

ISLAND RECORDS
THE ISLAND DEF JAM MUSIC GROUP
A division of UMG Recordings, Inc.
825 8th Avenue, 27th Floor
New York, NY 10019

Agreement made as of the ___ day of _____, 2009 by and between The Island Def Jam Music Group, a division of UMG Recordings, Inc. ("IDJ") at 825 8th Avenue, 27th Floor, New York, NY 10019 and _____ (the "Artist") at c/o _____.

1. Artist agrees to record and deliver to IDJ master quality demonstration tapes (collectively, the "Demos") embodying Artist's performances of a minimum of five (5) previously unrecorded compositions. Selection of producers, material to be recorded and dates of recording sessions shall be determined by mutual agreement between IDJ and Artist provided, in the event of a dispute, IDJ's decision shall control. Artist will deliver the completed Demos to IDJ no later than thirty (30) days following the date hereof.

2. (a) IDJ will pay to Artist an amount equal to Fifteen Thousand Dollars (\$15,000) (the "Demo Fund") which shall include any and all costs incurred in connection the production and delivery of the Demos. Such Demo Fund will be payable one-half (1/2) promptly following complete execution of this agreement and one-half (1/2) promptly following delivery of the Demos. Artist shall pay and be solely responsible for all recording costs or other costs incurred in connection with the production of the Demos.

(b) IDJ shall have no further obligation to make any payments with respect to the Demos, and Artist will be solely responsible for any and all sums incurred in connection with the Demos which exceed the approved Demo Fund. In the event IDJ expends monies in connection with the recordings under this Agreement in addition to the sum set forth hereinabove, then those additional monies shall constitute a direct debt payable by you to us promptly upon demand or, in the event IDJ exercises its Recording Agreement Option or Matching Right (as defined hereinbelow), said monies shall be reimbursable and recoupable in the same manner as the monies set forth above in Paragraph 2(a) above.

3. All Demos will be deemed "works made for hire" for IDJ; and IDJ will own all right, title and interest in and to the Demos and the performances contained thereon throughout the world in perpetuity from the inception of their creation, including the worldwide copyrights therein and all renewals and extensions thereof. If, for any reason, the Demos are not deemed "works made for hire", Artist hereby irrevocably assigns to IDJ all rights in and to the Demos throughout the world and in perpetuity.

4. Prior to the Option Date and during the Exclusive Negotiation Period, as defined herein, Artist will neither play the Demos in whole or in part for any person unless such person is employed by IDJ, nor will Artist negotiate or enter into any agreement with any person or entity with respect to the Demos and/or Artist's services as a recording artist.

5. In consideration of IDJ paying the Demo Fund to Artist, Artist hereby irrevocably grants to IDJ the option (the "Recording Agreement Option") to enter into an exclusive recording agreement (the "Recording Agreement") with Artist for up to seven (7) Albums and otherwise on terms to be negotiated and mutually agreed by IDJ and Artist. Such Recording Agreement Option will be exercisable by IDJ's written notice to Artist at the above address no later than the date (the "Option Date") which is ten (10) business days following the delivery of the Demos to IDJ pursuant to the terms of this agreement. In the event that IDJ exercised its Recording Agreement Option, then IDJ and Artist shall immediately thereafter enter into good faith exclusive negotiations with the intention of entering into an exclusive recording agreement within the thirty (30) day period immediately following the date of exercise of the Recording Agreement Option (the "Exclusive Negotiation Period"). The time periods set forth in this paragraph 5 shall not lapse until Artist sends IDJ an option warning notice that Artist believes that the relevant time period has lapsed, and IDJ shall have ten (10) business days after its receipt of such notice in which to exercise the applicable option or to finalize negotiations, as applicable.

6. If IDJ exercises its Recording Agreement Option, IDJ will be entitled to recoup the Demo Fund and any other payments made to Artist hereunder from any and all royalties accruing to Artist pursuant to the Recording Agreement.

7. In the event that IDJ elects not to exercise such Recording Agreement Option to enter into the IDJ Agreement, you may offer your exclusive recording services to third parties and may enter into a recording agreement with any such third party.

8. (a) In the event that IDJ exercises the Recording Agreement Option, but IDJ and Artist fail for any reason to enter into a Recording Agreement, then, prior to entering into any such agreement with a third party, Artist shall first notify IDJ in writing (the "Offer Notice") of each and every term and condition of said proposed agreement and offer to IDJ the right ("Matching Right") to enter into an agreement with you on the same terms and conditions as proposed by such third party, excluding any terms which can not be matched as they are specific to the third party. IDJ shall not be required, as a condition of accepting any offer made to it pursuant to this paragraph 8, to agree to any terms or conditions which cannot be fulfilled by IDJ as readily as by any other person (by way of example only, but without limitation, the employment of a particular record producer exclusively engaged by another company), or to waive any of its rights pursuant to this Agreement.

(b) IDJ shall have the right to exercise the Matching Right and enter into said agreement by notice to you on or before fifteen (15) days after the date of IDJ's receipt of the Offer Notice. If IDJ shall reject said offer or fail to notify you within said fifteen (15) day period, then, subject to the other terms herein, you shall have the right thereafter to enter into the agreement with such third party; provided the agreement is consummated in arm's length negotiations upon the terms and conditions not less favorable to you than as set forth in the Offer Notice within sixty (60) days after the expiration of the fifteen (15) day period referred to in the preceding sentence. If such agreement is not so consummated within such sixty (60) day period, no person or entity except IDJ will be authorized to make, sell or otherwise exploit phonograph records embodying Artist's featured performances unless you first offer to enter into an agreement with IDJ as provided this

paragraph 8.

In the event you subsequently enter into a Recording Agreement wherein you render your recording services for any recording company or person other than IDJ, such recording agreement shall contain a provision, for IDJ's express benefit, providing for payment to IDJ on execution of such agreement of a sum equal to the sums expended by IDJ hereunder pursuant to paragraph 2 hereof, including without limitation the Demo Fund, in the event that such third party labels desires to use the Demos or to re-record the compositions embodied thereon, and Artist shall not re-record such compositions for a period of three (3) years from the date hereof.

9. (a) Artist warrants and represents that Artist has the full right and power to enter into and perform this Agreement, and that nothing contained in the Demos (including, without limitation, any so-called "samples" of musical compositions, recordings or other intellectual property furnished or selected by Artist and embodied or used in connection with the Demos) will violate or infringe upon the rights of any person or entity.

(b) Artist agrees to and does hereby indemnify, save, defend and hold IDJ, its affiliates, parent companies, employees, officers, successors, licensees, agents and assigns harmless of and from any and all liability, loss, damage, cost or expense (including attorneys' fees) arising out of or connected with any breach or alleged breach of this agreement or any claim which is inconsistent with any of the warranties or representations made by Artist in this agreement, and agrees to reimburse IDJ on demand for any payment made or incurred by IDJ with respect to any of the foregoing. Pending final determination of any claim involving such alleged breach or failure, IDJ may withhold sums due Artist hereunder or under the Recording Agreement.

10. Artist warrants and represents that Artist is not subject to any obligation, agreement or restriction which would prevent Artist from entering into or performing the terms of this agreement, and that Artist is free to enter into the Recording Agreement with IDJ and perform all of Artist's obligations under such agreements.

11. THIS AGREEMENT IS ENTERED INTO IN THE STATE OF NEW YORK AND SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF SAID STATE APPLICABLE TO CONTRACTS TO BE WHOLLY PERFORMED THEREIN. THE PARTIES HERETO AGREE THAT ANY CONTROVERSY ARISING UNDER THIS AGREEMENT SHALL BE ADJUDICATED UNDER THE JURISDICTION OF A COMPETENT COURT WITHIN THE COUNTY OF NEW YORK. THE INVALIDITY OR UNENFORCEABILITY OF ANY PROVISION HEREOF SHALL NOT AFFECT THE VALIDITY OR ENFORCEABILITY OF ANY OTHER PROVISION HEREOF.

12. This writing sets forth the entire understanding between the parties with respect to the subject matter hereof, and no modification, amendment, waiver, termination or discharge of this agreement shall be binding upon the parties hereto unless confirmed by written instrument signed by Artist and the Senior Vice President, Business and Legal Affairs of IDJ. No waiver of any provision of or default under this agreement nor any failure to exercise its rights hereunder shall prejudice the rights of either party thereafter, nor shall it be a precedent for the future.

13. This agreement shall not be construed against either party as the drafter, it being agreed that this agreement has been drafted jointly by the parties.

14. Artist understands and acknowledges that Artist's services are personal and unique, that Artist cannot assign its rights or obligations hereunder, and that the loss by IDJ of such services would cause IDJ irreparable harm which could not be remedied by monetary recovery, and IDJ will be entitled to injunctive relief in connection with such Artist services. IDJ may, at its election, assign this agreement or any of its rights hereunder.

15. Artist understands and acknowledges that this agreement is a valid and binding legal document which affects the legal and financial interests of Artist. Artist acknowledges that Artist has had ample opportunity to read the agreement and that Artist understands the terms and conditions set forth in the agreement. Artist hereby acknowledges that IDJ has advised Artist to obtain independent legal counsel in connection with the execution of this agreement and Artist further acknowledges that it has either obtained such independent legal counsel or has voluntarily waived its right to do so.

**THE ISLAND DEF JAM MUSIC GROUP,
A division of UMG Recordings, Inc.**

By: _____
Senior Vice President
Business and Legal Affairs

ACCEPTED AND AGREED TO:

[ARTIST]

