



Digital Distribution Solution Agreement

Cover Page for iTunes® Distribution

L/A/AR Name: _____

Label Name: iFanz Recordz – a division of Musik Klips, Inc.

L/A/AR Address: _____

Label Address: 322 Culver Blvd #124 Playa del Rey, CA, 90293 USA

Effective Date: _____

Ringtones and iTunes Plus OK? Y _____ N _____

Territory you are licensing to us: US only Worldwide Other (please specify): _____

CONTACT INFORMATION

Artist:

	Name	Telephone	Email
Payee* at above address			
Senior Management /Agent			
Band Member			
Band Member			
Band Member			
Band Member			
Webmaster			

iFanz:

	Name	Telephone	Email
Senior Management Contact	Ruth McCartney	310-301-8166 xtn 221	ruth@mccartney.com
Content Contact	Christian Volquartz	310-301-8166 xtn 223	christian@mccartney.com
Technical Contact	Amit Brahmbatt		amit@3disystems.com
Financial Contact	Angie McCartney	310-301-8166 xtn 225	angie@mccartney.com
Legal Contact	William Kelly, Esq.	720.904.6000	wkelly@halefriesen.com

* please complete W9 at end of agreement



Instructions:

Submission checklist

1. CD / Album Title
2. Track Title and Version (live, re-record etc)
3. Artist
4. Main Genre
5. Sub Genre
6. Track duration
7. Date and owner of content copyright
8. Date and owner of publishing copyright
9. UPC barcode* (required for iTunes)
10. Territory rights?: Worldwide, US, EU, US & EU, Other
11. Suggested Retail price per album / EP
12. Release Date
13. Sale Start Date
14. Initial Release Year
15. Parental Advisory required Y/N
16. Recording location address
17. Typed liner notes or lyrics
18. Cover art (300dpi resolution preferred and cropped at 600x600 pixels)
19. Desired time of preview start of individual track(s) for audio sample purposes
20. Credit card number, card type name on card, expiry and billing zip for payment of Account activation, track and bar code fees.

PLEASE PRINT 2 COPIES. SIGN AND RETURN ONE WITH YOUR MATERIALS, CHECK OR CREDIT CARD PAYMENT DETAILS TO:

iFanz Recordz
322 Culver Blvd #124
Playa del Rey, CA 90293
USA

Please allow 4-6 weeks for your materials to appear in the online services.



Digital Phonorecord Delivery Agreement

This agreement (“Agreement”) is made as of the Effective Date, by and between Musik Klips, Inc. (iFanz Recordz), located at 322 Culver Blvd #124, Playa del Rey, CA 90293, CA USA (www.iFanz.com), and L/A/AR, Label / Artist / Artist representative (“L/A/AR”) whose full name and address are set forth on the Cover Page (iFanz Recordz and L/A/AR are sometimes referred to individually as a “Party” and collectively as the “Parties”).

WHEREAS, iFanz Recordz desires to obtain from L/A/AR, and L/A/AR desires to grant to iFanz Recordz, the right to make available, sell, market and promote Digital Masters and other L/A/AR Content via iFanz Recordz’ affiliates as checked above, in accordance with the terms of this Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

1. Authorization. Subject to the terms of this Agreement, L/A/AR appoints iFanz Recordz as a reseller of Digital Masters. In accordance with such appointment, L/A/AR grants to iFanz Recordz the non-exclusive right during the Term to do all of the following:

a. reproduce and encode the L/A/AR Content for use in accordance with the terms of this Agreement;

b. create Digital Masters from all the L/A/AR Repertoire;

c. create and publicly perform Clips via so-called “streaming” media technologies in connection with the sale, promotion and advertising of Digital Masters via the Service;

d. host and store Digital Masters and L/A/AR Content on iFanz Recordz’ and its Contractors’ servers and throughout their networks, for serving to users via the Service;

e. distribute, transmit, serve and fulfill purchases of Digital Masters by users via the Services within the selected Territory/ies to Personal Computers;

f. utilize the Artwork and Metadata for the purpose of standardizing the browsing and playback experience and enabling upsell of other downloads from the Service;

g. utilize Artwork and the names and likenesses of, and biographical material concerning, L/A/AR artists, producers and songwriters, and the names of Digital Masters, on materials used for and in connection with the promotion and sale of Digital Masters and the Service, including in advertisements for the availability of Digital Masters via the Service and in all online and offline promotional materials, provided that (i) such use does not reasonably imply or constitute an endorsement of the Service by such artist and (ii) such names, likenesses and names of Digital Masters and other materials will be generally the same size and prominence as all other similar content (if any) in any such promotional materials;

h. publicly perform Promotional Videos (if L/A/AR provides any Promotional Videos to iFanz Recordz pursuant to this Agreement) via the Service and on iFanz Recordz controlled web sites in connection with promotion of applicable Digital Masters; and

i. utilize L/A/AR Content as reasonably necessary for iFanz Recordz to fulfill its obligations and exercise its rights under this Agreement.



L/A/AR hereby reserves all rights in and to L/A/AR Content not otherwise expressly granted to iFanz Recordz pursuant to this Agreement. iFanz Recordz' right to use any L/A/AR Content as set forth in this Section 1 will be limited only to the extent of any contractual limitations placed upon L/A/AR generally by a third party with respect to all digital distribution of such L/A/AR Content, provided that L/A/AR has previously notified iFanz Recordz in writing of such limitations.

2. L/A/AR's Obligations.

a. Catalog. L/A/AR will deliver all L/A/AR Repertoire and associated Metadata which L/A/AR wishes to make available to the Service/s.

b. New Releases. L/A/AR will deliver all new material sufficiently in advance of "street date" so that iFanz Recordz is able to make such content available via the Service/s on or before the street date.

c. Rights L/A/AR warrants that it holds the master recording rights to the performances in the territory/ies to be released via the Service/s, and that permission has been granted by the writers/publishers to release such material.

d. Publishing and Mechanicals The royalties received by L/A/AR from iFanz Recordz (85%) shall include the current writer/publisher royalties 9.10 Cents for songs 5 minutes or less or 1.75 Cents per minute or fraction thereof over 5 minutes, and L/A/AR agrees to pay the writer/publisher in a timely fashion, thereby holding harmless iFanz Recordz and Musik Klips, Inc from claims, damages, judgments or suits by master rights holders, writers or publishers. For Ringtones licenses of cover songs, please contact Lauren Apolito, Vice President, Business Development, 212-922-3225 at Harry Fox in New York.

3. iFanz Recordz' Rights and Obligations.

a. Other than as reasonably necessary to create a Digital Master or a Clip in accordance with this Agreement, iFanz Recordz will not edit, change or alter in any way any of the L/A/AR Repertoire or associated Artwork without L/A/AR's prior written consent.

b. To the extent that L/A/AR includes a parental advisory warning in the Metadata associated with any L/A/AR Repertoire, iFanz Recordz will clearly disclose such parental advisory warning in a format consistent with industry practice (e.g., "Explicit," "Clean," etc.) so that a user has the opportunity to view such warning prior to purchasing the Digital Master or performing the associated Clip. L/A/AR will be solely responsible for determining parental advisory warning status for all the L/A/AR Repertoire.

c. If at any point during the Term L/A/AR reasonably determines that (i) it does not have the rights necessary to authorize iFanz Recordz to utilize certain L/A/AR Content, or (ii) iFanz Recordz' continued exploitation of such L/A/AR Content will either violate the terms of an existing agreement between L/A/AR and a L/A/AR artist or other contributor to such L/A/AR Content, or materially injure L/A/AR's relationships with a L/A/AR artist, then L/A/AR will have the right to withdraw authorization of such L/A/AR Content under this Agreement upon written notice to iFanz Recordz. iFanz Recordz will remove such L/A/AR Content from the Service within five (30) business days following receipt of such notice.

d. iFanz Recordz will have the unencumbered right , but not be obligated to promote, advertise, distribute and market the Repertoire, and all content available for purchase via the Service/s.



e. In no event will iFanz Recordz make any Digital Master available for sale via the Service/s prior to the earlier of (i) the designated "street date" or (ii) the date on which L/A/AR authorizes any third party to make such Digital Master commercially available in any medium, unless L/A/AR otherwise authorizes iFanz Recordz to do so.

4. Royalties and Other Third Party Payments.

a. L/A/AR will be responsible for, and will pay all amounts associated with, all third-party rights, consents and licenses necessary for the permitted exploitation of L/A/AR Content under this Agreement, including: (i) all so-called "record" royalties payable to artists, producers, engineers, mixers, A&R executives and other royalty participants arising from or related to the sales of Digital Masters; (ii) all mechanical royalties payable to publishers of copyrighted musical compositions embodied in Digital Masters; in accordance with the terms of this Agreement.

5. Payments.

a. iFanz Recordz will pay L/A/AR 85% of all monies received from the Service/s within 14 days for each Digital Master sold under this Agreement during the Term once the balance due to L/A/AR reaches \$100. The sale of a Digital Master will be deemed to have occurred when such Digital Master is successfully delivered to a user via the Service/s by iFanz Recordz.

b. The amounts specified in Section 5.a, above, will constitute the sole and exclusive consideration payable to L/A/AR by iFanz Recordz pursuant to this Agreement.

c. L/A/AR will be responsible for reporting their own sales, use, value added, and other comparable taxes in the business territory due with respect to (or incurred in connection with) the sale or license of such the digital downloads. Neither Party is liable for any taxes, duties, levies, fees, excises or tariffs incurred in connection with or related to the sale of the other Party's goods or services.

6. Accounting; Audit.

a. iFanz Recordz will compute the amounts payable to L/A/AR pursuant to Section 5, above, for the immediately preceding month within fourteen (14) days of receipt from the Service/s. iFanz Recordz will produce and store to L/A/AR a monthly statement, either electronically or in hard copy, in a form consistent with iFanz s' standard business practices, together with payment, if due, in the amount then due and owing if above \$100.

b. iFanz Recordz will keep complete and accurate records of account relating solely to the sale of Digital Masters via the Service/s which will be maintained during the Term and for a period of two (2) years thereafter.

c. Upon reasonable advance written notice, not less than thirty (30) days, during the Term and for up to eighteen (18) months thereafter, but no more than once during any twelve-month period, iFanz Recordz will permit L/A/AR to appoint an independent certified public accountant ("Accountant") not then engaged in any examination of iFanz Recordz to examine the records at iFanz Recordz' principal place of business for no more than two (2) days, and at L/A/AR's sole expense, as necessary for the purpose of verifying the amounts due from iFanz Recordz to



L/A/AR hereunder, during iFanz Recordz' regular business hours. The Accountant will not be engaged on a contingency fee basis. L/A/AR may only make such an examination for a particular statement within eighteen (18) months after the date when L/A/AR receives such statement. L/A/AR will have no right, under common law or otherwise, to examine or audit iFanz Recordz' Books other than in accordance with the provisions set forth in this Section 6.c.

L/A/AR acknowledges that iFanz Recordz' Books constitute and contain confidential information, and L/A/AR's Accountant must sign and deliver to iFanz Recordz a confidentiality agreement in a form acceptable to iFanz Recordz prior to engaging in any examination of iFanz Recordz' Books.

7. Data Protection.

a. The respective Service/s will implement the Security Solution with respect to all L/A/AR Repertoire distributed via the Service/s. In the event of a severe, systemic breach or violation of the Security Solution resulting in the widespread ability of users to access the Digital Masters in an unencrypted form such that the Rules are able to be circumvented, and in the event that the Service/s distributing iFanz Recordz are unable to restore the level of protection during the Restoration Period in accordance with the preceding sentence, then iFanz Recordz will temporarily suspend further sales of Digital Masters until the aforementioned level of protection is restored. Notwithstanding any other provision contained in this Agreement to the contrary, the preceding sentence of this Section 7.a sets forth iFanz Recordz' sole obligation, and L/A/AR's sole and exclusive rights and remedies, in the event of any breaches or violations of the Security Solution.

b. The L/A/AR Content delivered to iFanz Recordz by L/A/AR will reside solely on servers or other devices owned or controlled by the Service/s, and will be accessible solely to authorized personnel. In the event that iFanz Recordz is notified, or becomes independently aware, that the security of the L/A/AR Content on iFanz Recordz' or any of iFanz Recordz' Contractors' servers has been compromised, such that unauthorized access to the L/A/AR Content has resulted, then iFanz Recordz will use commercially reasonable efforts to correct such issue within ten (10) days from the date of iFanz Recordz' awareness thereof. In the event that iFanz Recordz is unable to correct such issue within the aforementioned ten (10) day period, then iFanz Recordz will temporarily suspend further sales of Digital Masters until such issue is corrected. Notwithstanding any other provision contained in this Agreement to the contrary, the preceding sentence of this Section 7.b sets forth iFanz Recordz' sole obligation, and L/A/AR's sole and exclusive rights and remedies, in the event that the security of the L/A/AR Content on iFanz Recordz' or any of iFanz Recordz' Contractors' servers has been compromised.

8. Ownership.

a. iFanz Recordz acknowledges that, as between the Parties, all rights, title and interests in and to the L/A/AR Content and all copyrights, trademarks, service marks, trade names and other intellectual property rights embodied therein, will be and remain the sole and complete property of L/A/AR.

b. L/A/AR acknowledges that, as between the Parties, all rights, title and interests in and to the Service, the Security Solution, the Format and all patents, copyrights, trademarks, service marks, trade names and other intellectual property rights embodied therein, are, will be and remain the sole and complete property of iFanz Recordz.

9. Termination.



a. Either Party may terminate this Agreement immediately by written notice to the other if, at any time during the Term: (i) the other Party goes into liquidation, receivership or administration or becomes bankrupt, makes any arrangement for the benefit of such other Party's creditors or has a receiver appointed for any of such other party's assets; or (ii) the other Party breaches any material term or provision of this Agreement, provided that the Party seeking to

terminate this Agreement based on such breach has given the other Party written notice of such breach and such other Party has failed to cure same within thirty (30) days after its receipt of such notice.

b. Upon the expiration or earlier termination of this Agreement, iFanz Recordz will promptly instruct the Service/s to cease selling Digital Masters and using Clips in connection with the Service.

c. Termination or expiration will not affect obligations that accrued prior to the effective date of termination or expiration. The obligations under Sections 4, 6, 8, 10, 11, 12, and 13, and any obligations which, by their terms, survive termination or expiration of this Agreement, will survive the termination or expiration of this Agreement.

10. Representations and Warranties.

a. Each Party represents and warrants that it has the right, power and authority to enter into this Agreement, to fully perform its respective obligations hereunder, to make the grant of rights, licenses and permissions herein, and that the performance of its obligations hereunder will not infringe the rights of any other Person.

b. Each Party represents and warrants that it will not engage in any actions that conflict or interfere with any commitment or obligation of such Party under this Agreement and that no agreements previously entered into by such Party will conflict or interfere with such Party's performance of its obligations under this Agreement.

c. L/A/AR warrants and represents to iFanz Recordz that: (i) L/A/AR will comply with all applicable laws and regulations (including the regulations and rules of any guilds or unions) in the performance of its obligations hereunder; (ii) the L/A/AR Content and any and all other materials provided by L/A/AR pursuant to this Agreement, and the use thereof by iFanz Recordz in accordance with this Agreement, will not infringe or violate any proprietary or intellectual property rights of any other Person, including, without limitation, copyrights, trademark rights and rights of publicity and privacy; and (iii) to the extent that L/A/AR is required under this Agreement to obtain rights, licenses, permissions, clearances and/or approvals necessary in connection with the performance of this Agreement, and/or iFanz Recordz' exercise of the rights granted to iFanz Recordz hereunder, L/A/AR has done so.

11. Indemnification.

a. Mutual Indemnification. A Party will at its expense and the request of the other Party, defend and indemnify the other Party, its affiliates, directors, officers, employees, licensees, agents and independent contractors from and against any third party claim or action, to the extent such claim or action is based upon a claim that, if true, would constitute (i) a breach of a warranty, representation, covenant or obligation of the indemnifying Party set forth in this Agreement, or (ii) an infringement or misappropriation of third party intellectual property rights (including, without limitation, patent, trademark, trade secret or copyright) by action of, or resulting from content provided by or on behalf of, the indemnifying Party in connection with this Agreement.



b. Procedure. IF any action is brought against either Party (the "Claimant") in respect to any allegation for which indemnity may be sought from the other Party (the "Indemnifying Party"), Claimant will promptly notify Indemnifying Party in writing. Claimant will cooperate with Indemnifying Party, at Indemnifying Party's expense and in all reasonable respects, in connection with the defense of any such action. Indemnifying Party will, upon written notice from Claimant, undertake to conduct all proceedings or negotiations in connection

therewith, assume the defense thereof, and all other required steps or proceedings to settle or defend any such action, including the employment of counsel that will be satisfactory to Claimant, and payment of all expenses. Claimant will have the right to employ separate counsel and participate in the defense at Claimant's sole expense. Neither Party will settle or compromise any claim or action on the other Party's behalf without first obtaining the other Party's written permission, which permission will not be unreasonably withheld.

c. OTHER THAN PURSUANT TO THE FOREGOING PROVISIONS OF THIS SECTION 11 AND THE PROVISIONS OF SECTION 12, BELOW, NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR SPECIAL DAMAGES, ARISING OUT OF OR RELATED TO THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF BUSINESS PROFITS, BUSINESS INTERRUPTION, LOSS OF BUSINESS INFORMATION, AND THE LIKE, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES IFANZ RECORDZ MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, TO L/A/AR AS TO THE QUALITY, PERFORMANCE, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE SERVICE, THE SECURITY SOLUTION OR ANY ELEMENTS OF THE FOREGOING.

12. Confidentiality.

a. Neither Party will make or issue any public statement or press release regarding this Agreement or its subject matter or concerning the other Party without the prior written approval of the other Party, provided iFanz Recordz may make informational references to the Service, and L/A/AR's participation in the Service, in marketing materials without obtaining L/A/AR's consent.

13. Miscellaneous.

a. Notices. All notices under this Agreement must be in writing in order to be effective, and will be deemed to have been duly given or made (i) on the date delivered in person, (ii) on the date indicated on the return receipt if mailed postage prepaid, by certified or registered U.S. Mail, with return receipt requested, or (iii) if sent by Federal Express, U.P.S. Next Day Air or other nationally recognized overnight courier service or overnight express U.S. Mail, with service charges or postage prepaid, on the next business day after delivery to the courier service or U.S. Mail (if sent in time for and specifying next day delivery). In each case (except for personal delivery) such notices and any other requests, demands, and other communications will be sent to a Party at the following addresses

IF to L/A/AR: To the address set forth on the Cover Page, and to the attention of L/A/AR's Legal Contact.

IF to iFanz Recordz (to both of the following address):

iFanz Recordz / Musik Klips, Inc



Fax + 1 310 301 8136

322 Culver Blvd #124
Playa del Rey, CA 90293, USA

b. Independent Contractors. The Parties are independent contractors with respect to each other hereunder, and nothing in this Agreement will be construed as creating an employer-employee relationship, a partnership, an agency relationship or a joint venture between the Parties.

c. Assignment. Each Party may assign its rights hereunder in whole or in part to any Affiliate or to any Person acquiring all or a substantial portion of the assets or business of such Party, and such rights may be assigned by any assignee thereof, subject to the same limitations.

d. Severability. IF any provision of this Agreement is held to be invalid, void or unenforceable, such provision will be deemed to be restated to reflect as nearly as possible the original intentions of the Parties in accordance with applicable law, and the remaining terms, provisions, covenants and restrictions of this Agreement will remain in full force and effect.

e. Force Majeure. Neither Party will be responsible for, or be in breach of this Agreement, to the extent that its performance is delayed in the aggregate for up to thirty (30) days as a result of any act of God, war, terrorism, fire, earthquake, sickness, accident, civil commotion, act of government or any other cause wholly beyond its control, and not due to its own negligence or that of its contractors or representatives, and which cannot be overcome by the exercise of due diligence.

f. Compliance With Law. Each Party will comply with all applicable laws and regulations of governmental bodies and agencies in its performance under this Agreement.

g. Entire Agreement. This Agreement, including the exhibits attached hereto, constitutes the entire agreement between the Parties and supersedes all other prior and contemporaneous agreements or communications with respect to the subject matter hereof. This Agreement will not be modified except by a written agreement specifically referencing this Agreement, dated subsequent to the date of this Agreement and signed on behalf of the Parties by their respective duly authorized representatives. No waiver of any breach of any provision of this Agreement will constitute a waiver of any prior, concurrent or subsequent breach of the same or any other provisions hereof, and no waiver will be effective unless made in writing and signed by an authorized representative of the waiving Party.

h. Governing Law; Jurisdiction; etc. This Agreement will be governed by, and its terms and conditions construed in accordance with, applicable common law and statutes of the State of California, without giving effect to the conflict of law rules of that State. Any controversy or claim arising out of or relating to this Agreement, or the breach of this Agreement, will be brought only in the State and/or Federal Courts located in Los Angeles County, California, and the Parties consent to the exclusive jurisdiction of, and service of process by, such Courts for the purpose of resolving any disputes, and further consent to the propriety of venue in such Courts.

i. Counterparts/Facsimile Signatures. This Agreement may be executed in one or more counterparts, each of which when taken together, will be deemed to constitute one and the same instrument. Facsimile signatures on this Agreement will be deemed originals for all purposes.



IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first above written.

FOR IFANZ RECORDZ

L/A/AR

By:
Name: Ruth McCartney

By:
Name:
Title:



Definitions

For purposes of this Agreement, the following definitions govern, except as otherwise provided in the Agreement:

“Artwork” means front cover album artwork (or corresponding artwork for singles and other non-album configurations) for all L/A/AR Repertoire and all other related artwork made available for iFanz Recordz’ use by L/A/AR pursuant to this Agreement.

“Clips” means thirty (30) second audio clips of L/A/AR Repertoire.

“Contractor” means a third-party independent contractor engaged by iFanz Recordz to provide backend functionality for the Service.

“Device” means a consumer electronic device to which a user can export digital music files from a Personal Computer or other hardware device or network connection for playback thereon.

“Digital Master” means a complete, digital copy of one or more individual master sound Recordz that are part of the L/A/AR Repertoire, along with associated Metadata, encoded in the Format.

“Fulfillment Activities” means all functions necessary for the fulfillment of purchases of Digital Masters and the operation of the Service, including without limitation hosting and serving Digital Masters.

“L/A/AR Content” means all Artwork, Clips, L/A/AR Repertoire, Metadata, Promotional Videos and all other material delivered by L/A/AR to iFanz Recordz in accordance with this Agreement.

“L/A/AR Repertoire” means all sound Recordz owned or controlled by L/A/AR or its Affiliates that are commercially released in the Territory in any physical or digitally delivered format.

“Metadata” means the following categories of information with respect to each Digital Master: album title or track title; artist name; genre; copyright information; L/A/AR name; unique product identifier (ISRC or UPC); Artwork; “explicit lyrics” identification; biographical information (if available); sales information, including pricing; and date of first release and radio add date for each Digital Master initially released during the Term.

“Person” means any individual, corporation, partnership, Limited Liability Company, trust, business trust, cooperative, association or other business organization, and their respective heirs, executors, administrators, legal representatives, successors and assigns.

“Personal Computer” means any computer which has internal storage space that is capable of accessing the Service whether now known or later developed, including without limitation Apple Macintoshes and iPods, cell phones, PDAs or Xbox products.

“Rules” means the content usage rules applicable to Digital Masters, the current Rules are set forth in the attached Exhibit B, such Rules may be modified by iFanz Recordz from time to time upon notice to L/A/AR, provided however that any such modifications will apply to all sound Recordz made available through the Service.



“**Security Solution**” means the digital rights management technology and the other content protection systems employed by the Service/s in its discretion to enforce the Rules and otherwise secure the L/A/AR Repertoire. The Security Solution may be modified by the Service/s in its discretion from time to time; provided that the Security Solution will at no time provide less protection than specified in the Rules. Currently, the 2 levels of product available in the US are at a retail price to the customer of \$0.99 per download for DRM tracks and \$1.29 per track for DRM free “iTunes Plus”. The applicable wholesale and contractual deductions will be made accordingly per this contract based at 85% to L/A/AR and 15% to ifanz Recordz.

“**Service**” means the digital download service controlled by the Service/s.

“**Term**” means the period commencing on the Effective Date and expiring on the third anniversary of the non-beta commercial launch of the Service.

Exhibit B

Digital Master Usage Rules

Users acquiring Digital Masters via the Service may use such Digital Masters in accordance with the following Rules (or any other more restrictive rules established by iFanz Recordz from time to time for the Service):

1. Users may burn Digital Masters an unlimited number of times to a compact disc (or other optical disc medium) as part of a playlist;
2. For DRM tracks, Users may transfer Digital Masters to, and store Digital Masters on, up to five (5) Personal Computers at the same time; For DRM free tracks, users may use the tracks in an unlimited fashion.
3. Users may transfer Digital Masters to, and/or render Digital Masters from, Devices, so long as such Devices respect the Security Solution; and
4. Users may use Digital Masters (DRM or DRM free) solely for their own personal, non-commercial, use.



Exhibit C

Schedule of Wholesale Prices

Payment Guide for Yahoo, Napster and AOL:

Payment Guide for iTunes:

iTunes Territory	Assumption: Payout from iTunes single download *			Per Unit to Artist (US\$)
	% Artist	% iFanz		
USA	\$0.70	85	15	\$0.59
Europe	\$0.99	85	15	\$0.84
Canada	\$0.65	85	15	\$0.55
Australia	\$0.80	85	15	\$0.68
New Zealand	\$0.77	85	15	\$0.65
Japan	\$0.84	85	15	\$0.71
United Kingdom	\$0.87	85	15	\$0.74

* currency rates may vary

Account Activation Fees:

Service Provider	Account Activation and upload
iTunes *	\$99
UPC Bar Code**	\$50

* Per album processing fee

**One new bar code is needed each time a project, CD or EP is uploaded



Submission Checklist

1. CD / Album Title
2. Track Title and Version (live, re-record etc)
3. Artist
4. Main Genre
5. Sub Genre
6. Track duration
7. Date and owner of content copyright
8. Date and owner of publishing copyright
9. UPC barcode* (required for iTunes only)
10. Territory rights?: Worldwide, US, EU, US & EU, Other
11. Suggested Retail price per album / EP
12. Release Date
13. Sale Start Date
14. Initial Release Year
15. Parental Advisory required Y/N
16. Recording location address
17. Typed liner notes or lyrics
18. Cover art (300dpi resolution preferred and cropped at 600x600 pixels)
19. Desired time of preview start of individual track(s) for audio sample purposes
20. Credit card number, card type name on card, expiry and billing zip for payment of Account activation, track and bar code fees.

INSTRUCTIONS:

PLEASE PRINT 2 COPIES. SIGN AND RETURN ONE WITH YOUR MATERIALS, CHECK OR CREDIT CARD PAYMENT DETAILS TO:

iFanz Recordz
322 Culver Blvd #124
Playa del Rey, CA 90293
USA



Form **W-9**
 (Rev. November 2005)
 Department of the Treasury
 Internal Revenue Service

Request for Taxpayer Identification Number and Certification

**Give form to the
 requester. Do not
 send to the IRS.**

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name, if different from above	
	Check appropriate box: <input type="checkbox"/> Individual/ Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶	
	<input type="checkbox"/> Exempt from backup withholding	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
+
OR
Employer identification number
+

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here	Signature of U.S. person ▶	Date ▶
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CREDIT CARD AUTHORIZATION FORM

PLEASE SIGN AND FAX BACK TO (310) 301-8136

The undersigned acknowledges that he/she is the Cardholder and hereby authorizes iFanz Records / Musik Klips, Inc to charge the amount below to the following credit card.

Card type: Visa MasterCard Amex

Card number: _____ Exp: _____

Security code: _____

Billing Address: _____

City: _____ State: _____ Zip: _____



LAST 3 DIGITS OF ACCOUNT NUMBER PANEL

To locate on Visa / MC, flip your card over and look at the signature box. You should see either the entire 16-digit credit card number or just the last four digits followed by a special 3-digit code. This 3-digit code is your Card Security Code. On Amex cards, the 4 digit code is on the front

US \$ amount authorized: \$ _____

This transaction is for:

Bar Code \$50 iTunes upload \$99 per CD

Print Name: _____

Signature: _____ Date: _____

For MKI use only:

Contract # _____ Date: _____