration of ninety (90) days after Company's receipt of the Leaving member Notice (or, if later, the date of the delivery to Company of the demo tape or the occurrence of the live audition, if applicable). In the event of Company's exercise of such option, Artist and such Leaving Member shall be deemed to have entered into an agreement with Company upon all the terms and conditions of this Agreement except that Company shall have the right to exercise the same number of options to extend the terms of this Agreement for the Leaving Member as such options are available to Company for Artist; and all Royalties and compensations payable hereunder to Leaving Member shall be equal to those Company is obligated to pay Artist.

iii. A Leaving Member shall not, without Company's written consent, use the professional name of Artist in any commercial artistic endeavor; said professional name shall remain the property of the group who continue to perform their obligations hereunder and whose engagements are not terminated.

9. **MECHANICAL LICENSE**: All musical compositions or material recorded pursuant to this Agreement, which are written or composed, in whole or in part, or owned or controlled directly or indirectly by Artist or any producer of Licensed Masters subject thereto (herein "Controlled Compositions") appearing on the Licensed Masters and released on Audio Products hereunder, shall be and are hereby perpetually licensed to Company for the Territory for Controlled Compositions appearing on Audio Products released by Company. All Royalty payments for mechanical licenses for Audio Products distributed and sold by Company shall be part of Artist's Royalty payment set forth herein. Artist understands company shall not calculate or pay Artist a separate mechanical Royalty for sales of Audio Products unless such payment is made and received by a third party licensor, distributor, record label, etc. However, notwithstanding the foregoing, Company shall be responsible for paying any mechanical royalties owed to third parties for a composition ("Composition"), including co-authors of co-written Controlled Compositions, and such mechanical royalty payment shall be considered an Expense. Artist agrees not to record any Controlled Composition or Composition recorded and delivered to Company hereunder for three (3) years subsequent to the date of release by Company the respective Album for which the recording was made regardless of whether it appears on the Album. Mechanical Royalties shall be an Expense for purposes of calculating Net Profits. Company will be responsible for payment of all mechanical royalties payable for the sale of the Licensed Masters.

CONTROLLED COMPOSITION LICENSING AGREEMENT

10. GRANT OF PUBLISHING RIGHTS:

a. Subject to those requirements and/or restrictions set forth herein, Artist hereby grants to Company an exclusive right during the Term and until such time that Company has recouped all Expenses under this Agreement, to exploit and administer the

Artist Initial

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copyrights in the Controlled Compositions that are recorded on Licensed Masters owned by Artist pursuant to this Agreement on the respective Album. Company shall have the exclusive rights to administration of the Controlled Compositions for the life of copyright in each instance in the Territory. Artist hereby grants to Company a fifty percent (50%) non-ownership participatory interest in the Controlled Compositions for the life of the copyrights. Company shall have the right to be listed as a co-publisher with Artist's affiliated Performance Rights Society and shall collect its share of a performance royalties directly. Artist agrees to direct any third party publishing or licensing entities that license the Controlled Compositions on behalf of Artist to direct payment of Company's co-publishing interest directly to Company. Any licenses issues by Artist or any third party shall not require the approval of Company and shall be valid so long as any payments, fees or royalties are paid to Company as owed.

b. In the case of co-written Controlled Compositions, such administration shall only extend to Artist's fractional interest, calculated by multiplying one hundred percent (100%) by a fraction, the numerator of which is Artist and the denominator of which is the total number of contributing writers.

c. Company and Company's foreign subsidiaries, affiliates and licensees have the fullest possible rights to administer and exploit the Controlled Compositions, to print, publish, sell, dramatize, use and license any and all uses of the Controlled Compositions, to execute in its own name any and all licenses and agreements whatsoever affecting the Controlled Compositions, including but not limited to licenses for mechanical reproduction, public performance, dramatic uses, synchronization uses and sub-publication, and to assign or license such rights to others, to utilize Artist's name and likeness in connection therewith and to execute PA forms (and other routine copyright documents) in Artist's names and on Artist's behalf as attorney-in-fact (which appointment is coupled with an interest and is therefore irrevocable).

d. Company's exploitation of the Controlled Compositions shall be restricted in the same manner as its rights to the Licensed Masters hereunder as set forth in this Agreement.

11. **COLLECTION OF PERFORMANCE ROYALTIES:** Small performing rights in the Controlled Compositions, to the extent permitted by law, shall be assigned to and licensed by the performing rights society to which both parties belong. Said society shall be and is hereby authorized to collect and receive all monies earned from the public performance of the Controlled Compositions in the United States and Canada and shall be and is hereby authorized to collect and receive all monies earned from the public performance of the Controlled Compositions in the United States and Canada and shall be and is hereby directed to pay directly to Company one hundred (100%) of the publisher's share of public performance fees for the Controlled Compositions for the United States and Canada. Artist shall be paid one hundred percent (100%) of the writer's share payable by its affiliated performance rights society and Company shall not be entitled to any income therefrom.

12. **LICENSING AND COLLECTION OF MECHANICAL ROYALTIES:** Mechanical royalties for the Controlled Compositions for the United States and Canada may be collected by The Harry Fox Agency, Inc. or any other collection agent which may be designated by company. If any mechanical licenses are issued directly by Company, it shall do so at the then current statutory rate (with such reduced rates for special types of

sales or distribution for which Company customarily grants reduced rates to nonaffiliated record companies).

13. **SUBPUBLISHING AGREEMENTS:** Company may enter into sub-publishing or collection agreements with, and license or assign this Agreement and any of its rights hereunder and delegate any of its obligations hereunder to, any persons, firms or corporations in the Territory. If Company is or shall be a party to any sub-publishing, collection or administration agreement for any country of the world with a subsidiary or affiliate, such agreement shall be deemed to be an agreement with an unrelated third party and, for the purposes of this Agreement, such agreement shall be deemed to be on a basis no less favorable to Company than an agreement providing for the American publisher to receive fifty percent (50%) of the mechanical royalties computed at the source, fifty percent (50%) of public performance royalties computed at the source and ten percent (10%) of suggested retail selling price on printed editions.

MANUFACTURE, PROMOTION AND MARKETING OF MERCHANDISE

14. **MERCHANDISE RIGHTS AND SERVICES** : Artist grants Company, throughout the World, the exclusive right during the Term hereof and non-exclusive thereafter, to create, manufacture exploit and reproduce and authorize others to create manufacture exploit and reproduce Artist's individual names (both professional and legal and whether presently or hereafter used by you) image, likeness and other identification and biographical material concerning Artist and any trade name, trademark or service mark used by the individual members of Artist (collectively, "Name and Likeness") in any manner and in any medium, now known or unknown ("Merchandising Rights"), including, without limitation, in connection with the creation, manufacture, distribution or sale of reproductions of Artist's Name and Likeness on any and all products such as, but not limited to, t-shirts, posters, buttons and pins or in connection with any services ("Articles") and ("Merchandise Artwork") created and Articles to be sold. Company shall own the copyright to all Merchandise Artwork created for Merchandise Rights or Articles under this Agreement as a work made for hire whether created by Company, its agents or by Artist. Any license or other agreement entered into by Company during the Term hereof for the exploitation of the Merchandising Rights shall be effective for the duration of that license or agreement, whether ending before of after the end of the Term hereof. Nothing herein shall restrict Company from incorporating additional likenesses on merchandise or marketing materials that are not offered for sale. In respect to any Articles design created and sold during the Term containing the Artwork, Company shall have the exclusive right thereafter to continue to manufacture and sell Articles incorporating the Artwork. Artist may purchase from Company Articles for sale at its live performances at the best wholesale price offered by Company to its wholesalers for like quantities. Artist shall be limited to selling Articles purchased from Company, directly to customers at Artist's live performances, etc. and Artist shall not offer Articles for sale by Artist through Artist's website or any other distribution network.

GENERAL PROVISIONS

15. **COLLECTION OF INCOME:** During the Term of this Agreement and in perpetuity thereafter, unless specifically set forth otherwise, Company shall receive and collect:

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a. all Gross Receipts derived from advances, royalties or fees or income derived from the sales or licenses of the Licensed Masters recorded hereunder including but not limited to sales of Audio Products;

b. except for collection and distribution of the performance royalties as set forth in paragraphs 15 and 16 of this Agreement, all Gross Receipts derived from advances, royalties or fees paid to Artist for publishing income derived from the exploitations and licenses of the Controlled Compositions issued by Company;

c. all Gross Receipts derived from advances, royalties or fees payable for sales of Merchandise derived from the exploitations and licenses of Merchandising Rights issued by Company;

16. **ROYALTIES**: Company agrees to pay royalties ("Royalties") to Artist as follows:

a. **Exploitation of Licensed Masters and Sales of Audio Products and Videos**: Company shall pay to Artist as a royalty, fifty percent (50%) of the Net Receipts calculated by Company, from all exploitations of the Licensed Masters, including but not limited to sales of the Licensed Masters, sales of Audio Products including Digital Formats, flat fee licenses, etc, and the sale or exploitation of Videos.

b. **Controlled Composition Licensing Income**: Except for royalties received by Company's performance rights society for the publisher's share of performance rights, Company shall pay to Artist as songwriter royalties fifty percent (50%) of the Gross Receipts collected by Company for any exploitations or licenses issued by it for the Controlled Compositions. Additionally, Company shall pay to Artist fifty percent (50%) of the Net Receipts as payment for Artist's co-publisher share and shall retain the remaining amount for Company's own account.

c. **Merchandise**: Company shall pay Artist fifty percent (50%) of the calculated Net Receipts received by Company as a result of the exploitations and licenses issued by Company for the Merchandising Rights and for which Company manufactures and sells Merchandise.

17. **ROYALTY ACCOUNTING**:

a. Statements as to royalties payable hereunder shall be sent by Company to Artist on a quarterly basis, on or before the fourteenth (14th) day after the month ending the quarterly period being March 31, June 30, September 30, and December 31. together with payment of accrued Royalties, if any, earned by Artist hereunder during quarterly period.

b. Royalties in respect Gross Receipts received outside of the United States shall be computed in the national currency in which Company is paid and shall be credited to Artist's royalty account hereunder at the same rate of exchange as Company is paid, and shall be proportionately subject to any transfer or comparable taxes that may be imposed upon Company's receipts.

c. Artist shall be deemed to have consented to all royalty statements and all other accountings rendered by Company hereunder and each such royalty statement or other accounting shall be conclusive, final, and binding and shall not be subject to any

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objection for any reason whatsoever unless specific objection in writing, stating the basis thereof, is given by Artist to us within Two (2) years after the date rendered.

d. Company shall maintain books of account concerning the all exploitations of the rights granted to Company hereunder including sale of Audio Products, Merchandise Articles, or Controlled Composition Licenses. Artist, or an accountant, on Artist's behalf, may, at Artist's sole expense, examine our said books relating to the all exploitations of rights hereunder solely for the purpose of verifying the accuracy thereof, only during our normal business hours and upon reasonable written notice. Company's books relating to any particular royalty statement may be examined as aforesaid only within two (2) years after the date rendered and Company shall have no obligation to permit Artist to so examine our such books relating to any particular royalty statement more than once.

e. Artist(s) MUST create a PayPal account and company will pay all royalties via PayPal.

18. **NAME & LIKENESS:**

a. During the Term of this Agreement and for as long as Company shall be entitled to the rights granted to it under this Agreement, including the sale of Audio Products or to sell or distribute Merchandise or exploit Artist's Controlled Compositions, Artist hereby licenses to Company during the Term the exclusive right to use Artist's name, approved likeness, voice, approved biographical material or other identification, or to License to others the non-exclusive right, for use in association with the Licensed Masters or Merchandise Rights for any promotion, marketing or advertising, in any medium now known and existing or that is created in the future. However, during the Term of this Agreement, Artist will not license or consent to the use of Artist's name, likeness, voice, biographical material or other identification, for or in connection with the recording or exploitation of Audio Products or Merchandise Rights or Articles under this Agreement by or for anyone other than Company. This paragraph shall not limit Company's rights it has been granted in this Agreement regarding Merchandising Rights set forth in this Agreement.

b. Artist shall apply for and obtain in Artist's name, and at Artist's expense, federal registration of a trademark and/or service mark for Artist's professional name and /or logo in connection with the use thereof in all areas of the entertainment industry, including, without limitation, in connection with the recording and sale of phonograph records, the establishment of fan clubs, the rendition of concerts and live performances, and the sale of clothing and other merchandise. If Artist fails to apply for and obtain federal registration of any such trademark or service mark, Company shall thereafter have the right to apply for and obtain federal registration of any such trademark or service mark, in Artist's name, for which costs shall be considered an Advance and Artist hereby appoints Company as its attorney-in-fact, coupled for the purpose of applying for and obtaining such registration. Such authority is coupled with an interest and is therefore irrevocable.

19. **DEFINITIONS:** For the purpose of this Agreement, the following terms shall have the following meaning:

"**Audio Products,**" shall mean all forms of sound reproductions whether now known or unknown, on or by which sound may be transmitted or recorded for later transmission to listeners, embodying sound, including, but not limited to: discs of any

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speed or size, vinyl, compact disc, reel-to-reel tapes, cartridges, cassettes, audiovisual recordings, digital formats, and Digital Transmissions.

"Audio-Visual Recordings" ("**Videos**") shall mean devices reproducing audio performances, recording artists, compositions, or derivatives of compositions together with a visual image for home use or otherwise, embodying Artist's performances.

"Compositions" shall mean any single musical composition, irrespective of length, including all spoken words and bridging passages and a medley.

"Contract Period" shall mean any period of the Agreement wherein a term or obligation may be applicable either in the Initial Period or any subsequent Option Periods.

"Controlled Compositions" shall mean all musical Compositions or material recorded pursuant to this Agreement, which are written or composed, in whole or in part, or owned or controlled directly or indirectly by Artist or any producer of Licensed Masters subject thereto.

"Delivery" shall mean Company's receipt of newly-recorded technically satisfactory Licensed Masters to constitute the Record required to be given to Company as per this Agreement (mixed and mastered), together with all necessary licenses, approval, consents and permissions and all Artwork to be used in connection with the production and distribution of Audio Products derived from the Licensed Masters recorded hereunder.

"Digital Format" shall mean a digital configuration of the Master used in the furtherance of delivering the Master through a Digital Transmission including but not limited to digital files such as MP3, MPEG, WAV, RAM, etc. or any other digital file now known or created in the future.

"Digital Transmissions" shall mean the transmission and distribution to the consumer of Digital Formats or other configurations other than physical Audio Products, whether of sound alone, sound coupled with an image or sound coupled with data, in any form including but not limited to the downloading or other conveyance of Artist's performance on Licensed Masters or Audiovisual Recordings recorded hereunder by telephone, satellite, cable, direct transmission over wire or through the air, and on-line computers by any means now known or developed in the future whether a direct or indirect charge is made to receive the transmission.

"Entertainment Services" shall mean the exclusive services of Artist performed in the music industry now existing or hereafter developed including but not limited to the areas of Recording, Publishing, Merchandise Rights and Live Performance as set forth in this Agreement.

"Expenses" shall mean all expenses incurred under this Agreement including all Recording Costs, as that term is defined herein, payments to union pension and welfare funds, editing costs, distribution fees, licensing fees, and other payments to third parties on Artist's behalf, tour support, and legal accounting fees payable to Artist's own legal counsel or accountant (if any such payments are actually made by us) and customary artwork, all taxes, mechanical royalties payable to third parties or payable to Artist

hereunder, manufacturing, packaging charges, or legal fees payable on artist's behalf, or fees associated with filing copyright or trademark fees, all costs attributed to promotion, marketing and advertising expended in furtherance of the sale of Audio Products produced from the Licensed Masters; costs to create merchandise; Attorney's or Accounting fees or other administrative expenses paid for the creation, enforcement, licensing or exploitation of Artist and Artist's rights granted to Company herein, and; any other costs, fees, or expenses directly related to the representation or exploitation of Artist consistent with the terms of this Agreement; royalties paid by Company to Artist for a writer's share of publishing royalties; payment to any other writers of Controlled Compositions pursuant to any songwriter's agreements between Artist and any such other writers documented by a written agreement and provided to Company by Artist; administrative and exploitation expenses of Company with respect to the Controlled Compositions including, without limitation, copyright registration fees, advertising and promotion expenses directly related to the Controlled Compositions, the costs of transcribing for lead sheets, and the costs of producing demonstration records, and; any other costs, fees, or expenses directly related to the representation or exploitation of Artist consistent with the terms of this Agreement.

"Gross Receipts" shall mean any and all revenue, income and sums derived and actually received by Company in the United States (after deduction of any collection or other fees charged by any third party and after deduction of any collection fee or share of royalties charged by any third party used by Company outside the United States and Canada) including without limitation, advances, fees or royalties payable to Artist for Artist's Entertainment Services and the exploitation of the rights granted to Company under this Agreement.

"Long-Playing" ("LP") shall mean a Record that has no less than ten (10) Compositions and being no less than forty (40) minutes in duration.

"Master Recording" ("Master" or "Masters") shall mean any original recording, production, and/or manufacture of Audio Products, together with any derivatives thereof.

"Net Receipts" shall mean Gross Receipts received by Company under the terms of this Agreement after deducting any and all Expenses.

"Recording Costs" shall mean all costs incurred with respect to the production of Licensed Masters embodying the Artist's performances, including audio visual recordings, and which are customarily recognized as Recording Costs in the phonograph record industry including but not limited to all expenses incurred in connection with the production, mixing and mastering of audio and/or visual masters and all payments and/or advances to Artist hereunder, as well as payments to all of the musicians (including without limitation, instrumentalists, leaders, arrangers, orchestrators, copyists and contractors) vocalists and producers, if any, rendering services in connection with any recordings hereunder, payments to union pension and welfare funds, costs of cartage and instruments hire, studio or hall rentals, editing costs, payroll taxes and other payments to third parties on Artist's behalf related to recording costs, fees to third party producers or side artists, fees for replay or a sampling license, and other reasonable expenses incurred by Company for the purpose of production of the Licensed Masters; costs, taxes and/or third party payments in connection with the creation, production, manufacture and exploitation or use of such Audio Products, Licensed Masters or Videos recorded or produced under this Agreement.

"Term" shall mean the duration of the Agreement including the Initial Period and subsequent Option Periods during which Artist accepts and agrees to render services to the Company as well as which licensing right pertaining to the production of Audio Products exclusively to the Company.

" Territory" shall mean the World.

20. **WARRANTIES AND REPRESENTATIONS:** Artist warrants and represents the following:

a. Artist is not now and during the Term shall not be a party to or bound by any contract or agreement that will interfere in any manner with the rights granted to Company herein. Artist is under no disability, restriction or prohibition with respect to Artist's right to sign and perform under this Agreement.

b. The songs and performances embodied in the Recordings, and any use thereof by Company or its grantees, licensees, or assigns, will not violate or infringe upon the rights of any third party. Artist has secured all proper licenses for the right to perform and record all or any part of the performances or recording embodied on Artist's Master including for the use of any third party's recording or composition for use in what is commonly known as "sampling", "replay", or "interpolation".

c. Artist expressly acknowledge that Artist's services hereunder are of a special, unique, and intellectual character which gives them peculiar value, and that in the event of a breach by Artist of any term, condition, or covenant hereof, Company will be caused irreparable injury. Artist expressly agrees that in the event Artist shall breach any provisions of this Agreement, Company shall be entitled to seek injunctive relief and/or damages, as Company may deem appropriate, in addition to any other rights or remedies available to Company, and Company shall have the right to recoup any such damages resulting from any such breach, which shall be reduced to a final, adverse judgment, from any monies which may be payable to Artist hereunder or under any other agreement between Artist and Company or Company's our affiliates.

d. During the Term of this Agreement, if required by law or any other agreement that Company may become a party to, Artist shall become and remain a member in good standing of any appropriate labor union or unions. If Company becomes a party to any such union agreement Company shall give Artist written notice of such action.

e. Artist warrants that it is the sole owner of its professional name and that Artist has the sole and exclusive right to use and to allow others to use the Artist's professional name in connection with Artist's Entertainment Services.

f. Artist understands that the record industry and sales of records is speculative and that Company makes no warranty or representations as to the success of the sales of Artist's Audio Products, Articles or other products distributed and sold hereunder.

g. Artist hereby warrants and represents that Artist has the right to enter into this Agreement and to grant to Company any rights granted herein, and that the exercise by Company of any and all rights with respect to the Controlled Compositions will not violate or infringe upon any common law or statutory rights of any person, firm or corporation, including without limitation, contractual rights, copyrights and rights of privacy. The rights granted herein are free and clear of any claims, demands, liens or

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encumbrances. Artist acknowledges that Company has the right to administer and publish compositions other than Artist's Controlled Compositions.

h. The rights of the parties hereto in and to each and all of the Controlled Compositions shall extend for the full term of the copyright of said Controlled Compositions and of any derivative copyrights therein the Territory.

i. The parties hereto shall execute any further documents including without limitation, assignments of copyrights, and do all acts necessary to fully effectuate the terms and provisions of this Agreement.

21. **INDEMNIFICATION:** Both Company and Artist agree to and do hereby indemnify, save and hold each other harmless of and from any and all loss and damage (including reasonable attorney's fees) arising out of or connected with any claim by any one or more third parties or any act by each other which is inconsistent with any of the warranties, representations, and/or agreements made by each party herein, and agrees to reimburse each other on written demand for any reasonable payment made by either party at any time with respect to any liability or claim to which the foregoing indemnity applies. Pending the determination of any claim involving such alleged breach or failure, Company may withhold sums due Artist hereunder in an amount consistent with such claim. Any judgments against Company and any settlements by Company of claims against Artist together with costs and expenses, including counsel fees shall be paid to Company promptly upon demand and may also be recouped by Company from any Royalties payable to Artist hereunder.

22. **CURE OF BREACH:** Neither party will be deemed in breach unless the other party gives notice and the notified party fails to cure within thirty (30) days after receiving notice (fifteen (15) days, in the case of a payment of money); provided, that if the alleged breach does not involve a payment of money and is of such a nature that it cannot be completely cured within thirty (30) days, the notified party will not be deemed to be in breach if the notified party commences the curing of the alleged breach within such thirty-day period and proceeds to complete the curing thereof with due diligence within a reasonable time thereafter.

23. **ENTIRE AGREEMENT:** This Agreement sets forth the entire understanding between the parties, and cannot be changed, modified or cancelled except by an instrument signed by the party sought to be bound.

24. **SUSPENSIONS AND DEFAULT:**

a. Company reserves the right by written notice to Artist to suspend its obligation hereunder and/or to extend the expiration date of the then-current Contract Period for the duration of the following contingencies if by reason of such contingencies it is materially hampered in the recording, manufacture, distribution or sale of Audio Products, or its normal business operations become commercially impractical: labor disagreements, fire, catastrophe, shortage of materials or any cause beyond Company's control.

b. In the event of any default or breach by Artist in the performance of any of Artist's obligation or warranties hereunder, Company, by written notice to Artist, in addition to any other rights or remedies which it may have at law or otherwise, at its election, may terminate the Term or may suspend its obligations hereunder for the

duration of such default or breach and/or may extend the expiration date of the then-current Contract Period for a period equal to all or any part of the period of such default or breach.

25. **APPROVAL:** Wherever in this Agreement Artist's approval or consent is required, Artist's approval shall not be withheld unreasonably and failure to give such approval or disapproval within seven (7) days of notice by Company shall be deemed an approval by Artist. When such approval is to be mutual, in the event of a dispute Company's decision shall control.

26. **ASSIGNMENT:** Company shall have the right to assign this Agreement or any of Company's rights hereunder or to delegate our obligations hereunder or any part thereof to any third party. Specifically, but not limiting the generality of the foregoing, Company shall have the right to enter into a long term recording, production or distribution agreement, on terms no less favorable than those contained herein, for the provision of Artist's services as exclusive recording artists or assigning any of our rights hereunder with any "Major" record company or nationally distributed independent label, (as those terms are understood in the recording industry). Artist's rights and obligations hereunder are personal and non-delegable.

27. **SUCCESSOR IN INTEREST:** This Agreement shall inure to the benefit of and be binding upon each of the parties hereto and their respective successor, permitted assigns, and representatives. Company may, at its election, assign this Agreement or any of its rights hereunder.

28. **INVALIDITY OF TERMS:** If any clause, sentence, paragraph or part of this Agreement, or the application thereof to any person, shall for any reason be adjudged by a court of competent jurisdiction to be invalid, such judgment shall be limited and confined in its operation to the clause, sentence, paragraph or part thereof directly involved in the controversy in which such judgment shall have been rendered and to the person involved.

29. **NOTICES:** All notices hereunder required to be given to Company shall be sent to Company at its address first mentioned herein and all royalty statements (and payments) and all notices to Artist shall be sent to Artist as Artist's address first mentioned herein, or such other address as each party respectively may hereafter designate by notice in writing to each other. All notices shall be in writing and shall be sent by registered mail or certified mail, return receipt requested. The day of mailing of any such notice shall be deemed the date of the giving thereof. Royalty statements (and payments) may be sent by regular mail. All notices shall be served upon Company to the attention of the President.

30. **APPLICABLE LAW:** This Agreement has been entered into in the State of Nevada and the validity, interpretation and legal effect of this Agreement shall be governed by the laws of the State of Nevada applicable to contracts entered into and performed entirely within the State of Nevada, with respect to the determination of any claim, dispute or disagreement which may arise out of the interpretation, performance or breach of this Agreement.

31. **AMENDMENT:** This writing sets forth the entire understanding between the parties with respect to the subject matter hereof, and no modification, amendment, waiver termination or discharge of this Agreement shall be binding upon the Company unless

Artist Initial

Co Initial

confirmed by a written instrument signed by an authorized officer of the Company. No waiver of any provision or any default under this Agreement shall constitute a waiver by Company of compliance thereafter with the same or any other provision or its right to enforce the same or any other provision thereafter.

32. **MEDIATION**: Any claim or dispute arising out of or relating to this Agreement or the breach thereof shall first attempt to be settled by mediation in accordance with the rules and regulations of the American Arbitration Association governing single member panels or any other mediation procedure agreed to by the parties. In the event mediation of the parties hereto is not successful then each party hereto shall have the right to pursue any claim arising out of the dispute by any other legal means available to them within the competent jurisdiction.

33. **MISCELLANEOUS**:

a. Nothing contained herein shall constitute a partnership between or a joint venture by Company and Artist.

b. The Artist's obligations under this Agreement are joint and several. All references to "Artist" include all members of the group collectively and each member individually, unless otherwise specified herein.

c. "Artist" shall refer to the members of the group as presently comprised and such other individual(s) who at any given time during the term hereof shall then comprise the group. Any substituted individual of Artist's group will be deemed a party to this Agreement and shall agree in writing to be bound by all of the terms and conditions of this Agreement. Artist shall promptly deliver to Company any documents as Company may require executed by such substituted member, as Company, in its judgment, may deem necessary or advisable to effectuate the institution of such substituted member.

d. Artist agrees to execute any additional agreements as necessary to effectuate the rights granted to Company in this Agreement including but not limited to letters of direction, copyright assignments or authorization letters.

34. **RIGHT TO LEGAL REPRESENTATION**: Artist represents and warrants that Artist has read this Agreement and Artist understands that this is an important legal document. Artist hereby represents and warrants that Artist has been advised of its right to seek independent legal counsel in connection with the negotiation and execution of this Agreement and that Artist has either retained and has been represented by such legal counsel or has knowingly and voluntarily waived its right to such legal counsel and desires to enter into this Agreement without the benefit of independent legal representation.

[signature on separate page]

The effective date of this Agreement shall be the first date written above.

ExPat Records, LLC

By: _____
Jeffrey Libby, President

Artist's Signature

Printed Name

Soc. Sec. # _____

Address: _____

p/k/a (Stage Name) _____

Artist Initial

Co Initial

Schedule "A:
List of Recorded Songs On Master

1. _____
2. _____
3. _____

Ownership/Royalty Split by track number

- 1 – Artist Name – Percentage%, Artist 2 Percentage%, etc
- 2- Artist Name – Percentage%, Artist 2 Percentage%, etc

Artist 1 Name/Signature

Artist 2 Name/Signature

Artist Initial

Co Initial