

PUBLISHING ADMINISTRATION TERMS AND CONDITIONS

PARTIES

1. See Music (Hong Kong) International Limited trading as Kanjian of, 160 Harbin Road, Shanghai, China (hereinafter referred to as the "**Kanjian**")
2. Any individual or entity using the services provided by Kanjian (hereinafter referred to as the "**Client**")

Both shall hereinafter be severally referred to as "**Party**" and, collectively, as "**Parties**".

WHEREAS

- A. Client within the Territory holds or controls exclusive rights of use, including, without limitation, publishing rights, with respect to certain content such as compositions, lyrics, music sheets, etc. and is entitled to sub-license such rights to third parties.
- B. Kanjian, by itself or through its affiliates, is in the business of representing rightsholders' catalogs of entertainment content for the purpose of administration and licensing of publishing rights. Kanjian also is in the business of providing comprehensive management service for rightsholders' entire digital content portfolio, including catalog encoding and metadata management, data processing and legal protection against third-party infringements.
- C. Client desires to grant to Kanjian, and Kanjian desires to obtain from Client, certain exclusive rights set forth hereunder.

AGREED PROVISIONS

In consideration of the mutual agreements set out in this agreement, the Parties agree as follows:

1. This Agreement is made with respect to all musical compositions, heretofore or during the term hereof, written or composed, in whole or in part, or owned or controlled, directly or indirectly, by Client or any firm or corporation affiliated with or related to it or which it shall form, a complete schedule of which, as further updated by Client and provided to Kanjian from time to time (such musical compositions being hereinafter referred to as the “**Compositions**”).
 - 1.1. Immediately following the execution of this Agreement, Client shall provide to Kanjian a catalog list consisting of all Compositions that it owns or controls within thirty (30) days from the date of execution hereof. Unless Client provides prior written notice to Kanjian to the contrary, all Compositions shall be deemed to be owned and controlled at all times during the Term and throughout the Territory by Client. For avoidance of doubt, the rights granted by Client hereunder in and to the Compositions shall extend only to the extent of any limitation of Client’s rights therein; provided that Client has provided prior written notice to Kanjian of any such limitations of its rights in and to any such Compositions. Client shall provide Kanjian with all Compositions that are available for licensing.
 - 1.2. Client shall provide Kanjian with the materials and information as further described in Appendix A attached hereto (the “**Deliverables**”) with respect to each title in the Compositions via Client’s own Starcast account, FTP or any other methods agreed upon by both Parties in writing for the purposes of publishing administration of the Compositions. In the event that Client provides to Kanjian the Deliverables via two or more different methods, Client hereby acknowledges and agrees that the information provided via Starcast and visible on the Starcast dashboard shall be the de facto Compositions for the purposes of this Agreement and with regards to Kanjian’s obligations under this Agreement. Client shall also provide other materials and information as Kanjian shall reasonably request from time to time in connection with this Agreement.
2. During the term hereof, Kanjian shall have
 - 2.1. the exclusive right to administer and exploit the Compositions throughout means the territories as selected by Client during their registration (hereinafter referred to as “**Territory**”); to print, publish, sell, use and license the performance and use of the Compositions throughout the Territory; and to execute in Client’s name any licenses and agreements affecting the Compositions, including, but not limited to, licenses for mechanical reproduction, public performance and synchronization uses, and to assign in the normal course of business or license all such rights to third parties.
 - 2.2. the right to make adaptations and arrangements of and alterations and additions to the Compositions at the discretion of the cover artist, including the right to add lyrics or new lyrics thereto, to provide translations of the Compositions or new lyrics in other languages or to add music and to authorize others so to do, provided that we notify Client and disclose all details regarding such adaptations and modifications in advance of exploiting the right under this clause 2.2 and Client shall have the right to veto the right on each particular case by notifying Kanjian in writing no later than five (5) business days from receiving notification from Kanjian.

- 2.3. the non-exclusive right to supervise the management of metadata and employ the Catalog, or any part thereof, for the purposes of digital data refinement, including but not limited to machine intelligence augmentation, fingerprint generation and identification, tag enhancement, among others.
 - 2.4. Client and Kanjian acknowledge that this Agreement grants the right, but not the obligation, to use the Compositions. For the avoidance of doubt, Kanjian shall have the right to sublicense the right and license granted to Kanjian under this Clause 2. to third-parties within Territory.
3. Kanjian shall collect all Gross Receipts (as defined below) which are earned by and derived from the Compositions:
 - 3.1. prior to the term hereof ("**Pre-Term Receipts**"), or
 - 3.2. during the term hereof, regardless of when such Pre-Term Receipts or other Gross Receipts are paid. Pre-Term Receipts shall only be collectible by Kanjian to the extent that they have not been collected prior to the term hereof and are not subject to any collection rights of a third party. If the collection right of a third party (for example a third party publishing company) with respect to Pre-Term Receipts expires during the term hereof, Client shall notify Kanjian thereof in writing promptly following such expiration so that Kanjian may collect any Pre-Term Receipts remaining to be collected. "**Gross Receipts**" is defined as any revenue derived from the Compositions less amounts paid to or deducted by foreign sub-publishers, sublicensees, synchronisation agents, collection agencies and local performing and mechanical rights societies.
 - 3.3. Gross Receipts shall include, without limitation, mechanical royalties, synchronization fees, print income and the "writer's" and "publisher's share" of public performance income, provided, however, that the composers of any Compositions hereunder shall have the right to collect the "writer's share" of any such income directly from the applicable performing rights society, which shall not conflict with any license and/or sub-license and/or authorization made by Kanjian under clause 2 of this Agreement.
 - 3.4. The "Applicable Revenue" shall mean the Gross Receipt less the agreed Permitted Deductions and less the Withholding Taxes:
 - 3.4.1 The "Permitted Deduction" shall mean the administrative and exploitation expenses with respect to the License in accordance with clause 2 consisting of a maximum of twenty percent (20%) of the Gross Receipt. For the avoidance of doubt, the Permitted Deduction refers to the average deduction value based on fluctuating administrative and exploitation expenses incurred when Kanjian provides publishing administration services in different regions, which include but not limited to, transmission costs, operation costs, bank charges, and other related expenses.
 - 3.4.2 The "Withholding Taxes" shall mean the tax payable on the amounts due to Licensor, in accordance with the tax regulation of PRC and in accordance with the trade treaty between PRC and Licensor's country of tax residence in accordance with the tax residence certificate provided by Licensor on the Commencement Date and at the beginning of each subsequent calendar year.
 - 3.4.3 For the avoidance of doubt, Withholding Taxes are not included in the Permitted Deduction and should be calculated separately.

-
4. For its services hereunder, Kanjian shall be paid its Reasonable Expenses (as defined below) as set forth in subparagraphs Clause 4.2.1 and clause 4.2.2 below, plus
 - 4.1. forty percent (40%) of the Applicable Revenue derived from the Client from the Compositions, save that in respect of Applicable Revenue arising from synchronisation of the Compositions Kanjian shall, notwithstanding anything else herein contained, receive fifty percent (50%) in lieu of the aforementioned forty percent (40%)
 - 4.2. **"Reasonable Expenses"** are defined as the following:
 - 4.2.1. actual out-of-pocket non-overhead administrative and exploitation expenses of Kanjian with respect to the Compositions including, without limitation, registration fees and the costs of transcribing for lead sheets; provided, however Kanjian shall incur no single expense in excess of two hundred (200) US dollars without the consent of Client; and
 - 4.2.2. attorneys' fees, if any, actually paid by Kanjian affecting the Compositions.
 5. Each party hereto gives the other the equal benefits of any warranties which it has obtained or shall obtain under any agreement affecting the Compositions, including songwriters' contracts. Client further represents and warrants that
 - 5.1. the exercise by Kanjian of any of the rights granted hereunder will not violate or infringe upon any common law or statutory rights of any third party, including, without limitation, contractual rights, copyrights and rights of privacy;
 - 5.2. it presently does, and during the term hereof shall, maintain exclusive, valid songwriters' contracts with any composers who may write or co-write any Compositions hereunder which are published by Client and that it shall not breach said contracts or permit any breach thereof; and
 - 5.3. it has not heretofore accepted nor will it during the term hereof accept an advance of publishing royalties from its record company or from any other party without Kanjian's consent. With respect to any composer who may write or co-write any Composition hereunder, Kanjian shall have the right to use the name and likeness of any such composer for advertising and purposes of trade in connection with the exploitation of the applicable Composition(s).
 6. Client indemnifies and holds Kanjian, its assigns, licensees and its and their directors, officers, shareholders, agents and employees harmless from any liability, including, without limitation, reasonable counsel fees and court costs, arising out of or connected with or resulting from any claim inconsistent with any of the warranties, representations or agreements, express or implied, and made by Client in this Agreement. Kanjian shall give Client prompt written notice of any claim or action covered by said indemnity, and Kanjian shall have the right to withhold payment of any and all monies hereunder in reasonable amounts related to such claim or action pending the disposition thereof.
 7. Kanjian shall have the right but not the obligation to prosecute, defend and settle all claims and actions with respect to the Compositions and the copyrights or other rights with respect to the Compositions. In the event of a recovery by Kanjian or Client of any monies as a result of a judgment or settlement, such monies shall be divided between Kanjian and Client in the same shares as provided in paragraph 4 above, after first deducting the expenses of
-

obtaining said monies, including reasonable counsel fees. Client shall have the right to provide counsel for itself, to assist in or assume the prosecution or defense of any such matter, but at its own expense. Any judgments against Kanjian and any settlements by Kanjian of claims against it respecting any of the Compositions, together with costs and expenses, including counsel fees, shall be subject to the indemnity provisions of paragraph 6 hereof, and Client's indemnity payments thereunder shall be paid to Kanjian from any and all sums that may become due to Client hereunder, or promptly upon demand by Kanjian.

8. Statements as to all monies payable hereunder shall be sent by Kanjian to Client within ninety (90) days after the end of each calendar quarter for each such preceding quarterly period. Client shall be deemed to have consented to all royalty statements and other accounts rendered by Kanjian to it, and said statements and other accounts shall be conclusively binding upon Client and not subject to any objection for any reason, unless specific objection in writing, setting forth the basis thereof, is given by Client to Kanjian within two (2) years after the date that such statement is rendered. Client may, at Client's own expense, audit Kanjian's books and records directly relating to the Compositions that report the royalties or other monies payable hereunder. Client may perform such audit for the purpose of verifying the accuracy of any statement rendered to Client hereunder. Client may audit a particular statement only once and only within two (2) years after the date such statement is rendered. Any such audit by Client shall be conducted by a reputable independent certified public accountant experienced in music publishing industry audits ("**Auditor**"), who is not engaged at that time in any other audit of Kanjian, its controlling entities or any of its or their subsidiaries or affiliates. It shall be conducted at the place where Kanjian keeps the books and records to be examined during Kanjian's usual business hours and with reasonable prior written notice to Kanjian. Any such audit shall be conducted in such a manner so as not to disrupt Kanjian's other functions and will be completed promptly. The fee to be paid to Auditor shall not be contingent upon the results of Auditor's inspection. Client acknowledges that: Kanjian's books and records are strictly confidential; neither Client nor Client's representatives shall reveal any of the contents of such books and records to any third parties; and Client's review of such books and records may be subject to certain restrictions imposed upon Kanjian by third parties. Auditor shall review his/her tentative written findings with a member of Kanjian's finance staff designated by Kanjian before rendering a report to Client so as to remedy any factual errors and clarify any issues that may have resulted from any misunderstanding(s). Any legal action against Kanjian by Client with respect to a specific accounting statement or the accounting period to which the same relates shall be forever barred if not commenced in a court of competent jurisdiction within six (6) months after Client's receipt of written notice from Kanjian rejecting Client's written claim in connection therewith.
9. The initial term of this Agreement shall be three (3) years from the date of the execution hereof by both parties as set forth below, and unless written notice of the termination of this Agreement shall have been sent by either party hereto to the other at least sixty (60) days prior to the expiration of the initial term, then this Agreement shall be renewed upon a year to year basis, and Client, or Kanjian, shall be required to give notice as aforesaid for any termination of any such renewal period. If any such notice shall be so given, then any such termination shall be effective on the first day of the calendar quarter next following the expiration of the initial term or renewal period, as applicable. Notwithstanding the foregoing, no such notice of termination shall be deemed effective unless, prior to the date upon which this Agreement is to terminate, Kanjian shall have recouped or been paid by Client its Reasonable Expenses (as said term is defined herein) theretofore incurred:
 - 9.1. When Kanjian shall license any right or assume the collection obligations of an existing license to one (1) or more of the Compositions, the term of this Agreement in respect to

that license shall extend until

9.1.1. three (3) years after the issuance of said license, or

9.1.2. the termination of the overall agreement, whichever is later.

9.2. When Kanjian shall secure a recording of a so called “unfaithful cover” of any Composition hereunder (the “**New Composition**”), the term of this Agreement with respect to any such New Composition shall thereafter extend in perpetuity and the territory with respect to any such New Composition shall thereafter be the World..

10. INTENTIONALLY DELETED

All notices shall be in writing and shall either be delivered by registered or certified mail, postage prepaid or by facsimile, all charges prepaid. Neither party shall be deemed to be in breach of any of its obligations hereunder unless and until the party claiming a breach shall have given the other written notice by certified or registered mail, return receipt requested, specifying the nature of such breach and such other party shall have failed to cure such breach within thirty (30) days after receipt of such written notice; provided that if the alleged breach is of such a nature that it cannot be completely cured within thirty (30) days, the notified party shall not be deemed to be in breach if such party commences the curing of the alleged breach within such thirty (30) day period and proceeds to complete the curing thereof with due diligence within a reasonable time thereafter.

11. Kanjian 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 third parties throughout the Territory.
12. Client shall at all times, both during the term and thereafter, keep all of Kanjian’s confidential information in confidence and trust. Client shall not use such confidential information other than as expressly permitted herein or with the prior written approval of Kanjian. Client shall not directly or indirectly disclose to the public or to any non-essential person and/or entity any of the terms of this Agreement without the prior written approval of Kanjian, unless otherwise required to do so by any law established by any government with applicable jurisdiction.
13. Each party acknowledges and represents that, in executing this Agreement, it has received advice as to its legal rights from legal counsel and that the person signing on its behalf has read and understood all of the terms and provisions of this Agreement. Further, each party and their counsel have cooperated in the drafting and preparation of this Agreement. It shall be deemed their joint work product and may not be construed against any party by reason of its preparation or word processing.
14. This Agreement sets forth the entire understanding between the parties, and cannot be modified, terminated or rescinded except by mutual written agreement of both parties hereto. This Agreement shall be governed by the laws of the People's Republic of China without reference to conflicts of law principles and the parties hereby grant to the competent People's Courts of Shanghai exclusive jurisdiction to hear any disputes arising out of or relating to this agreement; no action may be instituted in any other venue.

DELIVERABLES (Appendix A)

Client will provide Kanjian with the information necessary for the integration of each Compositions into the Services, in accordance with Article 1 of this agreement, i.e. an XML file specifying for each Compositions:

- the title of the Composition and of the album
- the name of the lyric writer and the rights ratio
- the name of the composer and the rights ratio
- the delivery date (optional)
- the ISRC code of recording (optional)
- the rights pertaining to each Compositions (territories, commercial mode)