

Omziki.com Distribution Agreement

This exclusive distribution agreement (“Agreement”) by and between Omziki.com “Nisoft Dynamics Ltd” (“Distributor”) and **Artist/Band/Individual/Label/Distributor** (“Client”) (Distributor and Client are referred to herein individually as “Party” or collectively as the “Parties”) is effective as of the date of Client’s consent to the same through Distributor’s website (the “Effective Date”).

The Parties hereby agree as follows:

1. Definitions. The following capitalized terms shall have the following meanings for the purposes of this Agreement:

(a) **“Album Units”** means the units of the Album manufactured in any audio format.

(b) **“Authorized Territory”** means the entire Universe.

(c) **“Content”** means the collection of sound recordings, both individually (a “Single”), and collectively as released in a single musical album by the Client (an “Album” or “Albums”), including, by way of example and not limitation, the musical works embodied in such sound recordings, any related artwork, photos, liner notes, metadata, and other material related to the Content.

(d) **“Copyright Management Information”** means the digital information conveying information regarding a Digital Master, including, by way of example and not limited to, the title of the applicable Album, the name of the song or Single, the International Standard Recording Code (ISRC), the Universal Product Code (UPC), the marketing label, and the record company name.

(e) **“Digital Master(s)”** means the original Content in digital form and any copy or copies of the same, whether created by Client or Distributor.

(f) **“Direct Digital Download Distribution Service”** means the online services operated by Distributor for the sale, distribution, marketing, streaming, licensing, or other means of digital transmission of the Content and other media.

(g) **“Net Profits”** means the gross proceeds received by Distributor after the deduction of the distribution fee, any applicable administration fee, and pre-approved advertising costs and chargebacks. For the avoidance of doubt, any marketing and advertising expenses (per Section 14) are not reimbursed to Distributor prior to the calculation of Net Profits.

(h) **“Service(s)”** means the sale, distribution, marketing, or streaming (including but not limited to digital downloads or streams) of the Content pursuant to this Agreement.

(i) **“Single Units”** means the units of any individual song or Single included as Content manufactured in any audio format.

(j) **“Third Party Licensee”** means any third party licensee that Distributor may authorize to carry out the sale, distribution, marketing, streaming, licensing, or other use of an Album or Single pursuant to the terms of this Agreement, including, by way of example and not limitation, Apple iTunes, Amazon Music, Spotify, Sound Exchange and others that Distributor may choose in its sole and absolute discretion.

2. Distribution of Product. This Agreement is for the digital distribution of the Content uploaded by Client to any Omziki Distribution portal (digital.omziki.com) and Distributor's Services related to the same, through all forms of media distribution, whether now known or hereinafter devised, including, for the purpose of example and not limitation, online streaming, digital downloads, public performance, content ID and all other forms of electronic media transmission. Digital Masters, graphic art, and all other Materials described in Paragraph 20 below and all materials related to the Content herein must be delivered to the Distributor no later than 2 weeks (14 days) before the set release date of the content.

3. Exclusive Grant of Rights. Through the uploading of any audio or visual Content via any Omziki Distribution portal (digital.omziki.com) by Client, Client hereby appoints Distributor as the sole and exclusive digital distributor of the Content to perform the Services set out herein, within the Authorized Territory for the Term of this Agreement as set out in Paragraph 4 herein. Client shall neither allow nor permit any other person, company, or entity to distribute the Content or perform the Services within the Authorized Territory during the Term without express written permission of Distributor.

a. Client retains the right to grant individual track master use licenses, including for premiums, endorsements, games, samples, theater, film, television, videos, advertisements, commercials compilation albums, Internet productions, merchandising, promotions and the like. Client may also stream the Content solely for promotional purposes through Client's own website and/or social networking or social media platforms.

4. Term: The term of this Agreement shall begin on the Effective Date and shall remain in effect for a period of one (1) year (the "Initial Term"). This Agreement cannot be terminated without cause during the Initial Term. The term shall automatically renew each year on the anniversary of the Effective Date, for additional one-year periods (each a "Renewal Term") unless terminated in writing by either Party at any time during any Renewal Term with 30 day advanced notice to the other Party. The Initial Term and any Renewal Term are collectively referred to herein as the "Term". A final accounting will take place within One Hundred and Twenty (120) days of the end of the month during which the Agreement is terminated. Such final accounting will include a report detailing total digital revenue received related to any Content from a Direct Digital Download Distribution Service or Third Party Licensee, and an itemized list of all authorized discounts, advertising, marketing and other authorized charge backs. All monies due from either Party at the time of the final accounting for any Content shall be paid within sixty (60) days following Client's receipt of such final accounting. Payment may include monies due to Client for Content sold or downloaded, or reimbursements from Client to Distributor for any over-payments previously made by Distributor.

5. Compensation. Digital Distribution Fees. For the Services provided by Distributor pursuant to this Agreement, the Distributor will be paid Twenty Percent (20%) of Net Profits for each Album Unit, Single Unit, or Video Unit that is streamed, sold, paid for, and not returned.

6. Authorization. Through execution of this Agreement, Client hereby appoints the Distributor as Client's exclusive authorized representative for the sale and digital distribution of the audio and visual Content uploaded to any Omziki Distribution Portal (digital.omziki.com, omziki.com). Accordingly, Client hereby grants to Distributor the exclusive right, during the Term and throughout the Authorized Territory to:

(a) Reproduce and create derivative works of the Content by converting the Content, or any portion thereof, into Digital Masters, including less than full-length versions of sound recordings ("Clips") that can be used for promotional purposes as authorized in this Agreement and, if necessary, reproducing the Content, or any part thereof.

(b) Publicly perform, publicly display, communicate to the public, and otherwise make available the Content, any portion thereof, and portions thereof as embodied in Clips, by means of digital audio transmissions (on an interactive or non-interactive basis) through a Direct Digital Download Distribution Service or Third Party Licensee, or any person authorized by the Client to place on any website, identify the availability of the Content for license, sale, or distribution and promote the Content, on a through-to-the-listener basis, *without payment of any fees or royalties* by Distributor to any of the following:

(i) the songwriters, composers, or music publishers owning any rights in and to any Album or additional Content therein;

(ii) any performing artist(s) (including non-featured vocalists and musicians) on any Album or Content therein;

(iii) any other person involved in the creation of or owning any portion of any Album or Content therein, including, but not limited to a record label, and

(iv) any agents for any of those individuals or entities listed above, such as performing rights organizations ("PROs") and unions or guilds, whether U.S. based (such as ASCAP, BMI, SESAC, Sound Exchange, AFTRA, and/or AFM) or foreign (e.g. PRS for Music, PPI, CMRRA, CSI, GEMA, etc.);

(c) Use and distribute Copyright Management Information as embodied in a Digital Master of the Content;

(d) Use the Content and metadata that may be reasonably necessary or desirable for Distributor to exercise its rights under this Agreement;

(e) Authorize Distributor's Third Party Licensees to perform any one or more of the activities specified in this Agreement.

7. Name and Likeness; Promotional Use and Opportunities.

(a) **Name and Likeness of Client and Songwriters.** Client hereby grants to Distributor during the Term the right to use, and authorize Third Party Licensees to use in any marketing materials for the sale, promotion, and advertising of the Content, which is offered for sale or other use under the terms of this Agreement: (i) the names and approved likenesses of, and biographical material concerning, the Client and any artists, bands, producers and/or songwriters, as well as track, Single, and/or Album name; (ii) all artwork related to the sound recordings or audiovisual works.

b) **Promotion.** Client hereby grants to Distributor the right to market, promote, and advertise the Content as available for purchase in any and all media, whether now known or hereafter devised.

8. Reversion of Rights. All rights granted hereunder to Distributor revert to Client on proper termination of this Agreement.

9. Sale of Rights in Content Prohibited. Client may not sell or assign any rights in and to the Content during the Term of this Agreement to any entity, person, company, or third party without the express, advanced written permission of Distributor.

10. Earnings Statements. Distributor will render to Client monthly digital statements related to the Content within 90 days of the conclusion of each month (i.e. statements reflecting January sales/downloads will be provided to Client by April 30th), indicating the actual number of Album Units and Single Units sold or streamed and paid for (and not returned), the wholesale sales price (if applicable in the calculation of Net Profits) and gross receipts (if applicable in the calculation of Net Profits) received by Distributor in connection with Distributor's performance of the Services related to the Content.

11. Accounting Records and Audit Rights. Distributor will keep full and complete records of all transactions relating to the Content. No more than once per year, and upon reasonable notice, the Client may, at its own expense, audit Distributor's records in order to verify earnings statements rendered hereunder. Any such audit will be conducted by a certified public accountant and during Distributor's normal business hours and Client shall provide the results of any such audit to Distributor for review, following which the Parties shall attempt to negotiate a resolution to any discrepancy in good faith. Any statement not the subject of an audit and subsequently questioned by Client by written notice to Distributor within two (2) years from the date of such statement will be deemed accurate, final, conclusive, and binding on the Parties and their respective heirs, successors, and assigns. Client's right to examine Distributor's records will be limited to only those books, records, and accounts applicable and relevant to this Agreement. The audit process as outlined herein constitutes Client's sole, exclusive right with respect to challenging any earnings statement. If Client does not conduct an audit as set forth herein for a given earnings statement, Client waives any right to challenge any such statement in any fashion, including through an audit or court proceeding.

12. Further Actions and Chain of Title Verification. Client will execute and deliver to Distributor, promptly upon reasonable request by Distributor, any other instruments or documents reasonably considered in good faith by Distributor to be necessary or desirable to evidence, effectuate, or confirm this Agreement, or any of the terms and conditions hereof, including but not limited to Client's "chain-of-title" verification in and to the Content.

13. Content Ownership. Subject to Distributor's rights explicitly granted hereunder, all right, title, and interest in and to the Content, including the Digital Master Recordings, the Clips, all copyrights and equivalent rights embodied therein, and all Materials furnished to Distributor by the Client related to the Content shall remain with Client.

14. Promotions. Any promotions with respect to the Content must be pre-approved by Client. All costs and expenses initially incurred by Distributor related to the same are 100% recoupable by Distributor from first monies due to Client from any Net Profits until such costs and expenses are fully recouped.

15. Representations and Warranties.

(a) **Mutual Representations and Warranties.** Each Party represents and warrants to the other that it:

- i. Is authorized to enter into this Agreement on the terms and conditions set forth herein;
- ii. Will not act in any manner that conflicts or interferes with any existing commitment or obligation of the other Party, and that no agreement previously entered into by the Party will interfere with the performance of its obligations under this Agreement;
- iii. Shall perform its obligations hereunder in full compliance with any applicable laws, rules, and regulations of any governmental authority having jurisdiction over such performance.

(b) **Client's Additional Representations and Warranties.** Client further represents and warrants to Distributor that:

- i. Client has the full right, power, and authority to act on behalf of any and all owners of any right, title, or interest in and to the Content, including, but not limited to, all musical works embodied in the Content, and that the Client is authorized to provide the Content to the Distributor for the uses specified in this Agreement. For the avoidance of doubt, if Client is acting on behalf of a band, group, or corporation, Client hereby represents and warrants to Distributor that Client is fully authorized to enter into this Agreement on behalf of that band, group, or corporation and to grant all of the rights and assume and fulfill all of the obligations, covenants, and representations and warranties set forth in this Agreement;
- ii. Client owns or controls all of the necessary rights in the Content in order to make the grant of rights, licenses, and permissions herein, and that Client has permission to use the name and likeness of each identifiable individual person whose name or likeness is contained or used within the Content, and to use such individual's identifying or personal information (to the extent such information is used or contained in the Content) as contemplated by this Agreement;
- iii. The use or other exploitation of the Content, including but not limited to, any musical works embodied in the sound recordings, by Distributor and Distributor's Third Party Licensees, as contemplated by this Agreement, will not infringe or violate the rights of any third party, including, without limitation, any privacy rights, publicity rights, copyrights, contract rights, or any other intellectual property or proprietary rights;
- iv. To the extent the Client is the songwriter of any or all of the musical works embodied in the Content, whether in whole or in part (e.g., as a co-writer), Client has the full right, power, and authority to grant the rights set forth in this Agreement notwithstanding the provisions of any agreement Client may have entered into with any PRO, whether based in the United States or elsewhere, or any music publisher, and that Client is solely responsible for taking all steps necessary to inform such PRO or music publisher of Client's grant of a royalty free license to Distributor and any Distributor Third Party Licensees for the public performance and communication to

the public of the Content, including as Clips, and that no fees or payments of any kind whatsoever shall be due to any PRO or music publisher for the use of the musical works in the Content when publicly performed, communicated or otherwise transmitted Distributor and its Third Party Licensees;

v. Client has not assigned any of the rights in and to the sound recordings embodied in the Content to any third party (e.g., a record label) that obtained exclusive rights in and to such sound recordings.

16. Indemnification. Client agrees to indemnify, defend, and hold Distributor harmless from and against any and all damages, claims, liabilities, costs, losses, or any and all other expenses (including, but not limited to attorneys' fees) (collectively "Claims") arising out of any breach or alleged breach of any of the warranties, representations, covenants, or agreements made by the Client in this Agreement, including but not limited to, any Claims made by a PRO or music publisher with respect to any public performances or communications to the public of any musical works embodied in the Content, including claims from any unions, guilds, background musicians or vocalists, engineers, etc., or any party for any use or misuse of any other forms of intellectual property or proprietary rights in the Content, including but not limited to, trademark rights and invasions of the right of privacy or publicity. Client expressly agrees to be liable to Distributor for any payment made by Distributor at any time with respect to any Claims to which the foregoing indemnity applies. Pending the resolution of any claim, demand, or action, Distributor may, at Distributor's sole discretion, withhold payment of any monies otherwise payable to Client hereunder in an amount which does not exceed Client's potential liability to Distributor pursuant to this Section.

17. Distributor Responsibilities. Distributor will provide the Services contemplated herein to the best of its skill and ability and in any event in no less favorable fashion than that provided to any other client for which Distributor performs the Services.

18. Client Responsibilities.

(a) **Specific Responsibilities.** Client, either itself or through its agent, will be responsible for obtaining and paying for any and all clearances or licenses required in the Authorized Territory for the use of any musical works embodied in the Content. For the avoidance of doubt, any such costs are not reimbursable expenses to Client. Without limiting the generality of the foregoing, Client shall be responsible for:

- i. any royalties and other sums due to artists (featured and non-featured), authors, co-authors, copyright owners and co-owners, producers, engineers, and any other record royalty participants from sales or other uses of the Content;
- ii. all mechanical royalties or other sums payable to music publishers and/or authors or co-authors of musical compositions embodied in the Content from sales or other uses of the Content;
- iii. all payments that may be required under any collective bargaining agreements applicable to Client or any third party (e.g., to unions or guilds such as AFM or AFTRA); and

iv. any other royalties, fees and/or sums payable with respect to the Content or other materials provided by Client to Distributor. Client agrees that the amount payable to Client is inclusive of any so-called "Client-royalties" that might otherwise be required to be paid for sales or exploitations pursuant to the applicable laws of any jurisdiction for any public performances, public displays or communications to the public of the sound recordings and musical works constituting the Content.

19. Delivery. Contemporaneously with the upload of any Content, Client agrees to deliver to the Distributor via the Omziki.com portal all of the materials described below (the "Materials"). Preparation and delivery of the Materials shall be at Client's expense. Client understands and agrees that all Materials delivered to Distributor are pre-approved for use and distribution by Distributor in performance of the Services:

- (a) Metadata, which must include complete song title, the music publisher(s), song run-times, and all appropriate credits (including the complete names of the songwriters and composers);
- (b) Hi-Resolution cover art and Artist Photos
- (c) Audio and/or Video Files
- (d) Artist Biographies

20. No Representations and Warranties with Respect to Sales and Distributions. Distributor makes no guarantees regarding the minimum number of unit sales, downloads, streams or uses of the Content. In addition, Distributor makes no guarantees that Third Party Licensees will perform under any agreement into which they enter with Distributor for the sale, distribution, or licensed use of the Content, including by paying the royalties Third Party Licensees owe Distributor for the distribution of the Content. Should a Third Party Licensee refuse to pay Distributor for the use and/or distribution of the Content, Distributor will use its commercially reasonable best efforts to collect any payments that may be due from such Third Party Licensees for any sale, distribution, or licensed use of the Content

21. Content Returnable. All Content is 100% returnable to the Distributor and Client. Client recognizes that no sales are "final" and, even though Distributor has reported a "sale" of the Content and paid the Client accordingly, such product may be returned in accordance with Distributor's return policies. In the event of a return, or returns, the Client shall be obligated to reimburse Distributor the compensation paid to the Client for such Content. All returned Content shall be credited to the Distributor in the Earnings Statements provided by the Distributor to Client. In the event any statement reflects that returns for the period exceed sales, then such balance shall be carried forward from statement to statement until the final statement. Should the final statement reflect that applicable returns have exceeded sales, then the Client shall remit to the Distributor within thirty (30) days of such statement the amount reflected thereon.

22. Default and Breach. In the event either Party violates any of the material terms and conditions of this Agreement and such default remains uncured for a period of thirty (30) days after written notice has been delivered to the defaulting Party, the other Party shall have the right to terminate this Agreement by delivering written notice to the defaulting Party. Should Client breach any representations and warranties set forth in the Agreement, and Distributor exercises its termination right hereunder, Client agrees to immediately reimburse Distributor any and all Advances paid and expenses incurred by Distributor in

connection with the Services. Nonperformance of any obligations of either Party required herein based on acts of God and matters traditionally considered beyond the control of a Party (e.g. riot, weather, governmental edict) shall not be considered a default or breach under this Agreement; provided, if Distributor cannot render services due to a force majeure event for a period in excess of ninety (90) days, Client may terminate this Agreement and distribute the Content through a third party.

23. Choice of Venue. All disputes arising between Client and Distributor under this Agreement shall be subject to the sole and exclusive jurisdiction of Kampala, Uganda and Client and Distributor hereby submit to the personal jurisdiction and venue of these courts.

24. Construction of Contract. This Agreement has been drafted in whole or in part by Distributor and Client. In the event a court is called upon to construe this Agreement, the same shall not be construed in favor or against either Party as this Agreement has been drafted for and on behalf of each of the Parties to their mutual benefit. This Agreement shall be construed according to the spirit and purposes of this Agreement taking into consideration the four corners of this instrument together with industry usage and custom.

25. General Provisions.

(a) **Relationship of the Parties.** The Parties agree and acknowledge that the relationship between them is that of independent contractors. This Agreement shall not be deemed to create an agency, partnership, or joint venture between Distributor and Client, and Distributor shall not have a fiduciary obligation to Client as a result of this Agreement.

(b) **Entire Agreement.** This Agreement contains the entire understanding of the Parties relating to the subject matter contemplated herein. This Agreement, including all Addenda, supersedes all previous agreements or arrangements between the Distributor and the Client pertaining to the Services. This Agreement cannot be changed or modified except as provided herein.

(c) **Waiver and Severability.** A failure to act upon any breach of default by any Party of of any term or condition of this Agreement will not be deemed as a waiver of such breach, default, term or condition, or of any subsequent breach or default thereof. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable, such determination shall not affect any other provision of this Agreement, and the unenforceable provision shall be replaced by an enforceable provision that most closely meets the commercial intent of the Parties.

(d) **Notices.** All notices hereunder will be in writing and sent by certified or registered mail (return receipt requested), messenger (with receipt of delivery), or email if receipt of such notice is confirmed by the recipient to the addresses set forth below:

To Distributor: Omziki Distribution
Kampala Rd, Cham Towers, Level 1, Suite 173, Kampala
info@omziki.com

To Client: Address provided on W-9 or other address provided to
Distributor for notification purposes

Any such notices sent hereunder will be deemed served or received upon delivery, except notices sent by email which shall be deemed received upon notice of confirmation by the recipient. Each Party may designate in writing such other place or places that notices may be given hereunder; provided however, that any notice of change of address will only be effective upon actual receipt thereof by the other Party.

(e) **Binding Effect.** This Agreement and the terms and conditions set forth herein will be binding on the Parties as well as their respective assigns, heirs, executors, estates, affiliates, agents, personal representatives, administrators, and successors (whether through merger, operation of law, or otherwise)..

(f) **Governing Law; Dispute Resolution.** This Agreement is governed and interpreted in accordance with the laws of Kampala, Uganda applicable to agreements entered into and to be wholly performed in Kampala, without regard to conflict of laws principles. In the event of any dispute related to this Agreement, the Parties shall first attempt to negotiate a resolution in good faith. If such negotiations are unsuccessful, the Parties shall the attempt to resolve the dispute through mediation, with a mediator agreed upon by the Parties. If such mediation is unsuccessful, any claim or cause of action shall be brought pursuant to the venue provision set forth herein.

(g) **Cumulative Rights.** To the extent permitted by applicable law, the rights and remedies of the Parties provided under this Agreement are cumulative and are in addition to any other rights and remedies of the Parties at law or equity.

(h) **Headings.** The titles and headings used in this Agreement are for convenience only and are not to be considered in construing or interpreting this Agreement.

(i) **No Third Party Beneficiaries.** This Agreement is for the sole benefit of the Parties to this Agreement and their authorized successors and permitted assigns. Nothing herein, express or implied, is intended to or shall confer upon any person or entity, other than the Parties hereto and their authorized successors and permitted assigns, any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

(j) **Assignment.** Except with respect to assignments by either Party to a parent entity which acquires or succeeds to all or substantially all of the assigning Party's assets or voting stock, the rights and obligations pursuant to this Agreement cannot be assigned without the written consent of the other Party provided, however, that such consent is not unreasonably withheld.

IN WITNESS WHEREOF, Client has agreed to the terms and conditions set forth herein and the Parties hereto have executed this Agreement upon Client's submission of any applicable Content through any Omziki distribution Portal.

Full Name:

Signature:

Date Signed: