

MASTER LICENSE AGREEMENT

AGREEMENT dated the 1st day of April 2011
BY AND BETWEEN

hereinafter referred to as “Licensor”
AND

hereinafter referred to as “Licensee”

1. Licensor represents and warrants that Licensor is the sole and exclusive owner of the sound recordings of the compositions specified in the Schedule attached hereto (“Masters”) embodying performances of a musician, Kenzo Chosaku (“Artist”). Licensor also represents and warrants that Licensor has the right to grant to Licensee the licenses of the Masters stipulated in Article 2.
2. Licensor shall grant to Licensee the exclusive right to use the Masters for the purpose of manufacturing, distributing, advertising and selling records in the U.S.A. and Canada only (“the Territory”). As used in this Agreement, “record” shall mean any means of sound reproduction whether now known or hereafter developed including discs, tapes, tape cartridges, cassettes and compact discs.
3. Licensor hereby grants to Licensee the perpetual, worldwide, but non-exclusive right to use and permit others to use Artist’s name, including any professional names, likenesses, signatures and biographical materials in connection with exploitation of the Masters in the Territory.
4. Licensor shall supply Licensee, free of charge (except duplication costs, courier, freight costs and customs duties) with samples of advertising and promotional materials relating to Artist and/or the Masters including packaging artwork and promotional videos promptly following the creation thereof and Licensee shall have the right to use such materials at any time during the term of this Agreement. Licensee shall reproduce on covers, jackets and labels of phonograph record, tape etc. embodying the Masters, the complete copyright information with all credits as per label information sheet supplied by Licensor who shall be fully liable for the accuracy of such information.
5. Licensee shall not, unless Licensor’s prior written permission is given in each instance, re-edit, re-mix, sweeten, re-couple, or otherwise alter the Masters. Licensor’s consent shall not be unreasonably withheld.

6. Upon request by Licensee, Licensor shall deliver duplicate master tapes of the Masters, for which Licensee shall pay Licensor the cost price plus any actual expenses incurred for packing, bundling and shipping.

7. In consideration of the rights herein granted to Licensee, Licensee shall pay Licensor the following royalties during the term of this Agreement;

(a) Licensee shall pay Licensor a royalty of eighteen percent (18%) of the price published to dealers ("PPD") less sales taxes, duties and the packaging deductions specified as below.. This royalty will be paid for ninety (90%) of all records manufactured and sold hereunder.

the Packaging Deductions

- | | |
|--------------------|---------------------------|
| a) LP | 15% of PPD less sales tax |
| b) Compact Disc | 25% of PPD less sales tax |
| c) Music Cassettes | 25% of PPD less sales tax |
| d) Mini Disc | 30% of PPD less sales tax |

(b) With respect to records not consisting entirely of the Masters, the royalty rate shall be pro-rated as the number of the Masters bears to the total number of royalty bearing the Masters on the relevant record.

(c) With respect to such low-priced records as club sales, mail order and so forth, the royalty rate shall be one-half (1/2).

(d) No royalty shall be payable to Producer in respect of records distributed as "sample" or "free" records.

8. Licensee shall pay Licensor US\$ _____ (including withholding tax) as a non-returnable advance payment against and recoupable from royalties becoming payable to Licensee under this Agreement.

9. Payments of royalty pursuant to Article 7 shall be made by Licensee to Licensor semi-annually within sixty (60) days following June 30th and December 31st accompanied by statements which show the following details:

- (a) The title(s) and number for each and every record manufactured and sold during the period under review.
- (b) The retail price list of each such record.
- (c) The royalty based sales units of each such record.
- (d) The total amount due to Licensor for the period under review.

10. Licensee shall keep books of accounts which disclose all sales pursuant to this Agreement, and shall permit Licensor or its duly authorized representative to inspect Licensee's books relative to such accounts from time to time at Licensor's expense in order that Licensor may verify the accuracy of the royalties payable hereunder. However, if any major discrepancy or error is found in the said books, the inspection cost shall be borne by Licensee. For the purpose of this clause, an under accounting of ten percent (10%) or more shall be deemed a major

discrepancy.

11. Subject to Article 12 below, the sums paid by Licensee to Licensor pursuant to this Agreement are intended to include provision for all royalties due to any third party including Artist and Producers. Licensor shall indemnify Licensee from any claim which may be inconsistent with the foregoing warranty.
12. With respect to the records manufactured and sold from the Masters which embody copyrighted musical or other material, Licensee shall pay or cause to be paid directly to the owners of such copyrights or their duly authorized agents, all sums which may be or become due.
13. Licensee hereby will release records manufactured from the Masters within six (6) months from the date of this Agreement, and in the event Licensee fails to so to do all rights granted herein shall automatically cease and terminate. . Licensee will send Licensor ten (10) copies of records within fifteen (15) days after the release of any record.
14. The term of this Agreement shall be three (3) years from _____ to _____, and this Agreement shall be automatically extended for a period of one (1) year unless either party shall serve a written notice of termination to the other party no later than three (3) months before the completion of the aforementioned three-year period. The same condition shall apply to the extension of the term thereafter.
15. Upon the expiration of this Agreement, Licensee shall deliver the master tapes of the Masters to Licensor within thirty (30) days after the expiration of this Agreement without charge. Licensee shall discontinue the further manufacturing of records from the Masters. Licensee shall, nevertheless, have the right to sell in the normal court of business all stock of records manufactured hereunder for a period of six (6) months only after the expiration date provided that Licensee pays royalties to Licensor for such records.
16. In the event that Licensee shall fail or refuse to deliver any of the statements or remittances or payments provided hereunder, or fail or refuse to perform any such other obligations on its part to be performed hereunder and such failure is not cured within thirty (30) days after notice in writing from the Licensor of such default, or in the event that Licensee shall go into bankruptcy then in that event Licensor shall have the right to terminate or cancel this Agreement forthwith without prejudice to any right or claims it may have, and all rights hereunder shall forthwith revert to Licensor.
17. This Agreement sets forth the entire agreement between the parties hereto with respect to the subject matter thereof and shall benefit and be binding upon the parties hereto and their respective legal representatives, successors and assignees. No modifications, amendments or waivers of this Agreement or any provision thereof shall be effective unless confirmed by a written instrument signed by both parties.

18. This Agreement shall be governed by the laws of Japan and the parties hereto hereby irrevocably submit to the jurisdiction of the Japanese courts for the resolution of any dispute in connection herewith.

IN WITNESS WHEREOF, the parties to this Agreement have executed this agreement as of the day, month and year first above written.

Licensor _____

Licensee _____