

Krue Channel Agreement

This Krue Channel Agreement is made as of the Effective Date by and between you and nPerson, LLC d/b/a "Krue" ("Krue," "us," or "we"). Any references to "you" or "Artist" herein refer to you, as user of the Service and operator of a Channel.

Whereas, Krue operates a live and archived digital video streaming service ("Service") whereby users may operate their own digital video channels ("Channels") featuring content to be streamed live to the Service and the archived versions of such live content;

Whereas, Artist wishes to operate a Channel on the Service to generate revenue and for promotional reasons;

Now, therefore, the parties hereby agree as follows:

1. **Content.**

- a. "Content" shall be defined herein as live streaming video and video recordings (and musical compositions embodied in such content), and accompanying and/or synchronized artwork, photos, videos, animations, text, logos, names, trademarks, biographical information, images and likenesses.
- b. Artist may submit Content via live streaming to the Service on Artist's Channel. Once submitted via live streaming, Artist shall have the ability to enable Content for replays and/or archived on-demand streaming (if such services are available on the Service).
- c. All submission of Content will happen through the Service. You are not required to stream or make available any Content on the Service. Additionally, you may add, remove, activate, or deactivate specific pieces of Content at any time through the Service.
- d. All Content shall be original with you and/or you must control all intellectual property embodied in any materials updated through the Service. You may be held solely liable by third parties with respect to your uploading of Content not controlled by you, and Krue reserves the right to remove any Content from your Channel for any reason, including but not limited to according to "take down" requests issued by third parties.

2. **Term.** The Term of this Agreement shall be at will, terminable on 30 days written notice by either party prior to the end of any calendar month. The closing of your Krue account shall be considered a termination of this Agreement. Krue reserves the right to close your Krue account for any reason, upon less than 30 days written notice, if it believes you are in breach of this Agreement or the Terms of Use.

3. **Territory.** The territory for this Agreement ("Territory") shall be worldwide. Notwithstanding the foregoing, Krue does not guarantee that Content will be available for viewing in any particular territory and may restrict access based on territory in its sole discretion.

4. **Grant of Rights.** You hereby license to Krue the following rights in and to the Content, for the Term and throughout the Territory:

- a. The right to distribute the Content via live, archived, and on-demand streaming to end users of the Service ("Users"). Such right includes the right to synchronize and publicly perform sound recordings and musical compositions as contained in the video Content for the purpose of accomplishing such streaming. Notwithstanding the foregoing, we may, in our sole discretion, license and pay for such composition public performance rights through performing rights organizations such as ASCAP, BMI and SESAC.

- b. The right to include audio advertisements, display advertising, and audiovisual advertising in your Channel, provided that Krue will not include advertising on or in connection with your Channel or Content without your consent (which consent shall be obtained through the Service).

5. Revenue Share.

- a. **Tips:** Users shall also have the ability to make donations to you, (such one-off donations are referred to as “Tips”). The User may make Tips to you in any amount, subject to a minimum set by Krue.

- b. **Subscriptions:**

- i. Subscriptions are not yet part of the Krue Service. In the event that Krue decides to enable subscriptions, Users may have the ability to subscribe to your Channel (“Subscribers”) for a monthly fee set by you (but subject to minima and maxima set by us, which we may adjust at any time in our sole discretion), or by subscribing to a multiple channel package or an “all access” pass for Krue which allows a User to subscribe to a limited or unlimited number of channels.
- ii. All Users shall have unlimited access to view live streaming Content on your Channel. In our sole discretion, we may make available Archived Content to be viewed by Users, and the manner and restrictions of Users’ ability to view Archived Content shall be decided in our sole discretion.
- iii. Subscribers may receive additional benefits in connection with the Channel, decided in our sole discretion. Such benefits may generally include perks such as higher standing and status in the chat room for the Channel, special badges and emojis, and access to all Archived Content for that Channel at any time, etc. Artist may also provide additional benefits to Subscribers in Artist’s discretion (e.g. “Subscriber-only” chats, etc.). We shall have the right to add and remove Subscriber benefits at any time, however if we do so we shall provide notice to you and to Users of any changes.
- iv. If the subscription fee is set to “free” then any User, Subscriber or not, will have unlimited access to stream such free Channels. You shall have the right to change your Channel pricing at any time, however any pricing changes for current subscribers will be made effective only upon the next billing cycle for the particular User.
- v. Any User will have the ability to unsubscribe from any Channel at any time.

- c. **Revenue Split:**

- i. Artist shall receive 70% of Net Revenues. “Net Revenues” shall mean gross Tip revenues (and subscription revenues, if applicable) from your Channel less direct third party payment processing costs, App Store fees, Google Play fees, similar fees payable to a retail platform through which the Service is sold, and fees payable to third party rightsholders of musical compositions, including third party songwriters, music publishers, and performance rights organizations (“PROs”) (for example, ASCAP, BMI and SESAC in the United States). For any “blanket” or “catalog” agreements with PROs or music publishers, the cost of such licensed shall be assessed pro-rata based on your percentage of revenues. For subscriptions via “all access” passes or multiple channel packages, you shall be paid a percentage of each Subscriber’s Net Revenues paid to Krue from such subscriptions, prorated on a per-Subscriber basis based on the amount of time such Subscriber streamed your Channel divided by the total time such Subscriber streamed all Channels that the Subscriber was subscribed to in a given month.

- ii. You shall not receive any revenues as a result of Users streaming your Channel who are not subscribed to your Channel (however you would receive your share of any Tips made through your Channel).

6. Advertising, Sponsorships and Endorsements.

- a. From time to time, Krue may be approached by third parties that wish to have Artist record, present, or include custom endorsements, advertising, product placements, and/or sponsorships on Artist's Channel. With respect to any Channel-specific advertising/sponsorship/endorsement opportunities, we will contact you for your approval either via email or through the Dashboard. You may withhold your approval for any reason. With respect to Service-wide advertisements which may appear on your Channel, Krue does not need your approval and such advertisements shall not be subject any revenue sharing hereunder.
- b. You will receive 70% of the net advertising, sponsorship, and endorsement revenues ("Sponsorship Revenues") payable for branding made directly and specifically in connection with your Channel. As used in the foregoing sentence, Sponsorship Revenues shall mean gross revenues less Krue's direct costs to activate the subject Sponsorship, and the cost of any sales commissions payable by Krue therewith. No other expenses shall be deducted in the calculation of Sponsorship Revenues.
- c. In the event that any third party approaches you to advertise or promote a product on your Channel, including but not limited to pre-roll, post-roll, chyrons, product placements, logo inclusions, "presented by" or other identifier, you shall promptly direct them to us. Any third party advertising on your Channel without our express written permission is prohibited and, in each instance, may be grounds for immediate termination of your Channel and this Agreement (without limiting any of Krue's other rights and remedies under this Agreement and/or applicable law).

7. **Takedown Procedure.** You may deactivate any Content from your Channel at any time through the Dashboard. Deactivating such Content will remove it from your public facing Channel, however it shall remain available for you to reactivate it through the Dashboard.

8. User Data.

- a. Krue, at its own discretion, can provide you with certain data regarding Users that subscribe to your Channel, subject always to Krue's Privacy Policy, Terms of Use, and each particular User's account settings ("User Data"). Such User Data may include e-mail addresses, social networking user names, geographic data, and demographic, etc. User Data is strictly confidential and may only be used by you or your personal representatives, employees or contractors on a need to know basis. In no event may you share any User Data with any third party. The amount and types of User Data supplied to you shall be in Krue's sole discretion and may or may not be linked to a particular user. Krue reserves the right to charge fees for certain User Data and analytics.
- b. Artist agrees that Krue shall be permitted to collect and use for its business purposes (including sharing the same with third parties) any User Data including demographic, identifying or other statistical information it receives or obtains regarding the Content including, without limitation, revenues resulting from advertising or sponsorships associated with the Content, number and timing of streams, and similar related statistics.
- c. Users will have the ability to comment in chats and conversations on your Channel. You understand that we do not have any control over comments made by Users and we do not filter any of the Comments. You will have the ability to delete comments and ban Users from your Channel in your sole discretion, and if another User flags an offensive comment Krue may ban such User or delete any comments in Krue's sole discretion.

9. **New Features, Services, and Platforms.** From time to time Krue may add additional features, services or platforms to the Service. If such new features or services necessitate any amendment to this agreement, you acknowledge that we may present such amended terms through the Service, and upon indicating your assent to such updated terms (e.g. by clicking “I agree” or by a similar process) such amendment shall be effective.
10. **Terms of Service.** You hereby consent to the Krue Terms of Service (insofar as they apply to Artists and Channel operators), and as may be updated from time to time via the procedures contained therein. In particular, you agree that you will not employ any techniques or make use of any services, automated or otherwise, designed to misrepresent the popularity of your Content on the Service, or to misrepresent your activity on the Service, including without limitation by the use of bots, botnets, scripts, apps, plugins, extensions or other automated means to register accounts, log in, add viewers or followers to your account, play Content, follow or unfollow other users, send messages, post comments, or otherwise to act on your behalf, particularly where such activity occurs in a multiple or repetitive fashion.
11. **Accounting: Payment.**
- a. Krue shall provide Artist with access to data and revenues generated from your Channel’s subscriptions and Tips through the Dashboard, at Krue’s discretion. Amounts due to Artist shall be paid monthly at the end of the each month; however, no withdrawal may be initiated unless the balance due to Artist exceeds \$50. All payments shall be made via a third party payment service to Artist’s bank account. Artist is responsible for maintaining accurate bank account information saved in his or her Krue account, and Krue is not responsible for deposit errors due to Artist’s typographic errors or failure to maintain up to date information.
 - b. Transaction fees for payments made to Artist shall be deducted from monies payable to Artist hereunder.
12. **Third Party Obligations.** In connection with exploitation of the Content contemplated hereunder, Artist shall be solely responsible for all third party payment obligations, including but not limited to the following: (i) all royalties, residuals and other payments due to artists, songwriters, producers, performers and other persons who performed in the making of the Content and other royalty participants, (ii) all royalties due to any party as a result of samples and third party content included in the Content, (iii) all payments that may be required under collective bargaining agreements applicable to Artist and Artist’s affiliates, (iv) all music publishing licenses and royalties including, without limitation, public performance licenses and royalties (unless we inform you that such rights are licensed and paid by us to performing rights organizations with respect to third party musical compositions), mechanical licenses and royalties, and synchronization licenses and royalties, and (v) all sales and use taxes levied on any amounts payable to Artist hereunder.
13. **Warranties and Indemnities.**
- a. Artist warrants represents, covenants and agrees that: (i) the party executing this Agreement (via acceptance through the Service) on behalf of Artist is at least 18 years of age, (ii) it has the right and authority to enter into this agreement and to grant to Krue all rights specified, (iii) it will not, without the express written consent of Krue, advertise any third party product or service on its Channel (iv) all of the Content, logos, trademarks, metadata, and any other materials furnished by Artist to Krue relating to the Content are owned or controlled by Artist and shall not infringe on the copyrights or other rights of any person or entity, (v) Krue shall have the right to exploit same in all manner hereunder free from adverse claim and without any obligation to make any payment of any nature to any person or entity, other than the amounts due to Artist described herein, (viii) Artist has not, prior to the date hereof, entered into any agreements which may prevent Artist from performing the terms of this Agreement, (viii) Artist shall comply with all applicable laws, rules and regulations governing its online activities including those concerning so-called “spam” transmissions, (ix) Krue shall not be required to make any payments of any nature (including, without limitation, royalties to copyright owners in respect of the compositions and sound recordings embodied on the Content and royalties to songwriters, composers, music publishers,

artists, producers, and other performers and contributors) for, or in connection with, the acquisition, exercise or exploitation of rights by Krue pursuant to this agreement, except as specifically provided herein, (x) without limitation of Artist's obligations, Artist will, promptly upon request, provide Krue with copies of all agreements and documents so as to evidence Artist's right and title in and to the Content.

- b. Krue warrants and represents that it has the right and authority to enter into this agreement and that the conduct of its Service complies with all applicable laws.
- c. Notwithstanding any other provision hereof, Krue does not warrant or guarantee its service will be uninterrupted or error-free. KRUE EXPRESSLY DISCLAIMS ANY WARRANTY NOT EXPRESSLY SET FORTH HEREIN, AND DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN ADDITION, KRUE MAKES NO WARRANTIES OR REPRESENTATIONS AS TO THE FUNCTIONALITY, PERFORMANCE OR RESULTS OF KRUE'S SOFTWARE AND TECHNOLOGY OR UPDATES AND UPDATES THEREOF. KRUE FURTHER DISCLAIMS ALL WARRANTIES AND GUARANTEES AS TO THE RELIABILITY OF DATA AND STATISTICS THAT KRUE MAY PROVIDE YOU AS PART OF ITS SERVICE.
- d. Each party shall defend and indemnify the other party (including its directors, members, officers, employees, consultants, and other representatives) against any expenses or losses resulting from a third party claim arising from a breach or an allegation which if true would constitute a breach, of any of the party's respective representations, warranties, covenants or agreements contained herein, including reimbursement of reasonable attorneys' fees and litigation expenses. The indemnified party shall give the indemnifying party prompt written notice of any claim and, if the indemnified party so requests, the indemnifying party shall defend the indemnified party at the indemnifying party's expense with counsel approved by the indemnified party. Any settlement shall be subject to the indemnified party's prior written approval. If a claim is made that triggers the indemnification obligations hereunder, Krue shall have the right, in its discretion, to take down the Content concerned, suspend or terminate the operation of the Channel, and to withhold payment of monies payable to Artist hereunder in an amount reasonably related to the claim and potential expenses in connection therewith.

14. LIMITATION OF LIABILITY. EXCEPT WITH REGARD TO ARTIST'S INDEMNIFICATION OBLIGATIONS SET FORTH HEREIN, AND WITH THE EXCEPTION OF ANY DAMAGES ARISING FROM THE BREACH BY ARTIST OF THE CONFIDENTIALITY OBLIGATIONS AS SET FORTH IN SECTION 15, NEITHER PARTY NOR ITS AFFILIATES OR REPRESENTATIVES SHALL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES OR FOR ANY LOST OR IMPUTED PROFITS OR REVENUES OR LOST DATA OR COSTS OF COVER ARISING FROM OR RELATED TO THIS AGREEMENT, OR EITHER PARTY'S PERFORMANCE OR NONPERFORMANCE UNDER THIS AGREEMENT REGARDLESS OF THE LEGAL THEORY UNDER WHICH SUCH LIABILITY IS ASSERTED AND REGARDLESS OF WHETHER A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF ANY SUCH LIABILITY, LOSS OR DAMAGE. COMPANY'S LIABILITY HEREUNDER SHALL IN NO EVENT EXCEED THE TOTAL REVENUE SHARE PAID BY COMPANY TO ARTIST WITHIN THE THREE MONTHS PRECEDING THE EVENT GIVING RISE TO SUCH DAMAGES.

15. Confidentiality. Artist agrees that it shall, and it shall instruct in writing its attorneys, accountants and other professional advisors to, hold in confidence and not communicate, transmit, publish, disseminate or otherwise disclose any of the terms and conditions of this agreement or any information regarding Krue's business learned in the course of dealing or performance hereunder including User Data (collectively, "Confidential Information"). Confidential Information shall not include information which (i) at or prior to the time of disclosure was known to or independently developed by Artist; (ii) at or after the time of disclosure becomes generally available to the public through no wrongful or negligent act or omission on Artist's part; (iii) Artist receives from a third party free to make such disclosure without breach of any legal obligation; or (iv) is required to be disclosed pursuant to any statute, regulation, order, subpoena or document discovery request (as to which Artist shall give Krue prompt notice). The fulfillment of Artist's obligations under this subparagraph is integral to the

success of Krue's business dealings and Krue shall be entitled to injunctive relief to enforce the provisions hereof without limitation of its other rights.

16. **Governing Law; Exclusive Venue.** This agreement shall be governed by the laws of the State of California. The parties hereby grant to the state and federal courts in Los Angeles County, California exclusive jurisdiction to hear any disputes arising out of or relating to this agreement; no action may be instituted in any other venue. In the event that the parties engage in a formal dispute hereunder, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs from the other party.

17. **Miscellaneous.** Artist may not assign this Agreement or its rights and responsibilities under this Agreement, without the prior written consent of Krue. Krue may assign its respective rights under this Agreement to a parent entity, an entity that acquires substantially all of its assets or to a subsidiary or other entity controlled or under the common control of Krue. This agreement will be construed in accordance with the laws of the State of California, except that State's choice of law provisions. If any provision of this agreement is deemed unenforceable or void, the balance of this agreement shall remain in full force and effect. Artist warrants that Artist has not been induced to execute this Agreement by any agreements or statements made by Krue or its representatives as to the nature or extent of Krue's proposed exercise of any of the rights, licenses, or privileges granted to Krue by this Agreement. A waiver by either party of any term or condition of this agreement in any instance will not be deemed or construed as a waiver of such term or condition for the future or any subsequent breach thereof. All remedies, rights, undertakings, obligations or agreements contained in this agreement will be cumulative and none of them will limit any other remedy, right, undertaking, obligation or agreement of either party. This agreement constitutes the entire agreement between Krue and Artist relating to its subject matter, and supersedes all prior agreements between Krue and Artist, whether oral or written, relating to its subject matter, and may not be modified except in writing signed by both parties. Notice may be given by any of the following methods and shall be deemed to have been received: upon personal delivery; if sent by fax, upon confirmation of receipt; or if sent by certified or registered mail, postage prepaid, five (5) days after the date of mailing; by email or other electronic transmission as follows: if to Artist: to the email address provided in Artist's Krue account and if to Krue: info@krue.tv. **You agree that you have had the opportunity to have this agreement reviewed by an attorney, and you have done so or you knowingly waive the right to do so.**