

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
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<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Gregg Alan Corp.		11/01/2007	CORPORATION: MICHIGAN
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	SONY BMG MUSIC ENTERTAINMENT		
<b>Composed Of:</b>	COMPOSED OF USCO Holdings Inc. (a Delaware corporation), BeSo Holding LLC (a Delaware limited liability company), Arista Holding, Inc. (a Delaware corporation), and Zomba US Holdings, Inc. (a Delaware corporation)		
<b>Street Address:</b>	550 Madison Avenue		
<b>Internal Address:</b>	15th Floor		
<b>City:</b>	New York		
<b>State/Country:</b>	NEW YORK		
<b>Postal Code:</b>	10022		
<b>Entity Type:</b>	PARTNERSHIP: DELAWARE		
<b>PROPERTY NUMBERS Total: 1</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
Registration Number:	2158690	AWARE RECORDS	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	(212)833-8407		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
<b>Phone:</b>	212 833 8883		
<b>Email:</b>	colleen.christi@sonybm.com		
<b>Correspondent Name:</b>	SONY BMG MUSIC ENTERTAINMENT		
<b>Address Line 1:</b>	550 Madison Avenue, 15th Floor		
<b>Address Line 2:</b>	Ross Weston		
<b>Address Line 4:</b>	New York, NEW YORK 10022		
<b>ATTORNEY DOCKET NUMBER:</b>	ASSIGNMENT AWARE RECORDS		
<b>NAME OF SUBMITTER:</b>	Ross Weston		

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Signature:	/rossweston/
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Date:	04/15/2008
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**Total Attachments: 19**  
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Dated as of November 1, 2007

Gregg Alan Corp. d/b/a Aware Records ("you")  
624 Davis Street, 2<sup>nd</sup> Floor  
Evanston, IL 60201

Reference is hereby made to the agreement between you and our predecessor-in-interest Sony Music, A Group of Sony Music Entertainment Inc., dated as of July 1, 1997 [SMU 97-217.3(1)], as such agreement has been modified, amended, or otherwise supplemented (such agreement, together with all modifications, amendments, and supplements, the "Label Agreement"), including, without limitation (i) the modification dated as of November 17, 1998 [SMU 98-443.2(1)] (the "1998 Modification"), (ii) the modification dated as of May 12, 2000 [SMU 00-201.7(1)] (the "2000 Modification"), pursuant to which the parties agreed on a procedure regarding the Conversion (as defined in the 2000 Modification) of the business arrangement between the parties from a label deal to a joint venture formed as Aware Records LLC, a Delaware limited liability company, (iii) the modification dated as of July 1, 2002 [SMU 01-247.3(1)] (the "2002 Modification"), pursuant to which the parties completed the Conversion (as defined in the 2000 Modification) and entered into the Joint Venture Agreement (as defined in the 2000 Modification), the form of which was originally attached to the 2000 Modification and subsequently modified pursuant to the 2002 Modification, and (iv) the modification dated January 25, 2006 [SMU 05-388](the "Loan Modification"), pursuant to which Sony BMG Music Entertainment made a loan (the "Loan") to you. As used herein, "Sony" means Sony Music, A Label Group of Sony BMG Music Entertainment.

I. Current Joint Venture

1. All terms used in this Article I and not otherwise defined in this Article I shall have the meanings given to them in the Joint Venture Agreement (as defined in the 2002 Modification).
2. (a) Notwithstanding anything to the contrary in the Joint Venture Agreement or otherwise, the parties hereby agree as follows: (a) Sony shall be deemed to have properly exercised its option, as of the date of the complete execution of this agreement and as and when required, to buy out the interest of the Promoter Venturer in the Venture pursuant to paragraph 9.01 of the Joint Venture Agreement (as modified by subparagraph 9(r) of the 2000 Modification); (b) simultaneous with the Promoter Venturer's receipt of the amount provided in clause (f) of this subparagraph 2(a), the Promoter Venturer hereby irrevocably transfers and assigns to Sony, effective as of December 31, 2007, all of its right, title, and interest in the Venture; (c) the Term of the Joint Venture Agreement shall end on December 31, 2007; (d) the "Buyout Closing Date" shall be December 31, 2007; (e) the Buyout Price for all of the right, title, and interest of the Promoter Venturer in the Venture shall be [REDACTED], and (f) Sony will pay, by wire transfer, [REDACTED] of such Buyout Price promptly after the complete execution of this agreement, and the balance of such Buyout Price (i.e., [REDACTED]) not later than March 31, 2008. For the avoidance of doubt, there shall be no adjustment of the Buyout Price pursuant to paragraph 9.02 of the Joint Venture Agreement or otherwise. For the avoidance of doubt, the Promoter Venturer shall continue to be responsible for all liabilities and expenses retained and assumed by the Promoter Venturer pursuant to the third sentence of subparagraph 9(m) of the 2000 Modification.

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(b) Effective as of the date hereof, the Promoter Venturer hereby quitclaims, transfers, and assigns to the Venture (to the extent not previously transferred and assigned to the Venture pursuant to the 2000 Modification and the 2002 Modification) all of its right, title, and interest in the existing Artist Term Contracts (as defined in the Label Agreement) and Artist Agreements (including, for the avoidance of doubt, all rights to the future services of the Artists concerned under such agreements) and all existing Master Recordings. Without limiting the generality of the foregoing and for the avoidance of doubt, the Artist Term Contracts (as defined in the Label Agreement) and Artist Agreements referred to in the prior sentence include, without limitation, (i) that certain recording agreement between you and Mayer Music, LLC for the exclusive recording services of John Mayer ("Mayer") and dated as of September 15, 2000, as the same may have been modified from time to time (as modified, the "Mayer Recording Agreement"), (ii) that certain recording agreement between you and John Ondrasik p/k/a Five For Fighting ("FFF") for the exclusive recording services of FFF and dated as of June 1, 1999, as the same may have been modified from time to time (as modified, the "FFF Recording Agreement"), (iii) that certain recording agreement between the Venture and Tomorrow Music, LLC for the exclusive recording services of Mat Kearney ("Kearney") and dated as of December 1, 2004, as the same may have been modified from time to time (as modified, the "Kearney Recording Agreement"), and (iv) that certain recording agreement between the Venture and Kyle Riabko for the exclusive recording services of Kyle Riabko and dated as of November 10, 2003, as the same may have been modified from time to time (as modified, the "Riabko Recording Agreement").

3. In addition to the Buyout Price specified in paragraph 2 above of this Article I, and notwithstanding anything to the contrary in paragraph 9.02 or subparagraph 11.07(d) of the Joint Venture Agreement, Sony will pay to the Promoter Venturer, not later than March 31, 2008, the Promoter Venturer's share of Profits with respect to the period commencing April 1, 2007 and ending December 31, 2007, but in no event less than [REDACTED] or more than [REDACTED] (the amount of such payment, the "Profit Distribution"). Such payment shall be in lieu of any amounts otherwise payable to the Promoter Venture under paragraph 9.02 or subparagraph 11.07(d) of the Joint Venture Agreement and any Profits otherwise payable or distributable to the Promoter Venturer under the Venture. Notwithstanding anything to the contrary in paragraph 9.02 of the Joint Venture Agreement or otherwise, Sony shall deliver to the Promoter Venturer within 90 days after the Buyout Closing Date financial statements reflecting the Profits of the Venture with respect to the period commencing April 1, 2007 and ending December 31, 2007 but, for the avoidance of doubt, the Promoter Venture will not have the right to examine Sony's books and records to verify the accuracy of such such statements or for any other purpose or to object to such statements. In the event that the taxable income allocated to the Promoter Venturer on account of the Promoter Venturer's interest in the Venture, for the period commencing April 1, 2007 and ending December 31, 2007, exceeds [REDACTED] (such excess amount, the "Excess Allocated Income"), Sony will reimburse the Promoter Venturer in the amount of any federal and state income taxes payable by the Promoter Venturer with respect to the Excess Allocated Income, as well as a "gross-up" amount equal to fifty percent (50%) of the amount of any additional federal and state income taxes payable by the Promoter Venturer with respect to such payment. (Notwithstanding anything to the contrary in the preceding sentence, the parties agree that the Promoter Venturer's deemed marginal federal and state income tax rate for purposes of the preceding sentence is 38.68%, and that payment by Sony to the Promoter Venturer of an amount equal to 46.87% of the Excess Allocated Income shall fully satisfy Sony's obligations under the preceding sentence.) For the avoidance of doubt, paragraph 12.02 of the Joint Venture Agreement shall apply after

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the Buyout Closing Date with respect to tax returns to be filed by Sony on behalf of the Venture for the year ending December 31, 2007.

4. (As used in this paragraph 4 of this Article I, the term the "New Joint Venture Agreement" shall have the meaning given to it in paragraph 2 of Article II below.) Notwithstanding anything to the contrary in the Loan Modification, the Promoter Venturer shall not be required to repay to Sony, on the Buyout Closing Date, the Loan or the interest then due thereon. Instead, the Promoter Venturer shall repay the Loan and all interest then due thereon to Sony as follows: Fifty percent (50%) of the Loan and all interest then due thereon shall be deducted from the Maximum Overhead Amount (as defined in the New Joint Venture Agreement) for the third Contract Year (as defined in the New Joint Venture Agreement) of the Venture (as defined in the New Joint Venture Agreement), and the balance of the Loan and all interest then due thereon shall be deemed to be an unrecovered Profit Advance (as defined in the New Joint Venture Agreement) for purposes of subparagraph 9.02(a) of the New Joint Venture Agreement only (i.e., shall be either deducted from the price to be paid by Sony to purchase the Promoter Venturer's interest in the Venture (as defined in the New Joint Venture Agreement) or added to the price to be paid by the Promoter Venturer to purchase Sony's interest in the Venture (as defined in the New Joint Venture Agreement). Notwithstanding the preceding sentence, in the event that the Maximum Overhead Amount (as defined in the New Joint Venture Agreement) for the third Contract Year (as defined in the New Joint Venture Agreement), as calculated by Sony under clause (x) of section 2(e)(iii) of Article II below, equals or exceeds [REDACTED], then Promoter Venturer shall not be obligated to repay the Loan and any interest then due thereon in the manner set forth in the preceding sentence and, instead, One Hundred Percent (100%) of the Loan and all interest due thereon shall be deemed an unrecovered Profit Advance (as defined in the New Joint Venture Agreement) for purposes of subparagraph 9.02(a) of the New Joint Venture Agreement only (i.e., shall be either deducted from the price to be paid by Sony to purchase the Promoter Venturer's interest in the Venture (as defined in the New Joint Venture Agreement) or added to the price to be paid by the Promoter Venturer to purchase Sony's interest in the Venture (as defined in the New Joint Venture Agreement).) In the event that Sony purchases the Promoter Venturer's interest in the Venture (as defined in the New Joint Venture Agreement) and the amount payable by Sony would equal a negative amount as a result of the deduction of the Loan and any interest due thereon and/or the Unrecovered Repayment Amount (as defined in subparagraph 2(s) of Article II below), then (i) Sony shall pay [REDACTED] to the Promoter Venturer and such amount shall constitute payment in full for the acquisition of all of the Promoter Venturer's interest in the Venture (as defined in the New Joint Venture Agreement), and (ii) the Promoter Venturer shall pay to Sony, on the Buyout Closing Date (as defined in the New Joint Venture Agreement), an amount equal to (x) the then-outstanding Loan balance and all interest due thereon, less (y) the difference between (I) the Buyout Price (as defined in the New Joint Venture Agreement) less (II) the Unrecovered Repayment Amount, provided that in the event that the amount under (y) equals a negative number, then (y) shall be deemed to equal zero for purposes of this calculation. In the event that neither Venturer (as defined in the New Joint Venture Agreement) purchases the interest of the other Venturer (as defined in the New Joint Venture Agreement) pursuant to Article 9 of the New Joint Venture Agreement, the Promoter Venturer shall pay to Sony, promptly after the end of the Term (as defined in the New Joint Venture Agreement) of the New Joint Venture Agreement any portion of the Loan and all interest then due thereon that has not yet been repaid to Sony as of such date.

5. You hereby request and irrevocably authorize Sony to pay to Carroll, Guido & Groffman, LLP ("CGG"), 1790 Broadway, 20<sup>th</sup> Floor, New York, NY 10019, Attention: Elliot J. Groffman,

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Esq. [REDACTED], [REDACTED] of the amount payable after the complete execution of this agreement under clause (f) of subparagraph 2(a) of this Article I. Sony's compliance with the provisions of the direction set forth in this paragraph 5 of this Article I shall constitute an accommodation to you alone, and nothing herein shall constitute CGG a beneficiary of or party to this agreement. CGG shall not have the right to examine Sony's books and records insofar as they relate to monies payable under this agreement. All payments to CGG pursuant to this paragraph 5 of this Article I will constitute payment to you and Sony will have no liability by reason of any erroneous payment Sony may make or failure to comply with this authorization. You will indemnify and hold Sony harmless against any claims asserted against Sony and any damages, losses or expenses incurred by Sony by reason of any such payment to CGG or otherwise in connection herewith.

6. (a) You, on behalf of your subsidiaries, parents, affiliates, divisions and components, and each of their respective partners, directors, controlling persons, advisors and employees, hereby forever release and discharge Sony and Sony BMG Music Entertainment, their predecessors-in-interest, and their subsidiaries, parents, affiliates, divisions and components, and each of their respective partners, directors, controlling persons, advisors and employees (the "Sony BMG Group") from any and all claims, demands, actions, causes of action, suits, sums of money, accounts, covenants, agreements, contracts, and promises in law or in equity, which you now have, have had, or at any time may have, against any of the Sony BMG Group, each of their respective successors and assigns, relating to the Label Agreement or the Venture, whether or not they have been subject to dispute or otherwise and whether known or unknown to you, by reason of any matter, cause, or thing whatsoever from the beginning of the world to December 31, 2007, including, without limitation, any and all obligations to make or release any recordings or to make any payments to you, except for (i) the payments expressly provided in this agreement, (ii) any Production Share (as defined in the Label Agreement) otherwise payable to you under the Label Agreement with respect to sales of Records governed by the Label Agreement and occurring after June 30, 2007, and (iii) any Train Production Share Payments (as defined in the Label Agreement) otherwise payable pursuant to paragraph 3 of the 1998 Modification, as amended, with respect to sales of Records occurring after June 30, 2007. Nothing contained herein will affect Sony's indemnification obligations under the Joint Venture Agreement, including without limitation paragraph 9.05 of the Joint Venture Agreement.

(b) We, on behalf of our subsidiaries, parents, affiliates, divisions and components, and each of their respective partners, directors, controlling persons, advisors and employees, hereby forever release and discharge you and your subsidiaries, parents, affiliates, divisions and components, and each of their respective partners, directors, controlling persons, advisors and employees (the "GAC Group") from any and all claims, demands, actions, causes of action, suits, sums of money, accounts, covenants, agreements, contracts, and promises in law or in equity, which we now have, have had, or at any time may have, against any of the GAC Group, relating to the Venture, whether or not they have been subject to dispute or otherwise and whether known or unknown to us, by reason of any matter, cause, or thing whatsoever from the beginning of the world to December 31, 2007. Nothing contained herein will affect your indemnification obligations under the Joint Venture Agreement.

(c) (i) Promptly following the complete execution of this agreement, Sony will pay you [REDACTED]. Without limiting the generality of subparagraphs 6(a) and 6(b) above of this Article I, all controversies with respect to accountings rendered to you by Sony for all periods through June 30, 2007 under or in connection with the Label Agreement and the Joint Venture Agreement are hereby finally compromised and settled, and those accountings will be deemed conclusively accepted by and binding upon you. You

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hereby withdraw and waive all objections which you have asserted or might have asserted with respect to those accountings, and Sony will be deemed to have fulfilled all obligations regarding royalties, Profits, or other payments due you in respect of those periods, under any agreement between you and Sony or otherwise.

(ii) With respect to all Records governed by the Label Agreement and sold for distribution outside of the United States and Canada after June 30, 2007, subparagraph 16.29(b) of the Label Agreement is hereby deemed deleted and the following new subparagraph 16.29(b) substituted in lieu thereof:

**"(b) WITH RESPECT TO RECORDS (INCLUDING AUDIOVISUAL RECORDS) SOLD FOR DISTRIBUTION OUTSIDE OF THE UNITED STATES AND CANADA:** The Gross Royalty Base is the applicable amount specified in sections 16.29(b)(1) or (2) below, in the country of sale, at the commencement of the accounting period concerned:

(1) If the Records concerned have a suggested retail list price in the country concerned, the Gross Royalty Base shall be one-half (1/2) of such suggested retail list price, excluding any taxes included in such price.

(2) If section 16.29(b)(1) above does not apply, the Gross Royalty Base shall be one-half (1/2) of the manufacturer's published price to dealers with respect to the Record concerned (excluding any taxes included in such price), multiplied by the applicable percentage for the country concerned set forth on the schedule attached hereto as "Schedule A" and made a part hereof; provided that if the country concerned is not set forth on Schedule A, the Gross Royalty Base shall be one-half (1/2) of the manufacturer's published price to dealers with respect to the Record concerned (excluding any taxes included in such price), multiplied by one hundred twenty-six percent (126%)."

7. The provisions of Schedule B attached hereto and made a part hereof are incorporated herein by reference.

## II. New Joint Venture

1. All terms used in this Article II and not otherwise defined in this Article II shall have the meanings given to them in the New Joint Venture Agreement (as defined in paragraph 2 below of this Article II).

2. You and Sony are hereby deemed to have formed a new joint venture (the "New Joint Venture"), the Term of which shall commence on January 1, 2008. Effective as of the commencement of the Term of the New Joint Venture Agreement and until, if ever, superseded by a more formal agreement governing this joint venture arrangement between you and Sony (you and Sony hereby agree to negotiate in good faith such more formal agreement with respect to the provisions to be included therein, other than those specifically set forth below in this paragraph 2 of this Article II, which are non-negotiable and agreed; you and Sony further agree that the failure or refusal of you or Sony to enter into such more formal agreement shall not in any manner impede or compromise the enforceability and effectiveness of this agreement), the joint venture agreement attached hereto as Exhibit A (the "New Joint Venture Agreement") shall constitute the agreement between you, Gregg Latterman (who shall be deemed to have

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executed the Assent and Guaranty of Principal attached thereto) and us (except as expressly provided below in this paragraph 2 of this Article II):

(a) Profit Advance. Notwithstanding anything to the contrary in paragraph 5.05 of the New Joint Venture Agreement, promptly following the commencement of the Term of the New Joint Venture Agreement, the Venture shall pay the Promoter Venturer a Profit Advance of [REDACTED] reduced by an amount equal to the excess, of any, of the Profit Distribution (as defined in paragraph 3 of Article I above) over [REDACTED]. Without limiting the generality of anything in the New Joint Venture Agreement, such Profit Advance shall be recoupable from any and all monies otherwise payable to the Promoter Venturer or Principal pursuant to the New Joint Venture Agreement (but not recoupable from monies otherwise payable under any other agreement or deductible from the Maximum Overhead Amount to be paid under subparagraph 2(e) below of this Article II), including without limitation, Profits otherwise payable to the Promoter Venturer pursuant to the New Joint Venture Agreement and the Mayer Override Royalty (as defined in subparagraph 2(k) below of this Article II).

(b) Term of the Venture. Notwithstanding anything to the contrary in Article 3 of the New Joint Venture Agreement, the Term of the Venture shall commence on January 1, 2008 and shall continue in force for an initial Contract Period consisting of three (3) Contract Years which will end on December 31, 2010 (unless suspended as provided in the New Joint Venture Agreement).

(c) Artist Submissions: Put. Notwithstanding anything to the contrary in subparagraph 4.02(e) of the New Joint Venture Agreement: (i) the Promoter Venturer shall submit to the Venture at least three (3) Artists in accordance with subparagraph 4.02(e) of the New Joint Venture Agreement during each Contract Year of the Term of the New Joint Venture Agreement; and (ii) the Promoter Venturer will have the option to require the Venture to accept one (1) Artist submitted by the Promoter Venturer during the Term of the New Joint Venture Agreement pursuant to subparagraph 4.02(e) of the New Joint Venture Agreement and designated by the Promoter Venturer in a notice to Sony as the "Put Artist", provided that such notice is received by Sony prior to the date that Sony has rejected or is deemed to have rejected such Artist pursuant to subparagraph 4.02(e) of the New Joint Venture Agreement or within 30 days after such rejection or deemed rejection (such artist, the "Put Artist"). For purposes of subparagraph 4.02(e) of the New Joint Venture Agreement, demos will be submitted to the Chairman or Co-Chairman of Columbia Records located in New York (i.e., that position currently held by Steve Barnett). (For the avoidance of doubt, the preceding sentence shall not affect the requirement that the Promoter Venturer send notice of such submission in accordance with the terms of subparagraph 4.02(e) of the New Joint Venture Agreement.) The artist p/k/a Guster shall be deemed to be the first Artist submitted to Sony during the first Contract Year of the Term of the New Joint Venture Agreement, and any other artists submitted by the Promoter Venturer to Sony in accordance with subparagraph 4.02(e) of the New Joint Venture Agreement after the execution of this agreement and prior to December 31, 2007 shall also be deemed submitted during the first Contract Year of the Term of the New Joint Venture Agreement.

(d) Recording Funds. Notwithstanding anything to the contrary in subsection 4.02(e)(iii)(A) of the New Joint Venture Agreement, section 6.01(a)(iii) of the

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New Joint Venture Agreement, subparagraph V(e)(ii) of Appendix A to the New Joint Venture Agreement or subparagraph V(g) of Appendix A to the New Joint Venture Agreement, the minimum and maximum amount of the Recording Fund Maximums (as defined in the Label Agreement) prescribed in paragraph 6.02 of the Label Agreement, respectively, shall apply during the Term of the New Joint Venture Agreement as the minimum and maximum Recording Funds, respectively, for purposes of subparagraph V(e)(ii) of Appendix A to the New Joint Venture Agreement and subparagraph V(g) of Appendix A to the New Joint Venture Agreement, for the applicable Album of the Recording Commitment under any Artist Agreement; provided, however, that notwithstanding anything to the contrary in the Label Agreement or in the New Joint Venture Agreement, the maximum Recording Fund for the first Album of the Recording Commitment under the Artist Agreement for the Put Artist (if any) may not, in any event, exceed \$250,000 per Album.

(e) Overhead. Notwithstanding anything to the contrary in subparagraph 4.05(a) of the New Joint Venture Agreement and subject to the following three sentences, Sony agrees to pay the Promoter Venturer Overhead Costs in the amounts set forth below, provided that during each Contract Year (other than the third Contract Year, unless the Maximum Overhead Amount for the third Contract Year is [REDACTED]), the Promoter Venturer maintains a number of employees devoted to the Venture that is not fewer than the number of such employees during the preceding Contract Year and provided that such employees are performing substantially the same functions as the employees in such preceding Contract Year (unless Sony specifically agrees otherwise in writing). At Sony's request, the Promoter Venturer shall provide Sony with detailed business plans with respect to the Venture in accordance with subparagraph 4.05(a) of the New Joint Venture Agreement and, at the Promoter Venturer's request, Sony will provide one of its finance-related employees to assist you in the preparation of such business plans. With respect to any Contract Year for which Sony has requested a business plan, Sony will not reduce the amounts set forth below by reason of such plan, provided that such business plan is so provided by the Promoter Venturer.

(i) The Maximum Overhead Amount for the first Contract Year shall be [REDACTED].

(ii) The Maximum Overhead Amount for the second Contract Year shall be [REDACTED] and

(iii) The Maximum Overhead Amount for the third Contract Year shall be [REDACTED]. Notwithstanding the foregoing, in the event that either (A) at least three (3) Artists (excluding Kearney, FFF, and the Put Artist (if any)) are signed to the Venture as of the last day of the second Contract Year, or (B) at least two (2) Artists (excluding Kearney, FFF, and the Put Artist (if any)) are signed to the Venture as of the last day of the second Contract Year, and at least one (1) additional Artist (excluding Kearney, FFF, and the Put Artist (if any)) is signed to the Venture during the first six (6) months of the third Contract Year, then the Maximum Overhead Amount for the third Contract Year shall be increased by Fifty Cents (\$.50) for each One Dollar (\$1.00) of cumulative Profits earned by the Venture through the last

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day of the sixth month of the third Contract Year, provided that in no event shall the Maximum Overhead Amount for the third Contract Year be more than [REDACTED]. In connection with the preceding sentence, (x) promptly after the last day of the second Contract Year, Sony will do a good faith calculation of the cumulative Profits earned by the Venture through the last day of the second Contract Year and will pay the Promoter Venturer the applicable Maximum Overhead Amount pursuant to the preceding sentence based on such calculation, and (y) promptly after the last day of the sixth month of the third Contract Year, Sony will do a good faith calculation of the cumulative Profits earned by the Venture through the last day of the sixth month of the third Contract Year and will pay the Promoter Venturer the difference, if any, between the applicable Maximum Overhead Amount based on such calculation and the amount previously paid to the Promoter Venturer under clause (x) of this sentence. Solely for purposes of this section 2(e)(iii) of this Article II, neither the Profit Advance paid under subparagraph 2(a) of this Article II nor the Repayment Amount (as defined in section 2(l)(2) of this Article II) will be taken into account in the calculation of "cumulative Profits".

(iv) The Maximum Overhead Amounts set forth in clauses (i) through (iii) above in this subparagraph 2(e) shall be payable to the Promoter Venturer in four quarterly installments, starting promptly after the commencement of the Term.

(f) Marketing Fund. During the Term of the New Joint Venture Agreement, in connection with the initial release in the United States of each Album Delivered in fulfillment of an Artist's Recording Commitment, Sony shall make available to you an amount equal to [REDACTED] per such Album (the "Approved Marketing Fund") to cover expenses for bona-fide, unaffiliated third parties (or you or an affiliated third party, provided you have obtained Sony's prior written approval in advance in each instance) in the United States related to marketing and promotion activities for such Album ("Marketing Activities"), subject to the remainder of this subparagraph 2(f) of this Article II. You will submit a marketing plan with respect to each such Album to Sony in writing for Sony's written approval, not later than ninety (90) days after your delivery of such Album, setting forth in such itemized detail as is reasonably requested by Sony, all anticipated Marketing Activities to be conducted by such unaffiliated third parties on behalf of you (or you or an affiliated third party, provided you have obtained Sony's prior written approval in advance in each instance) and anticipated expenditures of the Approved Marketing Fund under this subparagraph. Unless and until such prior written approval has been so obtained, Sony shall have no obligation to pay or incur the expenditure concerned. Without limiting the generality of the foregoing or anything elsewhere herein, Sony shall have the right to disapprove any such Marketing Activities that are duplicative of Sony's actual or anticipated plans, or expenditures in respect of its own Marketing Activities for the Album concerned. Sony shall either: (i) in the event that the applicable Marketing Activities for the Album concerned are being conducted by an unaffiliated third party vendor (A) pay such expenditures directly to the unaffiliated third party vendor concerned or (B) pay such expenditures directly to you so that you, in turn, may pay such expenditure to the unaffiliated third party vendor concerned, as you shall reasonably direct Sony in each instance, provided that in either of the events specified in subclauses (A) or (B) of this

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sentence, promptly after the expenditure is incurred, you provide to Sony documentation verifying that such expenditures are devoted entirely to the applicable Marketing Activities conducted by the unaffiliated third party vendor concerned which have been approved by Sony in accordance with the terms hereof and have been incurred in accordance with and subject to the terms hereof; or (ii) in the event that the applicable Marketing Activities for the Album concerned are being conducted by you or an affiliated third party pursuant to Sony's prior written approval in accordance with the terms hereof, pay such expenditures directly to you, provided that promptly after the expenditure is incurred, you will provide to Sony documentation verifying that such expenditures are devoted entirely to the applicable Marketing Activities conducted by you or such affiliated third party which have been approved by Sony in accordance with the terms hereof and have been incurred in accordance with and subject to the terms hereof. For the avoidance of doubt, all expenditures of the Approved Marketing Funds hereunder shall constitute Marketing Costs. For the avoidance of doubt, in respect of each Album Delivered in fulfillment of an Artist's Recording Commitment, nothing contained herein shall preclude you from submitting to Sony for Sony's approval hereunder one (1) marketing plan per such Album containing all anticipated Marketing Activities to be conducted and all anticipated expenditures of the Approved Marketing Fund under this subparagraph for such Album.

(g) (1) In connection with Principal's services under the New Joint Venture Agreement, Sony will reimburse you for the reasonable costs of travel expenses (including reasonable so-called "per-diem" reimbursement) and hotel accommodations incurred in connection with Principal's travel to New York City for up to seven (7) nights per month, in accordance with Sony's general policies regarding expenses and expense accounting.

(2) In connection with Principal's services under the New Joint Venture Agreement, and subject to Sony's prior written approval in each instance, Sony shall reimburse you for the costs of travel expenses (including reasonable so-called "per-diem" reimbursement) and hotel accommodations incurred in connection with Principal's travel to Los Angeles in accordance with Sony's general policies regarding expenses and expense accounting.

(3) The costs incurred by Sony in connection with Sony's obligations under sections 2(g)(1) and (2) of this Article II shall be treated as Overhead Costs but shall be in addition to the Maximum Overhead Amounts set forth in subparagraph 2(e) of this Article II.

(h) Principal. As used in the New Joint Venture Agreement, the "Principal" shall mean Gregg Latterman.

(i) Venture Name and Mark. (1) The parties hereby acknowledge that, effective as of December 31, 2007, Sony, on behalf of the Venture (as defined in the Joint Venture Agreement), shall own one hundred percent (100%) of the name "Aware Records LLC" and the Mark (as defined in the Label Agreement). Notwithstanding anything to the contrary in subparagraph 2.02(a) of the New Joint Venture Agreement, effective as of the commencement of the Term of the New Joint Venture Agreement, Sony shall license the name "Aware Records" and the Mark (as defined in the Label Agreement) to the Venture for the Term of the New Joint Venture Agreement, on a gratis basis, for use by the Venture solely in connection with the

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Venture, and the Venture shall do business under such name under such license during the Term of the New Joint Venture Agreement. Sony hereby agrees that it shall not, prior to the end of the Term of the New Joint Venture Agreement, remove the name "Aware Records" and the Mark (as defined in the Label Agreement) from the packaging of any Records released by Sony under the Label Agreement or the Venture (as defined in the Joint Venture Agreement) or under the Venture (as defined in the New Joint Venture Agreement). In addition, Sony hereby agrees that it shall not, prior to the end of the Term of the New Joint Venture Agreement, use the name "Aware Records" or the Mark other than in connection with Venture (as defined in the Joint Venture Agreement), the Venture (as defined in the New Joint Venture Agreement), Artists under the Venture (as defined in the Joint Venture Agreement) or the Venture (as defined in the New Joint Venture Agreement), and Records or Recordings released by Sony under the Venture (as defined in the Joint Venture Agreement) or under the Venture (as defined in the New Joint Venture Agreement).

(2) Notwithstanding anything to the contrary in section 2(i)(1) above of this Article II, the Promoter Venturer shall retain the non-exclusive right to use the name "Aware Records" in connection with Principal's Permitted Outside Activities (as defined in the next sentence). As used herein, "Principal's Permitted Outside Activities" shall mean the Principal's activities for itself or for Persons other than the Venture in connection with any business that is not a business of the same nature as or of a similar nature to the business in which the Venture is engaged, either in whole or in part, directly or indirectly. For the avoidance of doubt, it is expressly acknowledged and agreed that the production and/or exploitation of recorded audio and audiovisual materials and related items, directly or indirectly, is a business of the same nature as the business in which the Venture is engaged. Notwithstanding the foregoing or anything elsewhere herein, the Principal's activities: (i) as an online reseller of Phonograph Records in the United States via a website created, hosted and maintained by the Principal currently located at the URL "www.awarestore.com" in a manner reasonably consistent with Principal's such activities prior to the date hereof, and (ii) in connection with the independent marketing of Phonograph Records in the United States Phonograph Record industry) in the United States via a so-called "street team" (as that term is understood in the United States Phonograph Record industry) currently marketed under the name "Aware Reps" in a manner reasonably consistent with Principal's such activities prior to the date hereof shall each, respectively, be deemed "Principal's Permitted Outside Activities" for the purposes hereof.

(j) Principal Offices of Venture. Notwithstanding anything to the contrary in paragraph 2.03 of the New Joint Venture Agreement, the offices of the Venture shall be located at 624 Davis Street, 2<sup>nd</sup> Floor, Evanston, Illinois 60201.

(k) Administrative Services and Distribution Fee. Notwithstanding anything to the contrary in the first sentence of subparagraph 4.03(h) of the New Joint Venture Agreement or anything in subparagraph 8.02(a) of the New Joint Venture Agreement, as compensation for the various services agreed to be performed by the Sony Venturer or Parent under the New Joint Venture Agreement, including U.S. distribution for the Venture, the Sony Venturer shall be entitled to deduct and retain from the Revenues (other than the Foreign License Fees) of the Venture a fee equal to twenty percent (20%) of the Net Billings (excluding the cost of any so-called "cooperative advertising") of the Venture (the "Administrative Services and Distribution Fee"), subject to the next two (2) sentences. If the Net Billings of the Venture during any Contract Year

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exceed [REDACTED] but are less than [REDACTED] the Administrative Services and Distribution Fee during the Contract Year concerned in respect of Net Billings for such Contract Year in excess of such Fifteen Million Dollars (\$15,000,000) shall instead be nineteen percent (19%) (excluding the cost of any so-called "cooperative advertising"). If the Net Billings of the Venture during any Contract Year equal or exceed [REDACTED] but are less than [REDACTED] the Administrative Services and Distribution Fee during the Contract Year concerned in respect of Net Billings for such Contract Year in excess of such [REDACTED] shall instead be eighteen percent (18%) (excluding the cost of any so-called "cooperative advertising"). If the Net Billings of the Venture during any Contract Year equal or exceed [REDACTED], the Administrative Services and Distribution Fee during the Contract Year concerned in respect of Net Billings for such Contract Year in excess of such [REDACTED] shall instead be seventeen percent (17%) (excluding the cost of any so-called "cooperative advertising").

(l) Assignment of Assets To Venture. (1) Effective as of the commencement of the Term of the Venture, as contributions to the capital of the Venture, Sony, on behalf of the Venture (as defined in the Joint Venture Agreement), hereby transfers and assigns to the Venture: (A) the Kearney Recording Agreement, and the Venture shall assume all of the obligations under the Kearney Recording Agreement other than any actual, out-of-pocket costs payable by the Venture arising directly out of Sony's sales prior to December 31, 2007 of Records released under the Kearney Recording Agreement (e.g., Mechanical Royalties, marketing costs), (B) all right, title, and interest of the Venture (as defined in the Joint Venture Agreement) in existing Recordings made under the Kearney Recording Agreement, (C) any unrecouped balance under the Kearney Recording Agreement, calculated as of the commencement of the Term of the Venture, (D) the FFF Recording Agreement, solely with respect to any Recordings made under the FFF Recording Agreement after the commencement of the Term of the Venture or in connection with the fourth Album of the Recording Commitment (as defined in the FFF Recording Agreement) under the FFF Recording Agreement, and the Venture shall assume all of the obligations under the FFF Recording Agreement relating to such Recordings. Notwithstanding anything to the contrary in the foregoing, in paragraph 9.05 of the New Joint Venture Agreement, or otherwise, the Venture shall assume all liabilities and expenses arising from any disputes and audit claims prior to or after the commencement of the Term of the Venture in connection with the items specified in clauses (A) through (D) of the preceding sentence including, without limitation, any royalty and other obligations (including, without limitation, Mechanical Royalty obligations) and materials related thereto (including, without limitation, claims in connection with artwork and Videos). For the avoidance of doubt, except for the Recordings described in the first sentence of this subparagraph 9(l) of this Article II, all Master Recordings (as defined in the Joint Venture Agreement) shall be owned one hundred percent (100%) by Sony, on behalf of the Venture (as defined in the Joint Venture Agreement), including without limitation, all Recordings made under the Mayer Recording Agreement, all Recordings made under the FFF Recording Agreement except those assigned in the first sentence of this subparagraph 2(l) of this Article II, and all Recordings made under the Riabko Recording Agreement.

(2) One hundred percent (100%) of the Profits otherwise payable to the Promoter Venturer that are attributable to Sony's and its Licensees' sales or other exploitations of Recordings recorded by Kearney or made under the Kearney

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Recording Agreement, and fifty percent (50%) of the Profits otherwise payable to the Promoter Venturer that are attributable to Sony's and its Licensees' sales or other exploitations of Recordings recorded by FFF or made under the FFF Recording Agreement (excluding any Recordings retained by the Venture (as defined in the Joint Venture Agreement)), shall be paid to Sony until the amount of such Profits paid to Sony equals [REDACTED] (such amount, "Amount A"). One hundred percent (100%) of the Profits otherwise payable to the Promoter Venturer that are attributable to Sony's and its Licensees' sales or other exploitations of Recordings recorded by FFF or made under the FFF Recording Agreement (excluding any Recordings retained by the Venture (as defined in the Joint Venture Agreement)), and fifty percent (50%) of the Profits otherwise payable to the Promoter Venturer that are attributable to Sony's and its Licensees' sales or other exploitations of Recordings recorded by Kearney or made under the Kearney Recording Agreement, shall be paid to Sony until the amount of such Profits paid to Sony equals \$895,000 (such amount, "Amount B"). (Amount A and Amount B are collectively referred to in this agreement as the "Repayment Amount".)

(m) Mayer Override Royalty. With respect to each of the next three (3) Albums recorded after the date hereof in fulfillment of the Recording Commitment (as defined in the Mayer Recording Agreement) under the Mayer Recording Agreement that achieves net sales of at least two million (2,000,000) units (as reported by Soundscan or any successor thereto)(the "Sales Threshold") by the date that is two and one-half (2-1/2) years after Sony's initial U.S. release of the Album concerned (each, a "Mayer Override Album"), Sony will pay the Promoter Venturer a royalty (the "Mayer Override Royalty") at the rate of two percent (2%) of the applicable Royalty Base Price (as defined in this subparagraph 2(k) of this Article II) on USNRC Net Sales (as defined in the Mayer Recording Agreement) of the Mayer Override Album concerned. Except as specifically provided otherwise hereunder, the Mayer Override Royalty shall be computed and paid on non-USNRC Net Sales in the same manner as the royalty payable to Mayer under the Mayer Recording Agreement, at the same times and subject to the same conditions, with proportionate reductions on all Album sales for which reduced royalties are payable under the Mayer Recording Agreement. Without limiting the generality of the foregoing, the royalty on any Album for which reduced royalties are payable under the Mayer Recording Agreement, including but not limited to any Album sold for distribution outside the United States, any Album not sold Through Normal Retail Channels (as defined in the Mayer Recording Agreement), any Album that is a Budget Record (as defined in the Mayer Recording Agreement), any Album that is a Mid-price Record (as defined in the Mayer Recording Agreement), any Multiple Record Set (as defined in the Mayer Recording Agreement), any Album sold for distribution through military exchange channels, and any Album sold through a Club Operation (as defined in the Mayer Recording Agreement), will be reduced in the same proportion in which the royalties on the Album concerned are reduced under the Mayer Recording Agreement. In respect of any exploitation of an Album hereunder with respect to which Sony pays Mayer a percentage of net receipts, Sony will divide that payment among you, Mayer or any other Person entitled to royalties on sales of such Album, in the same ratio as that among your respective basic royalty percentage rates. After the Sales Threshold has been achieved with respect to any Mayer Override Album, the Mayer Override Royalty on that Album will be computed retroactively and paid to the Promoter Venturer on all units of that Album sold, from the first such unit sold, subject to recoupment of the Profit Advance under subparagraph 2(a) of the Article II. Solely as used in this subparagraph 2(m) of this Article II, "Royalty Base Price" shall mean the amount set forth as follows for the Album concerned less all excise, sales and similar taxes included in the price, if any: (i)

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The net wholesale price received by Sony or its Licensees in the particular country concerned (i.e., net of any allowances, rebates and/or other discounts, whether expressed in the published price to dealers ("PPD") or otherwise) for the Record concerned in the configuration concerned from time to time during the accounting period in which the sale occurs; (ii) Notwithstanding anything to the contrary in the preceding clause (i): (x) for any Album sold directly to consumers, by Sony in the United States or Canada, or in any country outside the United States and Canada by Sony's principal Licensee in the country concerned, via direct mail, through mail order operations (including, without limitation, Direct Club Operations in the United States, but excluding Club Operations (as defined in the Mayer Recording Agreement) outside of the United States) or via any other means of transmission or communication, the Royalty Base Price shall be the price (less actual shipping and handling costs and referral fees, if any, included in the price) paid by the consumer to Sony or Sony's Licensee, as applicable, for the Album concerned; provided, however, that if the Album concerned is transmitted or communicated by Sony or Sony's Licensees together with other Records, then the Royalty Base Price for such Album shall be determined by Sony based on a reasonable apportionment of the price (less a reasonable apportionment of actual shipping and handling costs and referral fees, if any, included in the price) paid by the consumer to Sony or Sony's Licensee, and (y) for any Album sold through a Club Operation (as defined in the Mayer Recording Agreement), the Royalty Base Price shall be the same as that for the identical Albums sold Through Normal Retail Channels (as defined in the Mayer Recording Agreement) in the country concerned.

(n) Cross-Collateralization. (1) Sony may not recoup Profit Advances from the Production Share (as defined in the Label Agreement) with respect to any Artist under the Label Agreement or the Train Production Share Payments (as defined in the Label Agreement) payable pursuant to paragraph 3 of the 1998 Modification.

(2) Sony may not recoup the amount by which the Production Share (as defined in the Label Agreement) royalty account under the Label Agreement is in an unrecouped position from the Promoter Venturer's share of Profits under the New Joint Venture Agreement.

(o) Foreign License Fees. (1) Clause (1) of subparagraph 1.01(a) of Exhibit B to the New Joint Venture Agreement is hereby modified by deleting the phrase "20%", and by substituting the phrase "25%" therefor.

(2) Clause (2) of subparagraph 1.01(a) of Exhibit B to the New Joint Venture Agreement is hereby modified by deleting such clause, and by substituting the following therefor:

"(2) 16.25% on Net Sales of Singles, Twelve-inch Singles and Maxi-Singles. 18% on Net Sales of EPs."

(3) Subparagraph 1.01(b) of Exhibit B to the New Joint Venture Agreement is hereby modified by deleting the phrase "12.4%", and by substituting the phrase "16.25%" therefor.

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(4) The first line of subparagraph 2.01(b) of Exhibit B to the New Joint Venture Agreement is hereby modified by deleting the phrase "18%", and by substituting the phrase "21%" therefor.

(5) The second line of subparagraph 2.01(b) of Exhibit B to the New Joint Venture Agreement is hereby modified by deleting the phrase "10.8%", and by substituting the phrase "12.5%" therefor.

(6) Section 2.01(c)(1) of Exhibit B to the New Joint Venture Agreement is hereby modified by deleting the phrase "13.6%", and by substituting the phrase "16%" therefor.

(7) Section 2.01(c)(2) of Exhibit B to the New Joint Venture Agreement is hereby modified by deleting the phrase "10.8%", and by substituting the phrase "12.5%" therefor.

(8) The first line of subparagraph 2.02(b) of Exhibit B to the New Joint Venture Agreement is hereby modified by deleting the phrase "18%", and by substituting the phrase "21%" therefor.

(9) The second line of subparagraph 2.02(b) of Exhibit B to the New Joint Venture Agreement is hereby modified by deleting the phrase "10.8%", and by substituting the phrase "12.5%" therefor.

(10) Section 2.02(c)(1) of Exhibit B to the New Joint Venture Agreement is hereby modified by deleting the phrase "13.6%", and by substituting the phrase "16%" therefor.

(11) Section 2.02(c)(2) of Exhibit B to the New Joint Venture Agreement is hereby modified by deleting the phrase "10.8%", and by substituting the phrase "12.5%" therefor.

(p) Manufacturing. Notwithstanding anything to the contrary in subparagraph 4.03(b) of the New Joint Venture Agreement, all such Record pressing and other manufacturing services obtained in the United States by the Venture shall be obtained by Sony from its third-party manufacturers on terms and at prices equal to amounts charged by such manufacturers to Sony for such services as such terms and prices may vary from time to time.

(q) Exclusivity. (1) Notwithstanding anything to the contrary in paragraph 10.01 of the New Joint Venture Agreement, at all times during the Term of the New Joint Venture Agreement, Gregg Latterman shall, as a material obligation of the Promoter Venturer under the New Joint Venture Agreement, oversee the day-to-day management of the Promoter Venturer and the Venture (except as expressly provided in the New Joint Venture Agreement).

(2) Notwithstanding anything to the contrary in the third sentence of paragraph 10.01 of the New Joint Venture Agreement, Gregg Latterman shall devote at least 75% of his working time during the normal working hours of each week during the Term of the New Joint Venture Agreement to the interests of the



Venture and the fulfillment of the Promoter Venturer's obligations under the New Joint Venture Agreement.

(3) Notwithstanding anything to the contrary in the third sentence of paragraph 10.01 of the New Joint Venture Agreement, Gregg Latterman shall have the right to manage artists and to submit artists to publishers, subject to sections 2(q)(2) and 2(q)(3) above and provided he is fulfilling his obligations under the New Joint Venture Agreement.

(r) Paragraph 9.01 of the New Joint Venture Agreement is hereby deleted, and the following shall be deemed substituted therefor:

**"9.01. Buy-out Option.** (a) The Sony Venturer shall have the irrevocable option, exercisable by sending the Promoter Venturer a notice (the "Buy-out Election Notice") not earlier than the Buy-out Trigger Date, and not later than thirty (30) days following the Buy-out Trigger Date, to buy out the interest of the Promoter Venturer in the Venture at a price equal to the Buyout Price. In the event that the Sony Venturer sends the Buy-out Election Notice to the Promoter Venturer as and when required hereunder, the Sony Venturer shall purchase the interest of the Promoter Venturer in the Venture on the applicable Buy-out Closing Date at a price equal to the Buyout Price. In the event that the Sony Venturer fails to send the Buy-out Election Notice to the Promoter Venturer within the time prescribed therefor herein, the Promoter Venturer will then have the irrevocable option, exercisable by sending the Sony Venturer a notice (the "Promoter Buy-out Election Notice") not earlier than the date thirty-one (31) days after the Buy-out Trigger Date and not later than the date ninety (90) days following the Buy-out Trigger Date (such date, the "Promoter Buy-out Window Period"), to either (i) buy out the interest of the Sony Venturer in the Venture at a price designated by the Promoter Venturer in the Promoter Buy-out Election Notice (the "Promoter Price"), or (ii) cause a third party (the "Third Party Buyer") to purchase the interest of the Sony Venturer and the Promoter Venturer in the Venture at a price designated by the Third Party Buyer in the Promoter Buy-out Election Notice (the "Third Party Buy-out Price"); provided, however, that the Promoter Venturer shall have the one-time-only right, exercisable by notice to the Sony Venturer during the Promoter Buy-out Window Period, to defer the date that the Promoter Venturer may send the Promoter Buy-out Election Notice until the date that is two (2) years following the Buy-out Trigger Date. The Promoter Buy-out Election Notice, to be effective, shall be accompanied by reasonable written evidence that the offer made pursuant to the preceding sentence is bona fide and reasonably reliable, and shall reasonably demonstrate that the Promoter Venturer or the Third Party, as the case may be, has secured the financing necessary to consummate the buy out contemplated herein at the Promoter Price or the Third Party Buy-out Price, as applicable; provided, however, that any Person that is a Major U.S. Record company (as defined in subparagraph 16.29(a) of the Label Agreement) or any Person that is a publicly traded corporation in the United States with a so-called "market capitalization" of \$100,000,000 or more (as that term is currently understood in the United States securities industry and as evidenced by a publication that is

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generally recognized as reasonably reliable for such purpose in the United States securities industry) shall be deemed to have secured the financing necessary to consummate the buyout contemplated herein at the Third Party Buy-out Price. In the event that the Promoter Venturer sends the Promoter Buy-out Election Notice as and when required hereunder, the Sony Venturer shall then have the irrevocable option for a period of thirty (30) days of the Sony Venturer's receipt of the Promoter Buy-out Election Notice to veto the right of the Promoter Venturer to buy-out the interest of the Sony Venturer in the Venture (or the right of the Third Party Buyer to purchase the interest of the Sony Venturer and the Promoter Venturer in the Venture, as the case may be) as contemplated in the preceding sentence, and buy out the interest of the Promoter Venturer in the Venture at a price equal to either (x) the Promoter Price specified in the Promoter Buy-out Election Notice, or (y) 50% of the Third Party Buy-out Price specified in the Promoter Buy-out Election Notice, as applicable, by sending the Promoter Venturer a notice (the "Sony Buy-out Matching Notice"). In the event that the Sony Venturer sends the Sony Buy-out Matching Notice, the Sony Venturer shall purchase the interest of the Promoter Venturer in the Venture on the applicable Buy-out Closing Date at the applicable price specified in the preceding sentence. In the event that the Sony Venturer does not send the Sony Buy-out Matching Notice as and when required hereunder, the Promoter Venturer shall be required to either purchase the interest of the Sony Venturer in the Venture at a price equal to the Promoter Price or to cause the Third Party Buyer to purchase the interest of the Sony Venturer and the Promoter Venturer in the Venture at a price equal to the Third Party Buy-out Price at a Buy-out Closing to occur no later than the date ninety (90) days after the expiration of time within which the Sony Venturer could have sent the Buy-Out Matching Notice to the Promoter Venturer hereunder; provided, however, that if Buy-out Closing does not occur on the Buy-out Closing Date as contemplated in this sentence, the Sony Venturer shall thereafter have the irrevocable option, exercisable at any time by sending the Promoter Venturer a notice (the "Final Sony Buy-out Notice"), to buy out the interest of the Promoter Venturer in the Venture at a price equal to 70% of the lesser of the Promoter Price specified in the Promoter Buy-out Election Notice or the Buyout Price or 30% of the Third Party Buy-out Price specified in the Promoter Buy-out Election Notice, as applicable. In the event that the Sony Venturer sends the Final Sony Buy-out Notice hereunder, the Sony Venturer shall use reasonable efforts to cause the Buy-out Closing to occur within ninety (90) days after the date of the Final Sony Buy-out Notice.

(b) As used herein, the "Buy-out Trigger Date" shall mean the date that is the first day after the last day of the Term.

(c) As used herein, the "Buyout Price" shall mean (subject to adjustment pursuant to paragraph 9.02) an amount equal to 50% of the sum of (i) the product of 50% of the average annual Net Billings of the Venture during the three (3) year period ending on the last quarter ended prior to the Buy-out Trigger Date, times one and five-tenths (1.5); and (ii) the product of 50% of the average annual Profits of the Venture during

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the three (3) year period ending on the last quarter ended prior to the Buy-out Trigger Date, times eight (8)."

(s) (1) As used herein, the "Unrecovered Repayment Amount" shall mean any portion of the Repayment Amount (as defined in section 2(l)(2) above of this Article II) that Sony has not, as of the end of the Term of the New Joint Venture Agreement, recovered from Profits otherwise payable to the Promoter Venturer pursuant to such section 2(l)(2). Notwithstanding anything in paragraph 9.01 of the New Joint Venture Agreement or otherwise, the amount of the Unrecovered Repayment Amount, if any, will be deemed to be an unrecouped Profit Advance for purposes of subparagraph 9.02(a) of the New Joint Venture Agreement (i.e., shall be either deducted from the price to be paid by Sony to purchase the Promoter Venturer's interest in the Venture or added to the price to be paid by the Promoter Venturer to purchase Sony's interest in the Venture.) The fifth sentence of paragraph 4 of Article I above shall apply with respect to the Unrecovered Repayment Amount.

(2) The first sentence of subparagraph 9.02(a) of the New Joint Venture Agreement is hereby modified by inserting the phrase "or the Third Party" between the phrase "either Venturer" and the phrase "purchases the other Venturer's interest in the Venture".

(3) Subclause (A)(ii) of the fourth sentence of subparagraph 9.02(a) of the New Joint Venture Agreement is hereby modified by inserting the phrase "or the Third Party" between the phrase "paid by the Promoter Venturer" and the phrase "to purchase the Sony Venturer's interest".

(4) Subclause (B)(ii) of the fourth sentence of subparagraph 9.02(a) of the New Joint Venture Agreement is hereby modified by inserting the phrase "or the Third Party" between the phrase "paid by the Promoter Venturer" and the phrase "to purchase the Sony Venturer's interest".

(5) Subparagraph 9.02(b) of the New Joint Venture Agreement is hereby modified by inserting the phrase "or the Third Party" between the phrase "If the Promoter Venturer" and the phrase "purchases the Sony Venturer's interest in the Venture".

(6) Paragraph 9.05 of the New Joint Venture Agreement is hereby modified by inserting the phrase "or the Third Party, as applicable" between the phrase "purchased the interest of the other Venturer" and the phrase "shall indemnify".

(t) Office: Throughout the Term, Sony will make available to the Promoter Venturer one (1) office in Sony's offices in New York, New York, solely for use by the Principal and Principal's employees and solely in connection with the Promoter Venturer's responsibilities hereunder.

(u) Confidentiality. Notwithstanding anything to the contrary in paragraph 18.01 of the New Joint Venture Agreement, the Promoter Venturer shall have the right to provide potential Third Party Buyers (as defined in subparagraph 9(r) above) with any information regarding the Venture as is reasonably necessary in accordance with custom and practice in the United States Phonograph Record industry for similar

transactions to allow such potential Third Party Buyer to decide whether to become a Third Party Buyer.

(v) Subparagraph 4.02(g) of New Joint Venture Agreement shall be deemed deleted.

3. (a) You agree that you, your affiliates, and your and their respective officers, directors, and shareholders (collectively, the "Smaller GAC Group") shall, and you shall instruct in writing your and your affiliates' respective attorneys, accountants and other professional advisors (collectively, "Your 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 fact, matter, event or surrounding circumstance leading to or relating to the negotiation thereof to which you were privy or of which you were otherwise made aware (e.g., by being copied on correspondence or by being advised of such fact, matter, event or circumstance by another party to the negotiation) (collectively, "Confidential Information"); provided, however, that nothing in this subparagraph 3(a) of this Article II shall prohibit disclosure of such Confidential Information: (i) to Your Advisors, to the extent that such disclosure is in the opinion of such professional advisors required to enable such advisors fully to represent you; (ii) in connection with any legal or governmental proceeding (provided that you will take reasonable steps to provide Sony with sufficient prior written notice to contest such disclosure); or (iii) to any judicial, governmental or regulatory body (provided that you will take reasonable steps to provide Sony with sufficient prior written notice to contest such disclosure). At Sony's request, you shall cause each of Your Advisors to execute a confidentiality statement in accordance with the preceding sentence. You and Sony agree that the disclosure of any Confidential Information or any such material terms in the context of a formal press announcement or press conference shall be subject to your and Sony's mutual approval. You will be responsible for any breach of this subparagraph 3(a) of this Article II by any of the Smaller GAC Group or any of your Advisors. You also hereby represent that you have consulted with a lawyer chosen by you and Principal for the purpose of having the legal effect of each provision contained in this agreement explained to you, including without limitation, the tax treatment of all monies to be received by you hereunder and the legal effect of each of your obligations hereunder.

(b) Sony agrees that Sony, its affiliates, and its and their respective officers, directors, and shareholders (collectively, the "Smaller Sony Group") shall, and Sony shall instruct its and its affiliates' respective attorneys, accountants and other professional advisors (collectively, "Sony's 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 fact, matter, event or surrounding circumstance leading to or relating to the negotiation thereof to which Sony was privy or of which Sony was otherwise made aware (e.g., by being copied on correspondence or by being advised of such fact, matter, event or circumstance by another party to the negotiation) (collectively, "Confidential Information"); provided, however, that nothing in this this subparagraph 3(b) of this Article II shall prohibit disclosure of such Confidential Information: (i) to Sony's Advisors, to the extent that such disclosure is in the opinion of such professional advisors required to enable such advisors fully to represent Sony; (ii) in connection with any legal or governmental proceeding (provided that Sony will take reasonable steps to provide you with sufficient prior written notice to contest such disclosure); or (iii) to any judicial, governmental or regulatory body (provided that Sony will take reasonable  
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steps to provide you with sufficient prior written notice to contest such disclosure). Sony will be responsible for any breach of this subparagraph 3(b) of this Article II by any of the Smaller Sony Group or any of its Advisors.

Very truly yours,

SONY MUSIC, a Label Group of  
Sony BMG Music Entertainment

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By 

ACCEPTED AND AGREED TO:

GREGG ALAN CORP.

By 

An authorized signatory

ACCEPTED AND AGREED TO:

  
GREGG ZATTERMAN

255949.1  
255949.5

19

NMS [ SMLG 07-144.4(1) ]

*NMS*

TRADEMARK

RECORDED: 04/15/2008

REEL: 003760 FRAME: 0075