

RECORDING AGREEMENT

This AGREEMENT is made and entered into this first day of April, 2021,
BY AND BETWEEN

hereinafter referred to as “Company”
AND

hereinafter referred to as “Artist”

NOW AND THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

Article 1 (Scope of Agreement)

Company hereby engages Artist as a musician to give a musical performance during the recording sessions for the composition entitled, “_____.” Artist hereby accepts such engagement on the terms and conditions set forth herein.

Article 2 (Intellectual Property Rights)

Artist shall assign all rights in and to Artist’s performances included in all sound recordings made hereunder (hereinafter referred to as “Master Recordings”) exclusively to Company. Artist expressly understands and agrees that all rights in and to the Master Recordings hereunder belong solely and exclusively to Company throughout the world in perpetuity. Accordingly, Company shall have the exclusive right to exploit the Master Recordings and Artist’s performances therein upon any terms and in any means or media whatsoever whether now known or hereafter developed. Nothing contained herein shall be deemed to oblige Company to use or exploit the Master Recordings, which Company may do at Company’s sole discretion.

Article 3 (Royalty)

In consideration of the services rendered by Artist hereunder and the rights granted by Artist to Company herein, Company shall pay the following royalties to Artist during the term of protection for the Master Recordings:

- (a) With respect to distribution of records made hereunder in Japan, Company shall pay Artist a royalty of two percent (2%) of the retail price of records less sales taxes, duties and the packaging deductions which are ten percent (10%) of the retail price for all configurations of records. This royalty will be paid for ninety percent (90%) of all records manufactured and shipped out for sale including returns.
- (b) With respect to records not consisting entirely of the Master Recordings, the royalty rate shall be pro-rated based upon the number of sound recordings included in records.
- (c) With respect to audio-visual product, the royalty rate shall be one-half (1/2) and section (b) of this Article shall be applicable. Notwithstanding the foregoing, with respect to the promotional video embodying the Master Recordings, the royalty rate shall be applicable to section (a) of this Article.
- (d) In the event that Company licenses a third party to exploit the Master Recordings, Company shall pay Artist ten percent (10%) of the license fee received from the third party under such license.
- (e) In case of digital downloads and/or streaming service of Master Recordings provided by Company, Company shall pay Artist a royalty of four percent (4%) of the retail price or the service price less any applicable tax for the number of downloads and/or streaming.
- (f) No royalty shall be payable to Artist in respect of records distributed as “sample” or “free” records.

Article 4 (Payment)

(a) Royalty payment by Company to Artist hereunder shall be made in U.S. Dollars (US\$) converted at the exchange rate current at the date of each payment semi-annually within sixty (60) days following June 30 and December 31 of each year, and each payment shall be accompanied by a royalty statement.

(b) In the event Artist changes the bank account and/or the notice address, Artist shall immediately give written notice to Company. If Artist should fail to send written notice to Company, Company shall be exempt from payment obligation hereunder until Artist sends such written notice to Company.

(c) In the event royalty payment hereunder is less than Ten Thousand Japanese Yen (JYE10,000), Company may withhold and carry the balance of such payment to the above account.

Article 5 (Name and Likeness)

Artist shall grant to Company the perpetual, worldwide, but non-exclusive right to use and publish and to permit others to use and publish Artist's name (including any professional name), likeness, signatures and biographical materials in connection with exploitation of the Master Recordings hereunder.

Article 6 (Representations and Warranties)

Artist represents and warrants the following hereunder:

(a) Artist has the full right to perform the services hereunder, including the complete and unrestricted right to record the composition embodied in the Master Recordings hereunder;

(b) Artist is legally free to enter into this Agreement, and Artist will perform all of Artist's obligations, duties, commitments and covenants hereunder;

(c) Artist shall not perform the songs performed by Artist hereunder for the purpose of making records/videos or providing digital distribution (except live streaming) for any other person within three (3) years after the date hereof;

(d) Artist shall indemnify and hold harmless Company from and against all actual losses, liabilities, damages, deficiencies, costs or expenses (including reasonable attorneys' fees) attributable to the breach of any representation, warranty or any other obligations of Artist contained herein.

Article 7 (Good Faith Consultation)

Any matters not addressed herein, or any doubt or uncertainty hereunder, shall be resolved through good faith consultation between the parties hereto.

Article 8 (Force Majeure)

Neither party shall be liable to the other party for any delay or failure in performing its obligations hereunder due to causes beyond its reasonable control, including but not limited to act of God, acts or orders of governmental authorities, fire, flood, typhoon, tidal wave, earthquake, war (declared or not), rebellion, riots, strike and lockout.

Article 9 (Termination)

If either party defaults in the performance of this Agreement, the non-defaulting party may terminate this Agreement by written notice. Termination of the Agreement shall not affect the rights or the remedies available to the non-defaulting party.

Article 10 (Entire Agreement)

This Agreement sets forth the entire understanding and agreement between the parties as to the matters covered herein, and supersedes and replaces any prior undertaking, statement of intent or memorandum of understanding, in each case, written or oral.

Article 11 (Governing Law and Jurisdiction)

The parties hereby consent to and confer exclusive jurisdiction upon Tokyo District Court over any disputes arising out of or relating to this Agreement. This Agreement is governed by and construed in accordance with the laws of Japan.

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

Company

Artist