

LICENSE AGREEMENT

1 PARTIES

- 1.1 Jonas Hagström /Action Media Music (810503-1416), Rådhusgatan 59 A, 831 37 Östersund (“Company”), on the one side, and
- 1.2 # (“Rightsholder”), on the other side.

2 DEFINITIONS

- 2.1 For the purpose of this agreement the following expressions shall have the following meanings:

Copyright Act	The Swedish Act on Copyright in Literary and Artistic Works of 1960:29 as amended to July 1, 2005.
Digital Delivery	Delivery, by wire or wireless means, by which a copy is <u>not</u> handed over, instead a new copy is created with the receiver, i.e. the buyer. An example of Digital Delivery is the making available of audio files or audiovisual files on the Internet or telecommunication networks for downloading to a computer or a mobile unit.
Individual Licensing Agreements	The licensing agreements entered into by Company and its licensees, as regards the exploitation of rights to the Master Recordings and, if applicable, the Compositions.
Physical Delivery	Delivery by which a copy is handed over. An example of Physical Delivery is the “traditional” sale of DVD:s, discs embodying video games etc. in the retail trade.
Rights Period	The time period during which Company and its licensees shall be entitled to exploit rights to the Master Recordings (and, if applicable, the Compositions), as regards the Individual Licensing Agreements which has been entered into during the Term.
Term	The time period during which Company shall be entitled to enter into the Individual Licensing Agreements with its licensees.
Territory	shall mean the countries of all countries of the world.
Videogram	The analogue or digital fixation of the sound and picture of a performance or of other audiovisual works or material, whereby “fixation” shall mean the embodiment of the audiovisual material, or of the representations thereof, from which they can be perceived, reproduced or communicated through a device. DVD’s, Blue Rays, VHS-tapes, USB and audiovisual files, such as AVI files, MPEG-4 files and WMV files, are all examples of Videograms (without limitation).

3 PREAMBLE

- 3.1 Whereas Rightsholder holds one hundred percent (100 %) of certain rights as regards certain original master recordings (“Master Recordings”), embodying recordings of performances of certain musical and literary works (“Compositions”) by certain performing artists (“Artists”) and whereas the Compositions has been created by certain authors (“Authors”).

- 3.2 Whereas the Authors are not members of STIM or any other collecting society that is a member of CISAC and shall refrain from register as members of such collecting societies during the Rights Period hereof.
- 3.3 Whereas the Master Recordings and the Compositions are collectively referred to as the “Catalogue” and whereas the Master Recordings, the Compositions, the Artists and the Authors are all listed in schedule 1 hereto.
- 3.4 Whereas Company wishes to license the Catalogue for the purpose of granting non exclusive licenses as regards, inter alia, synchronization use and certain public use, such as use in television, internet radio etc.

Now therefore, in consideration of the foregoing, the parties agree as follows.

4 LICENSE GRANTED

- 4.1 Subject to the terms and conditions of this agreement, Rightsholder hereby grants to Company, throughout the Territory, the right to grant to its licensees the non-exclusive right to
- i) synchronize the Master Recordings with sound or film or other visual images or otherwise reproduce and use the Master Recordings when a) producing commercials, commercial films, feature film, documentary film, sports films, television shows any other forms of film and/or live and recorded audio visual programs, when b) producing advertisements and promotions and c) when producing video games, computer games and similar (“Productions”);
 - ii) edit, adapt or otherwise alter the Master Recordings for the purpose of adapting the Master Recordings to the picture and/or sound of the Productions or else edit, adapt or alter the Master Recordings if necessary for the purpose of this agreement;
 - iii) to manufacture and produce Videograms, compact discs, computer discs and other products and/or media, without limitation, embodying the Productions (“Products”);
 - iv) make the Products available to the public by Digital Delivery, Physical Delivery and any other means of delivery, regardless of this is by communication to the public, selling, leasing and lending or otherwise distribution to the public or else;
 - v) publicly use the Productions, i.e. by broadcasting of the Productions in radio or television (whether by national network, cable, satellite or else), by making the Productions available on the Internet and/or in telecommunication networks for streaming, streaming on demand, web casts, pod coast or any other means of communication to the public as well as to publicly perform the Master Recordings in cinema etc., in all cases regardless of by wire or wireless means.
- 4.2 If in connection with the granting of a license to use the Productions and conditioned upon that the end user is not charged for the downloading of the Master Recordings etc., Company may also grant to its licensees, the non-exclusive right to make the Master Recordings available to the public separate from the Productions. This, however, only as regards the making available of the Master Recordings by Digital Delivery or by streaming, streaming on demand and similar.
- 4.3 In addition to what is stipulated above, for the purpose of allowing and promoting the sale of the Master Recordings hereunder, Rightsholder also grants to Company the non-exclusive right to reproduce and store the Master Recordings on Company’s computers, computer servers, or else store the Master Recordings as it may deem necessary, as well as the non-exclusive right to manufacture phonograms and Videograms embodying the Master Recordings and to make such phonograms and Videograms available free of charge to its licensees and customers by Digital Delivery (e.g. on the address www.actionmediamusic.com) or Physical Delivery. Moreover, Rightsholder grants to Company the non-exclusive right to use the name, picture photograph, likeness, trade mark and biographical material of the Artists and the Authors in connection with Company’s sale, advertising, promotion and publicizing of the Catalogue.

- 4.4 Any rights granted to Company hereunder as regards the public use of the Master Recordings shall be subject to the limitations contained in § 47 of the Copyright Act or any similar legislation in any country of the Territory.
- 4.5 Company shall be entitled to license, assign and enter into agreements to or with any person or entity with respect to any or all rights granted to Company hereunder.
- 4.6 This agreement shall not constitute a transfer of ownership to the Master Recordings. All rights, title and interest to the Master Recordings and (as in between Company and Rightsholder) shall remain vested in Rightsholder. Notwithstanding the foregoing and subject to such ownership of Rightsholder, Company and its licensees shall be the sole owner of all rights, title and interest to the Productions.
- 4.7 What is stipulated above shall apply for the Master Recordings. Additional master recordings and, if applicable, Compositions, that become part of Rightsholder's catalogue during the Term of this agreement, shall automatically be deemed part of this agreement and subject to the terms and conditions herein unless Rightsholder, in each individual case, notifies Company thereof in writing.

5 CONTROLLED COMPOSITIONS

- 5.1 Rightsholder hereby grants to Company the right and license to exploit, or otherwise use, any Controlled Composition in the same manner as Company and its licensees may exploit, or otherwise use, the Master Recordings pursuant to §§ 4.1 -4.3 above. As regards any use by Company pursuant to § 4.3 (use for the purpose of allowing and promoting the sale of the Master Recordings), the license granted to Company as regards Controlled Compositions shall be royalty free. As regards any other use of Controlled Compositions, Company shall pay to Rightsholder a royalty pursuant to the provisions below.
- 5.2 Any rights granted to Company hereunder as regards the use of Controlled Compositions shall be subject to the limitations contained in § 42 e of the Copyright Act or any similar legislation in any country of the Territory.
- 5.3 The term "Controlled Compositions" shall mean each Composition to which rights are held in whole or in part (if in part, to such extent) by Rightsholder or any entity controlled by Rightsholder.

6 THE INDIVIDUAL LICENSING AGREEMENTS AND RIGHTS PERIOD

- 6.1 Company enters into the Individual Licensing Agreements in its own name and on its own behalf. Company may sell any licenses hereunder at a price determined by Company in its sole discretion.
- 6.2 The Rights Period shall commence on the date of signature hereof and shall continue until to the last date of expiry of the Individual Licensing Agreements.
- 6.3 Company shall be entitled to decide, in its own discretion, the term of each Individual Licensing Agreement. It is understood and agreed that Company shall have the right to enter into Individual Licensing Agreements that extend beyond the Term of this agreement, or any extensions thereon. Any Individual Licensing Agreement shall remain in effect beyond the expiration of the Term of this agreement, or any extensions thereof, and Company (and Rightsholder) shall be entitled to a share of the monies earned as set forth below in respect to each Individual Licensing Agreement for as long as monies are earned or payable there under, regardless of whether such monies are earned or payable during the Term or thereafter.

7 TERM

- 7.1 This agreement shall come into force as of the date of the (last) signature hereof and shall remain in force for a term of 12 (twelve) months ("Initial Contract Period"). Unless not terminated later than 30 days prior to the expiry of the Initial Contract Period, the Term shall automatically be renewed with another contract period ("Extension Period"). The Extension Period shall commence on the date of expiry of the Initial Contract Period and shall remain in force until terminated by Company of Rightsholder, providing 6 (six) months notice of termination. For the avoidance of doubt, termination of the agreement during the Extension Period shall have effect at the conclusion of such 6 month period.

- 7.2 It is understood that the Individual Licensing Agreements shall survive the termination of this Agreement and that Company's licensees shall be entitled to exploit the Master Recordings subject to a specific Individual Licensing Agreement even after the expiry of this agreement or the termination thereof and for the full term of such Individual Licensing Agreement, including any extensions thereof.

8 ROYALTIES

- 8.1 In consideration of all rights granted to Company hereunder and any use of the Master Recordings hereunder (and if applicable, all Controlled Compositions hereunder), Company shall pay to Rightsholder a royalty of 50 (fifty) percent of its Gross Receipts.
- 8.2 The term "Gross Receipts" shall mean the aggregate of sums actually received by Company (exclusive of VAT) pursuant to the Individual Licensing Agreements. When computing its Gross Receipts, Company shall be entitled to benefit from any deductions which have been made vis-à-vis Company by its licensees. Thus, said percentage terminology shall directly co-relate to the percentage of Company, whether that is expressed or calculated in the Individual Licensing Agreements. For the avoidance of doubt, Rightsholder declare that it understand and acknowledges that Company's royalty payments will be subject to the conditions, reductions, diminutions and pro rating provisions pursuant to each Individual Licensing Agreement. When computing its Gross Receipts, Company shall be entitled to benefit from any foreign (non Swedish) taxes and other public fees which has been withheld vis-à-vis Company and which Company is unable to collect or benefit from, which, however, Company shall use all reasonable endeavours to minimise.
- 8.3 Should Company have incurred any mechanical licensing costs in connection with its use of a Controlled Composition hereunder and in connection with any use pursuant to § 4.3 above, Company shall be entitled to deduct any such amount from Rightsholder's royalty.
- 8.4 Any royalty payable hereunder shall be net and inclusive of any taxes and other public fees, which Company is required to deduct or pay by law when paying royalties to Rightsholder, including, without limitation, so called social contribution taxes, income taxes and so called withholding taxes. The royalty payable to Rightsholder is, however, gross and exclusive of Swedish value added tax (VAT), should Company be required to pay VAT when paying royalties to Rights. Any royalty payable hereunder shall, however, be net and inclusive of any non-Swedish value added tax (VAT) or any other non-Swedish sales taxes which Company is required to pay when paying royalties to Rightsholder.
- 8.5 An income hereunder shall be deemed earned on the day Company actually receives payment and shall be calculated as to the portion of the payment actually received by Company.

9 PAYMENT OF ROYALTIES AND ACCOUNTING

- 9.1 Company shall furnish Rightsholder with royalty statements twice a year. The accounting periods pursuant to this Agreement shall end on 30th June and 31st December in each year and Company shall pay such sums as may be due to Rightsholder in respect of the immediately preceding accounting period within ninety (90) days after the end of said accounting period accompanied by a statement of account showing the nature and method of calculation of all royalties and sums due.
- 9.2 Should the royalty due to Rightsholder, as of any accounting period hereof, amount to a sum less than 1 000 (one thousand) SEK, Company shall be entitled to withhold payment and accounting for such period until the aggregate of all royalties due exceed such amount.

10 WARRANTIES AND REPRESENTATIONS

- 10.1 Rightsholder hereby represent and warrant that the Master Recordings and, if Controlled Compositions, the Compositions shall not infringe on the copyrights or other rights of any person or entity and shall not violate any law in any country of the Territory. Thereby, Rightsholder especially represent and warrant that:
- i) it possess full power and authority to enter into and perform this agreement, it has not entered and shall not enter into any arrangement which may conflict with this agreement and that there are no liens or encumbrances against the Master Recordings or the Compositions which would derogate from or be inconsistent with the rights granted to Company hereunder;

- ii) it has obtained all relevant consents from the Artists, musicians, producers, mixers and other persons and companies involved in the recording and production of the Master Recordings in respect of the use of the Master Recordings hereunder and that the sums to be paid by Company pursuant to section 8 above shall include compensation for all recording costs, royalties to the Artist, musicians, producers, mixers etc.;
- iii) the Recordings and Compositions shall be original and does not contain any samples which have not been cleared or else infringe upon the right of any person or third party;
- iv) if Rightsholder is not the same person or entity as the Artists and, if applicable, the Authors, Rightsholder has a valid and subsisting agreement with the Artists and the Authors pursuant to which the Artist and the Authors has granted all rights to Rightsholder which are granted to Company hereunder and that Rightsholder shall not terminate such agreement with the Artists and the Authors during the term of this Agreement or the applicable Individual Licensing Agreements or do anything or omit anything by which the Artists or the Authors is able to terminate such agreements during the term of this Agreement or the term of the applicable Individual Licensing Agreements;
- v) the Master Recordings does not contain any material which is referred to in chapter 16 § 5 of the Criminal Act as regards instigation of rebellion, in chapter 16 § 8 of the Criminal Act as regards the persecution of an ethnic group, in chapter 16 § 10 a of the Criminal Act as regards child pornography crimes or chapter 16 kap § 10 b of the Criminal Act as regards unlawful descriptions of violence;
- vi) the Master Recordings shall not be obscene and defamatory of any person; and
- vii) the Authors are not members of STIM or any other collecting society that is a member of CISAC and shall refrain from register as members of such collecting societies during the Rights Period hereof.

11 INDEMNIFICATION

- 11.1 Rightsholder shall indemnify and hold harmless Company and its licensees (including any directors, members, employees and other representatives) from and against any and all claims, losses, damages, liabilities, costs and expenses, including, without limitation, legal expenses and reasonable counsel fees, arising out of any breach or alleged breach by Rightsholder of the above warranties and representations and/or use of the Master Recordings as permitted hereunder. If a claim is made, Company shall have the right, in addition to its other rights and remedies, to withhold payment of any monies due hereunder in an amount reasonably related to the claim and potential expenses.

12 DECISIONS, REMOVAL OF MASTER RECORDINGS ETC.

- 12.1 Company shall have the sole right to determine the manner in which the Master Recordings are exploited. Rightsholder acknowledges that it shall have no right whatsoever to control or influence any determination to made hereunder by Company.
- 12.2 Company shall have the right to reject for use hereunder and to remove from its website any Master Recordings, in Company's discretion, or to require Rightsholder to supply additional documentation or an opinion of counsel in respect to any Master Recordings and Compositions in the Catalogue which Company deems to contain any matter which would, or might, infringe upon or violate any law in any country of the Territory or else violate the rights of any person or entity.

13 TRANSFER OF AGREEMENT

- 13.1 Rightsholder may not assign grant or otherwise transfer its rights and obligations pursuant to this Agreement without first having obtained the written approval by Company. Company shall be entitled to assign, grant or otherwise transfer this Agreement (including any of its rights and obligations there under) in whole or in part without limitation and without first having to seek the approval of Rightsholder.

14 **BREACH OF CONTRACT**

- 14.1 Any of the parties hereto may terminate the term of this agreement, should the other party permit or commit any material breach of this Agreement and should the other party fail to remedy such breach within 30 days after receipt of written notice.
- 14.2 A termination of the term of this agreement shall under no circumstance affect Company's rights and obligations as regards the Individual Licensing Agreements which has been concluded prior to the date of termination or Company's rights to proceeds thereof as provided above. Thus, regarding such Individual Licensing Agreements and the Master Recordings and Compositions comprised thereby, Rightsholder shall be limited to its remedies at law for damages and interest in the event of a breach or non performance by Company of any of the provisions of this agreement. What is stipulated in the foregoing shall apply regardless of whether the breach or non performance is material or not.

15 **MISCELLANEOUS**

- 15.1 Any notice, termination, request, consent and other communication to be given by a party under this Agreement (hereinafter called a "Notice") shall be in the English or the Swedish language and deemed to be valid and effective if personally served on the other party or sent by registered prepaid airmail or by e-mail to the addresses as indicated above. A notice shall be deemed to have been given, in the case of personal service, at the time of service, in the case of prepaid registered mail, at the latest 3 (three) days after the date of mailing and in the case of e-mail, when the receipt of the e-mail has been duly confirmed. Changes of address are to be notified as set out in this provision.
- 15.2 Only those amendments and additions to this contract that are made in writing and duly signed by both parties shall be valid.
- 15.3 This contract constitutes the entire agreement between the parties on all issues to which the agreement relates. The content of this Agreement and its appendices supersedes all previous written or oral commitments and undertakings.
- 15.4 This Agreement shall be governed by Swedish law and all disputes arising from or relating to it shall be heard by the district court of Nacka ("Nacka Tingsrätt") in the first instance.

On behalf of the Licensor

On behalf of the Licensee

Date:

Date:

.....
Jonas Hagström

.....
(Signature and name)