

## EXCLUSIVE MASTERS LICENSE AGREEMENT

RECEIVED NYSCEF: 10/15/2019

Via Email [eshapiro@reedsmith.com](mailto:eshapiro@reedsmith.com)

August 12, 2019

[REDACTED] F P [REDACTED] ds, LLC  
c/o Reed Smith LLP  
Attention: Ed Shapiro, Esq.  
599 Lexington Avenue, 22nd Floor  
New York, New York 10022

Re: BMG -w- Die Antwoord

Gentlepersons:

[REDACTED] G Rights Management (US) LLC ("BMG") hereby sets forth below the terms and conditions on which BMG would like to enter into an exclusive recording agreement with [REDACTED] F P [REDACTED] ds, LLC ("ZEF") in connection with the upcoming recording project featuring Watkin Tudor Jones p/k/a "Ninja" and Anri du Toit p/k/a "Yolandi Visser", collectively p/k/a "Die Antwoord" (the "Artist"), as follows:

- 1. Product:** 1 newly recorded studio album featuring the Artist (the "Album" and "Artist Recording Commitment"), along with all related material, e.g., videos (to extent produced by Artist), singles, etc. (the "Production Elements").
- 2. Creative Control:** Artist shall have complete creative control regarding the creation of the Production Elements, including, without limitation, the choice of Compositions for recording, studios, producers, mixers, and artwork.
- 3. Recording Advances/Marketing Commitment:** As consideration for rights granted to BMG, BMG to advance all recording costs and marketing and promotions costs, in an amount of \$750,000, of which \$300,000 shall be dedicated towards recording and creation of the Production Elements (the "A&R Advance"), \$300,000 will be an in-pocket advance to ZEF (the "Artist Advance") and \$150,000 will be allocated to a BMG administered marketing fund (the "Marketing Fund"), all collectively referred to herein as the "Funding." Additionally, BMG shall advance all manufacturing and mechanical costs as additional Funding. All Funding shall be recoupable against ZEF's share of Net Receipts (as shall bear the meaning set forth below). The A&R Advance shall be paid promptly following execution of this agreement; the Artist Advance shall be payable 1/2 promptly following execution of this agreement and the balance upon the later of January 6, 2020 and delivery of the Production Elements to BMG, and the Marketing Fund shall be administered by BMG and disbursed pursuant to a mutually approved schedule and marketing budget.
- 4. Marketing Restrictions:** During the Rights Period, BMG will not without ZEF's or Artist's prior written approval (e-mail will suffice): (i) release any committed album as a mid-price record prior to eighteen (18) months or as a budget record prior to twenty-four (24) months following BMG's initial United States release of such album; (ii) sell Records as Premium Records (as defined in long-form agreement); (iii) sell copies of any album as "cut-outs" or as overstock until thirty-six (36) months after the initial release of such album in the United States; (iv) issue any so-called "sample" license relating to any Master (as defined in long-form agreement); (v) remix, edit or alter any Master (other than for timing purposes) or any Artwork (as defined in long-form agreement); (vi) re-sequence or re-package any Album; (vii) release any live recordings, demos and or outtakes; (viii) release any so called "long-form" videos; (ix) release a multiple record set; (x) release a greatest hits or best-of album; (xi) license for coupling more than two (2) Masters on any particular record, which record embodies recordings that do not embody Artist's performances; and/or (xii) license any Masters except as expressly set forth herein for any use, including without limitation, in a motion picture soundtrack, television program or advertisement (other than advertisements or promotions for or relating to Records hereunder), a video game or merchandise.

