

MERCHANDISING LICENSE AGREEMENT

DATED:

1. **Licensor:** XXXX (“**Licensor**”)
Address & Contact Information
c/o XXXX (“**Agent**”)
Address & Contact Information
2. **Licensee:** XXXX (“**Licensee**”)
Address & Contact Information
3. **Property:** Licensor represents and warrants that it owns logos, brands and other names associated with the character YYYYYY (as illustrated, for example, on the attached Exhibit “B”), including, but not limited to, certain common law and registered trademarks, service marks and copyrights as well as other rights of endorsement, association and sponsorship relating to the character in various forms (collectively, the “**Property**”).
4. **Licensed Products:** The following merchandise utilizing, bearing, or otherwise relating to the Property: Non-fungible Tokens depicting apparel, figurines, vintage poster art, digital animation and fashion (collectively, “**Licensed Products**”).
5. **Term:** The term of this Agreement shall commence on [Initial Date] May 1, 2022, and expire on [Expiration Date] (“**Initial Term**”), unless sooner terminated as provided in Exhibit “A” attached hereto.

Renewal Term(s): N/A

“Term” refers to Initial Term and any Renewal Term(s).
6. **Exclusivity:** Non-exclusive.
7. **Territory:** Worldwide (“**Territory**”).
8. **Royalty Rate:** 50% of Net Sales of Licensed Products sold in a Primary Sale; 5% of Net Sales of Licensed Products sold in a Secondary Sale (“**Royalty Rate**”).
9. **Advance:** U.S. \$YYYYYY (“**Advance**”). The non-refundable Advance shall be made payable upon execution of this Agreement by Licensee.

The Advance and all other payments required hereunder shall be made payable, and delivered, to [Name]

PAYMENT BY WIRE TRANSFER:

[Payment information]

10. **Guarantee:** A minimum of U.S. \$XXXX (“**Guarantee**”), inclusive of Advance, paid during the Term which shall be applied against the Royalties earned during the Term.

11. **Distribution Channels:** The market(s) in which Licensee is authorized to sell and/or distribute the Licensed Products directly or through its authorized wholesalers, representatives, and/or distributors for eventual resale to the consumer: Internet sales (“**Distribution Channels**”).

12. **Product Introduction Date and First Shipment Date:**

Product Introduction Date: [Intro Date]

First Shipment Date: [First Ship Date]

13. **Copyright and Trademark Notices:** Until such time as Licensor otherwise notifies Licensee, Licensee shall attach the design as set forth in Exhibit “B” and include the following legal notice on Licensed Products, and/or packaging thereof, substantially as follows:

TM & © 20 XXXX

14. **Approvals:** All Licensed Products and any related packaging, copy, literary text, promotional and/or advertising materials, including the quality and style thereof, shall, at all stages of production, be approved by Licensor in writing prior to any distribution, sale or publication by Licensee hereunder. Such approvals or disapprovals are within Licensor's sole discretion, and any submission not expressly approved in writing by Licensor is deemed disapproved.

15. **Insurance Amount:** US\$3,000,000.00 (Certificate is attached hereto).

16. **Samples:** One (1) digital sample per SKU shall be delivered to Licensor. All samples are to be provided at the sole cost of Licensee.

17. **Miscellaneous:** 17.1 Licensee shall not, directly or indirectly, register any domain name incorporating in whole or in part the name of the Property or any other Agent’s client nor assist any third party in doing so.

17.2 Licensee shall submit forecasts of revenue quarterly on forms provided by Agent together with each Royalty Report. Licensee shall email a copy of

all forecasts and Royalty Reports to Finance@Agenticons.com.

- 17.3 Marketing Commitment: During each calendar year, Licensee, at its sole cost and expense, shall spend at least two percent (2%) of Net Sales on marketing and advertising specifically of Licensed Products (the “Marketing Commitment”). All such marketing and advertising will be subject to the prior written approval of Licensor. Within thirty (30) days after the end of each calendar year, Licensee shall provide written documentation to Licensor verifying Licensee’s expenditures for such prior year’s Marketing Commitment. Licensee’s failure to meet its obligations under this §17.3 shall entitle Licensor to terminate the Agreement pursuant to §26.9 below.
- 17.4 Non-Fungible Token (NFT): “Non-Fungible Token (NFT)” shall mean a unique digital certificate generated by a smart contract (as such term is commonly understood in the industry) that is associated with a digital asset and identifies such digital asset (including directly as part of the NFT itself or indirectly through a hash of a URL included in the NFT), which is stored and transferred on a blockchain.
- 17.5 The attached Exhibit “A” (Standard Terms and Conditions), Exhibit “B” (Property), Exhibit “C” (Royalty Report Template), Exhibit “D” (Criteria for Engagement of Licensees and Authorized Manufacturers), and Exhibit “E” (Consent for Third Party Manufacturer and Agreement by Authorized Manufacturer), are incorporated herein by this reference.

By signing in the spaces provided below, Licensee affirms that it is in agreement with the foregoing and that it has read, understands and agrees to be legally bound by this Agreement, including Exhibit “A” (Standard Terms and Conditions), Exhibit “B” (Property), Exhibit “C” (Royalty Report Template), Exhibit “D” (Criteria for Engagement of Licensees and Authorized Manufacturers), and Exhibit “E” (Consent for Third Party Manufacturer and Agreement by Authorized Manufacturer), attached and incorporated hereto. Licensee further agrees that this Agreement, consisting of the above, the attached Exhibit “A” and any rider making specific reference to this Agreement, shall also serve as an invoice to Licensee with respect to the amounts payable as set forth above and Licensee hereby agrees to pay such amounts to Licensor as and when specified above. This Agreement shall not be binding unless and until Licensee separately signs by an authorized representative and remits payment of any monies due upon execution and Licensor fully executes and delivers same to Licensee.

ACCEPTED AND AGREED TO:

LICENSOR

LICENSEE

EXHIBIT "A"

MERCHANDISING LICENSE AGREEMENT STANDARD TERMS AND CONDITIONS

These Standard Terms and Conditions shall be deemed fully incorporated in the Merchandising License Agreement ("Underlying Agreement") to which this Exhibit "A" is attached, and these Standard Terms and Conditions and the Underlying Agreement shall hereinafter be collectively referred to as the "Agreement". All terms shall, unless expressly provided to the contrary herein, have the same respective meanings as set forth in the Underlying Agreement. Unless expressly provided to the contrary herein, to the extent that any provision of these Standard Terms and Conditions conflicts with any provision of the Underlying Agreement, the Underlying Agreement shall control.

18. GRANT OF RIGHTS.

18.1 Licensor hereby grants to Licensee, and Licensee hereby accepts the non-exclusive, non-assignable, non-transferable license to utilize the Property during the Term in a manner to be approved by Licensor and only and solely on or in connection with the manufacture, advertising, marketing, sale and/or distribution of Licensed Product in the Territory, subject to the terms and conditions as set forth hereunder. Licensee shall be entitled to sell Licensed Product solely in the Distribution Channels set forth in §11 of the Underlying Agreement. No such sales shall be on an approval, consignment, guaranteed sale or return basis. Licensee agrees that it will not make or authorize any use, direct or indirect, of the Licensed Product outside the Territory or outside the Distribution Channels and that it will not intentionally sell Licensed Product to persons who intend or are likely to resell them outside the Territory or outside the Distribution Channels. No license is granted hereunder for the use of the Property for any purpose other than on or in connection with the Licensed Products as set forth herein and all such rights are hereby expressly reserved by Licensor.

18.2 No license is granted for the manufacture, sale or distribution of Licensed Products to be used as Premium Items (as defined below), for entertainment purposes as well as for retail sales, e.g., the name of a store or storefront. In the event that Licensee desires to manufacture, sell, or distribute any Licensed Product as a Premium Item, Licensee will require a separate license from Licensor for such purpose and further agrees that any third-party user of such Premium Items shall also be required to obtain a separate license from Licensor for any such use of Licensed Products. Licensor is under no obligation to approve such separate license. "**Premium Items**" shall mean any Licensed Products manufactured, distributed, sold or provided free of charge for any purpose other than sale to consumers, including, without limitation, such purposes as: increasing the sale of other items; promoting or publicizing products or service; fundraising; providing incentives to salespersons, merchants, consumers or any other persons; or serving as a tie-in for other goods or services.

19. CONSIDERATION.

19.1 Licensee agrees to pay Licensor the Guarantee specified in §10 (including the non-refundable Advance specified in §9), which shall be applied against Royalties earned during the Term. The Advance and each other installment of the Guarantee shall be credited and offset against Royalty payment obligations for Net Sales during the Term in which such payment was made. Licensee shall not be permitted to carry forward any unused credit for the Advance or any other guaranteed installment into any subsequent year of the Term.

19.2 Licensee shall pay the Royalty Rate to [Name [behalf of Licensor on all units of the Licensed Products sold and/or distributed by Licensee in a Primary Sale and if applicable, by Licensee's Distributors in a Secondary Sale. The Royalty Rate as defined in §8 above shall be a percentage of Licensee's Net Sales of the Licensed Products covered by this Agreement computed upon each unit of the Licensed

Product sold, shipped or otherwise distributed by Licensee or any of its representatives, distributors, affiliated and associated or subsidiary companies (hereinafter “**Related Companies**”). As used herein, “Primary Sale” shall mean an initial sale of the Licensed Products made by Licensee. As used herein, “Secondary Sale” shall mean any transaction relating to sale or transfer of the Licensed Products following the Primary Sale of any such Licensed Products in which fees are generated by Licensee (e.g., Licensed Products are resold by end users in-app (or otherwise, as applicable) through direct or auction sales).

19.3 “Net Sales” shall mean, with respect to each Licensed Product, the amount actually invoiced to any customer and/or any member of the Related Companies calculated at the Licensee’s highest selling price to customers, less (i) bona fide returns (provided, however, that such returns shall be supported by credit memoranda issued to customers and provided further that in no event shall such returns exceed five percent (5%) of gross sales of Licensed Products sold), (ii) documented third-party platform distribution fees (i.e., Apple and Google platform fees), and (iii) sales taxes (if applicable). No other deductions shall be permitted from Net Sales including, without limitation, deductions for cost of shipping, cost of packaging, advertising or promotional expenses, cash or volume discounts, uncollectible accounts, bad debts or other costs or expenses incurred by Licensee in the manufacture, sale, distribution, advertisement or promotion of Licensed Products.

19.4 Licensee shall be responsible for and shall indemnify, defend and hold harmless Licensor from and against all taxes, customs, duties, levies, imposts or any similar charges now or hereafter imposed or based upon the manufacture, delivery, license, sale, possession or use hereunder by or to Licensor of the Licensed Products (including, but not limited to sales, use, inventory, income and value added taxes on sales of Licensed Products), which charges shall not be deducted from any royalties or advance.

19.5 If Licensee sells any Licensed Products to any Related Company, at a price less than the regular price charged to unrelated parties, then the Royalty payable to Licensor shall be computed on the basis of the regular price charged to unrelated parties. Furthermore, Licensee shall disclose to Licensor any financial interest or control relationship Licensee may have with or in any third party to be associated with the manufacture, production, distribution, purchase or sale of any Licensed Products. Without the advance written approval of Licensor, Licensee shall not enter into any agreement or arrangement with any such third party relating to the manufacture, production, distribution, purchase or sale of any Licensed Products. Any failure to comply with the terms of this provision shall be deemed a material breach of this Agreement by Licensee.

20. PAYMENT AND REPORTING.

20.1 Licensee shall, on a quarterly basis, together with each Royalty Payment, also submit the corresponding Royalty Reports, as follows:

20.2 Royalty Reports shall be submitted to Agent on behalf of Licensor on a standard form or other mutually agreed upon format and shall be rendered regardless of whether Royalties are actually due and payable for such accounting period (see Exhibit “C”, “**Royalty Report Template**”). Royalty Reports shall state the invoice price, as applicable for each Licensed Product covered thereby; the quantities sold; any deductions for bona fide returns, documented third-party platform distribution fees (i.e., Apple and Google platform fees), and sales tax (“**Royalty Reports**”). An item shall be considered sold when it is billed, invoiced, shipped or paid for, whichever is sooner. If the Territory covers more than one country, Royalty Reports shall be prepared on a country-by-country basis. Licensee shall ensure that all Royalty Reports are received by Licensor on a quarterly basis within thirty (30) days after the close of each calendar quarter (March 31, June 30, September 30 and December 31 of each year) during the Term, commencing with the first full calendar quarter following Licensee’s execution of this Agreement.

20.3 Royalties shall be reported and paid quarterly and received by Licensor no later than thirty (30) days after the close of each quarter during the Term (each a “**Royalty Payment**”). All payments shall be made in U.S. currency by check or wire transfer from a U.S. bank and in accordance with the instructions set forth herein. The Royalty due upon sales made in non-U.S. currency will be converted to U.S. currency using the New York commercial selling rate (quoted by the Bankers Trust Company in *The Wall Street Journal* at 3:00 p.m., Eastern Standard Time), on the day Royalties are due. The cost of conversion of all currencies into U.S. dollars shall be the sole expense of Licensee. Licensee acknowledges and agrees that notwithstanding anything herein contrary, its obligation to make any Royalty Payments under this Agreement shall survive any expiration of this Agreement.

20.3.1 If any payment reaches Licensor after the due date, Licensee will also owe Licensor a late payment charge of ten percent (10%) of amount past due (or the maximum permissible by law, if less than 10%). Licensor may refer any late payments to an independent collection agency. Licensee agrees to pay any collections fees or costs in addition to the full amount of payments due and late payment charge. For the avoidance of any doubt, the late payment charge described in this § 20.3.1 is a charge for late payments and is not an interest payment.

20.4 Royalties may be computed in the currency of the country where earned and paid to the Licensor in U.S. Dollars at the exchange rate received by Licensee at the time of conversion. If any governmental authority of any foreign country, or any subdivision thereof, imposes any withholding taxes (“Taxes”) by reason of the execution or performance of this Agreement, Licensee may deduct and withhold any such Taxes imposed on Licensor from the amounts otherwise due hereunder as required by applicable law and remit to Licensor the net amount, together with any tax receipts, certificates or vouchers from the tax authorities evidencing payment of such Taxes. Licensor agrees to comply with any certification, information, documentation, or other reporting requirements necessary to obtain reduced rates under applicable income tax treaties. Notwithstanding the foregoing, if any governmental authority of any foreign country, or any subdivision thereof, imposes any stamp taxes, registration taxes, turnover taxes, or similar taxes, charges or levies (“Other Taxes”) by reason of the execution or performance of this Agreement, Licensee will bear the burden of and pay such Other Taxes and Licensee will pay to Licensor such additional amounts as may be necessary to ensure that every net payment under this Agreement after withholding for any such Other Taxes will not be less than the amount provided for in this Agreement to be due and payable. Licensee agrees to indemnify and hold harmless Licensor and its agent and representatives from all liability of whatever nature arising out of Licensee’s failure to pay any such Other Taxes. Licensor’s acceptance of any Royalty Report or Royalty Payment by Licensee shall not act as a waiver of any of Licensor’s rights hereunder, including, without limitation, Licensor’s rights to recover amounts due as a result of errors or inconsistencies in any Royalty Report. Licensee shall promptly pay all such amounts upon Licensor’s request. All payments to Licensor hereunder shall be non-refundable and shall be made without set-off of any amount whatsoever, whether based upon any claimed debt or liability of Licensor to Licensee. **All Royalties shall be payable and together with the Royalty Reports shall be sent to: Agent.**

20.5 Licensee shall keep and maintain accurate books of account and records covering all transactions relating to this Agreement. Books and records shall include, but not be limited to, invoices, correspondence, financial information, inventory records, manufacturing, quality control and approvals. Said books and records may also include a physical inventory count of Licensed Products in production and/or storage. Licensor or its designee shall be entitled to:

20.5.1 Audit and inspect such books and records, as often as it deems necessary at any time during or for at least three (3) years after the Term of the Agreement during reasonable business hours and upon five (5) days prior written notice to Licensee, and

20.5.2 Obtain copies and summaries of such books and records in advance of such inspection. Licensee shall retain all such books of account and records for a minimum of

three (3) years after expiration or termination of this Agreement. If Licensor or Licensor's duly authorized representative discovers any deficiency in any Royalties paid to Licensor for any period under audit (an “**Audit Deficiency**”), Licensee shall promptly pay such Audit Deficiency to Licensor and, if such Audit Deficiency is three percent (3%) or more of the Royalties owing to Licensor for the applicable audit period, or that any Licensed Products were sold during the audit period without final approval of Licensor, then Licensee shall, in addition to paying the Audit Deficiency, also reimburse Licensor for all costs and expenses incurred by Licensor in connection with such audit plus pay interest at the rate of one percent (1%) per month from the date the payment was originally due. Licensor’s audit costs shall be calculated on the basis of the hourly salary rates of the personnel performing the audit multiplied by a factor of 1.75. If such Audit Deficiency is twenty percent (20%) or more of the Royalties owing to Licensor for the applicable audit period, then in addition to the above, Licensor may, at its sole option, immediately terminate the Agreement upon notice to Licensee. Any termination hereunder shall not relieve Licensee of any obligation to remit any Audit Deficiency and associated costs and expenses, the unpaid portion of the Guarantee, and any other amounts owed hereunder to Licensor.

20.5.3 If Licensee or its representative confirms an audit field work appointment with the party conducting the audit on behalf of Licensor and such party is subsequently denied access to Licensee’s books and records at such confirmed date and time for any reason, Licensee shall pay all reasonable costs and expenses incurred by such party in traveling to conduct such field work.

20.6 Liquidated Damages. If, in the absence of Licensor’s explicit prior written consent, Licensee invoices, ships or sells: (a) Licensed Products prior to execution of this Agreement by Licensor; (b) Licensed Products in violation of § 21 (“Approvals”); (c) Licensed Products in violation of §18 (“Further Conditions on Grant of Rights”); (d) Licensed Products in violation of §11 (“Distribution Channels”); or (e) products bearing any intellectual property owned or controlled by Licensor that are not considered Licensed Products as defined in this Agreement; then, such invoicing, shipment, or sale shall be deemed a material breach of this Agreement. In addition to Licensor’s other remedies, Licensee shall be required to pay, as liquidated damages and not as a penalty, an amount equal to one hundred percent (100%) of Net Sales for all products invoiced, shipped, or sold in violation of this §20.6, in addition to all Royalties otherwise due on such products. Such liquidated damages shall be due fifteen (15) days after notice by Licensor. The parties agree that the foregoing liquidated damages are reasonable in light of the anticipated or actual harm caused by a breach of this §20.6, the difficulties of proof of loss and the inconvenience or nonfeasibility of otherwise obtaining an adequate remedy. Nothing herein shall preclude Licensor from enforcing the provisions of this §20.6 by pursuing any action or other remedy, all of which shall be cumulative.

20.7 Quarterly Forecasts: Licensee shall submit forecasts of revenue quarterly on forms provided by Licensor’s agent together with each Royalty Report. Licensee shall email a copy of all forecasts and Royalty Reports to Finance@Agenticons.com.

21. APPROVALS.

21.1 Licensee agrees that the Licensed Products shall be consistent with the highest quality of product otherwise produced by Licensee and others in the industry. In order to assure Licensor that it is complying with such standards, Licensee shall, before selling or distributing any Licensed Product(s), deliver to Licensor, free of all costs or charges in connection with delivery, (including without limitation shipping charges, air freight and customs charges): Initial concepts and designs for each Licensed Product; final artwork for each design; a pre-production sample for each design including all sizes, colors and variations if requested, together with all proposed associated materials, press releases, social media postings, and advertising, and any additional samples as may be required for Licensor’s use (collectively, the “**Collateral**

Materials”).

Any Licensed Product and its Collateral Materials must be approved in writing by Licensor (which approval Licensor shall have the right to withhold in its sole discretion) before Licensee may sell, distribute, advertise or use the same. Licensee agrees to comply with the Social Media Parameters imposed by Licensor, a copy of which is attached hereto as Exhibit F. Concurrently with the commencement of mass production of the Licensed Product, Licensee, at its cost and expense, shall deliver to Licensor a finished production sample pursuant to §16 above. For the avoidance of any doubt, Licensor’s failure to respond to any submission by Licensee within ten (10) business days shall be deemed a disapproval of such submission.

21.2 Licensee shall not depart from the style, quality and appearance of the approved Licensed Products and Collateral Materials in any material respect without the prior written consent of Licensor which may be withheld for any reason, and Licensee shall, when reasonably requested send samples to Licensor, or its agent, to confirm continued compliance with the standards set forth above. Any Artwork/Samples submitted by Licensee and not approved within ten (10) business days after receipt of same by Agent shall be deemed to have been disapproved.

22. ADDITIONAL SAMPLES.

22.1 Upon Licensor’s request, Licensee shall furnish Licensor, without charge, a minimum number of one (1) additional sample of each finished Licensed Product from the first production run, together with any Collateral Materials, if applicable.

22.2 Licensor and/or Agent shall have the right to purchase reasonable quantities of additional samples at the actual manufacturing cost of the Licensed Products and no Royalties shall be due or payable on such purchased Licensed Products.

23. QUALITY CONTROL/RIGHT OF INSPECTION.

23.1 Licensee represents and warrants that the Licensed Products will be merchantable, fit for the purposes for which Licensee has advertised or marketed them, and will meet the quality of like products manufactured by Licensor.

23.2 In the event that Licensee changes or modifies any samples or Collateral Materials previously approved by Licensor without Licensor’s written consent, or in the event Licensee’s manufacture, distribution, sale or marketing of the Licensed Products reflects unfavorably upon Licensor, in the reasonable opinion of the Licensor, the Property or Licensed Products, Licensor shall have the sole right to withdraw its approval, at which time this Agreement shall automatically terminate with respect to such Licensed Products and Licensee shall expeditiously seek to recall all such Licensed Products from the marketplace. Upon notice from Licensor and/or Agent, Licensee shall immediately cease all use of the Property including but not limited to, the manufacture, distribution, sale and marketing of Licensed Products to which the termination applies, and within ten (10) days thereafter shall remit all amounts, if any, due and owing to Licensor hereunder. If there are other Licensed Products under this Agreement not affected by this paragraph, this Agreement shall remain in full force and effect as to those other Licensed Products only.

23.3 Licensee shall allow Licensor or its designee to enter Licensee’s premises and all other facilities utilized by Licensee in connection with the Licensed Product during regular business hours, upon three (3) business days’ notice, for the purpose of inspecting the Licensed Products, the Collateral Materials, and/or the facilities in which they are manufactured and/or packaged. In the event that Licensor’s quality standards are not met, Licensee shall, upon written notice from Licensor, discontinue the manufacture, distribution and sale of such Licensed Products and/or related Collateral Materials. Licensee shall remedy

such failure of quality to Licensor's satisfaction within ten (10) business days after Licensee's receipt of notice thereof; failure to timely complete such remedial measures shall constitute a material breach of this Agreement and shall entitle Licensor to terminate this Agreement upon written notice to Licensee.

24. GOODWILL.

Licensee acknowledges that the Property is valuable and contains a substantial amount of goodwill, and that Licensor is the sole owner of the Property. Licensee acknowledges and agrees that it shall not acquire any rights in and to the Property, and that any goodwill generated by Licensee's use of the Property shall inure exclusively to the benefit of Licensor. Licensee shall not, during the Term, or during any extension and/or renewal thereof, or at any time thereafter, dispute or contest, directly or indirectly, Licensor's ownership in and to the Property, Licensor's exclusive right (subject to the rights granted in this license) to use and/or exploit the Property; the validity of any of the copyrights or trademarks pertaining thereto or Licensor's ownership thereof, nor shall Licensee assist or aid others whether directly or indirectly in doing so. Licensee shall not adopt or seek to register or take any action to use or establish rights in any name, mark, word (in any language), symbol, letter, or design which is confusingly similar to the Property. At Licensor's reasonable request, Licensee shall cooperate with Licensor and take reasonable steps to assist in preventing any infringement or unfair use by any third party of the Licensed Products, or the Property. The Licensor, in its sole discretion, shall determine what course of action, if any, it elects to pursue in regard to said infringement or unfair use and shall be under no obligation whatsoever to take action at Licensee's request.

25. TRADEMARKS, COPYRIGHT, PATENTS AND OTHER INTELLECTUAL PROPERTY.

25.1 Licensor shall have the right, but not the obligation, to register trademarks and/or claims to copyright for any design incorporating the Property as may be reasonably necessary, in the Licensor's sole discretion, to protect the Licensor's interests in and to the Property. Any and all applications for registration or claims to copyright, where applicable, shall identify the Licensor as the copyright proprietor in the Property only; all applications to register trademarks shall identify the Licensor as the trademark owner; and any and all trademark applications applied for in Licensee's name in connection with the Property shall be assigned at once to the Licensor at no additional cost to Licensor.

25.2 Licensee shall, at Licensor's request, provide any samples of the Licensed Products, or any photographic reproductions of the same, for use in the filing of copyright claims or trademark applications, Licensee shall provide the Licensor with the same at Licensee's expense.

25.3 It is understood and agreed that Licensor shall retain all right, title and interest in the original Property and trademarks including any associated trade dress, as well as in any modifications or improvements made to the Property by Licensee. Licensee shall promptly disclose to Licensor all material ("Works") which may qualify for copyright under U.S. or local laws and which relates to this Agreement and acknowledges that all such Works shall be deemed a "work made for hire" on behalf of the Licensor or, if such Work does not so qualify, Licensee shall upon the request of Licensor, assign, and hereby does assign, to Licensor all right, title and interest in the copyright in such Works throughout the world. Under no circumstances, however, shall Licensee continue to use any such Works specifically developed for the Licensed Products after termination of this Agreement. Similarly, Licensee hereby agrees to and does hereby assign to Licensor all designs, product configurations, product packaging, trade dress, that Licensee may use in conjunction with such Licensed Products. At Licensor's request, Licensee shall execute assignments in favor of Licensor of any and all copyrights, trademarks or other intellectual property rights relating to the Licensed Products, the Collateral Materials and/or the Property, not including any and all Licensee IP (as defined below) without further consideration and shall also assign any and all rights which Licensee may have acquired through its use of the Property in connection with this Agreement. For the avoidance of doubt and notwithstanding the any other term in this Agreement, Licensee shall retain ownership of its pre-existing trademarks, trade names, source and object code and other proprietary technology, including software, technology, programming or coding that may appear in or was created for the purpose of creating the

Licensed Products (“Licensee IP”).

25.4 Licensee represents and warrants that it will provide notice on the Licensed Products and Collateral Materials bearing any reproductions or use of the Property, as defined in §13 above.

25.5 Licensee acknowledges that the omission of said notice shall constitute a material breach of this Agreement and recourse shall be at the sole discretion of Licensor, including, but not limited to penalties and/or additional compensation for such omission Licensor may seek legal and/or equitable relief in connection therewith.

25.6 Licensee agrees to promptly notify Licensor of any actual or suspected infringements of the Property and/or the Licensed Products and to assist Licensor in protecting and enforcing such rights of Licensor.

25.7 Licensee shall not undertake or permit any copying, duplication, reproduction or other exploitation of the Property (or any portion or element thereof) except as expressly authorized hereunder.

25.8 Licensee shall ensure that no Licensed Products (including any marketing materials related thereto) contain or incorporate any names, characters and/or likenesses trademarks, service marks or trade names owned by any other third party without Licensor's prior written consent.

26. TERMINATION OF AGREEMENT.

Licensor may terminate this Agreement, or any portion thereof, upon written notice to Licensee, for any of the following reasons:

26.1 Any Licensed Products are not in distribution, shipped and/or sold throughout the Territory by either the Product Introduction Date or First Shipment Date as defined in §12;

26.2 Licensee stops manufacturing any Licensed Products, or Licensee is not, in Licensor's and/or Agent's reasonable opinion, actively marketing the Licensed Products for at least three (3) consecutive months;

26.3 Licensee replaces or terminates its insurance carrier or changes its required insurance coverage without proper notification to and approval by Licensor;

26.4 Licensee fails to remit any payment due hereunder or to deliver any of the Royalty Reports on the date due, and such default shall continue unremedied for a period of three (3) business days after written notice of such default is sent by Licensor to Licensee; provided however, that with respect to subsequent breaches under this paragraph, Licensor may terminate this Agreement immediately upon notice to Licensee;

26.5 Licensee's use of the Property violates the terms and conditions of this Agreement;

26.6 Licensee undergoes, or attempts to undergo, a Change in Control (as defined in §36.2) without Licensor's prior written consent;

26.7 Licensee assigns or transfers, or attempts to assigns or transfer, any or all of its rights or obligations under this Agreement without Licensor's prior written consent; or

Either party may terminate this Agreement if:

26.8 The other party files a petition in bankruptcy or is adjudicated a bankrupt or insolvent, or makes an assignment for the benefit of creditors, or an arrangement pursuant to any bankruptcy law, or if the other party discontinues its business or a receiver is appointed for that party or for the party's business and such receiver is not discharged within thirty (30) days; or fails to be able to meet obligations when they become due or makes an assignment for the benefit of creditors;

26.9 The other party breaches any of the terms and conditions, agreements or covenants contained in this Agreement, or there is a material breach of any representation or warranty made by that party in connection with this Agreement, and such default shall continue uncured for a period of ten (10) days after receipt by that party of written notice thereof.

27. EFFECT OF EXPIRATION OR TERMINATION.

27.1 Upon the expiration of this Agreement, all rights granted to Licensee hereunder shall automatically and immediately revert to Licensor, and Licensee shall have no further right to exploit or in any way deal with any Licensed Products, Collateral Materials or related materials, including the right to advertise, distribute, sell, or otherwise deal in any Licensed Products. In the event of any termination of this Agreement by Licensor, Licensee shall not be relieved or released from any of its obligations existing prior to such termination.

27.2 Licensee shall furnish to Licensor, not less than sixty (60) days before the expiration of the Term, and not more than five (5) days after receipt of a notice of expiration (if any) from Licensor, a statement showing the number and description of Licensed Products held by or for Licensee or in process of manufacture. Licensor shall have the right to enter all premises where the Licensed Products are located to take inventory to verify such statement, and any refusal by Licensee to submit such inventory shall forfeit any rights Licensee may have to dispose of such Licensed Products.

27.3 At the end of the Term, any Licensed Products not purchased by a Distributor for a Secondary Sale shall be destroyed at Licensee's sole cost and expense and Licensee shall deliver a certificate of destruction to Licensor promptly thereafter.

27.4 Upon expiration or early termination of this Agreement, pursuant to §26, above, all Royalty obligations, including any unpaid portions of the Advance or Guarantee, shall be accelerated and shall immediately become due and payable.

27.5 IN NO EVENT, WHETHER AS A RESULT OF BREACH OF CONTRACT, TORT, (INCLUDING THE NEGLIGENCE OF LICENSOR), STRICT LIABILITY, INDEMNITY OR OTHERWISE SHALL LICENSOR BE LIABLE FOR LOSS OF PROFIT OR REVENUES OR FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL INDIRECT OR EXEMPLARY DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT.

28. RESERVATION OF RIGHTS.

Any and all rights in and to the Property which are not expressly granted to Licensee are hereby reserved by Licensor. Any one or more of such reserved rights may be exercised or enjoyed by Licensor, directly or indirectly, at any and all times.

29. OWNERSHIP.

Neither this Agreement nor any act or omission by Licensor, nor any use by Licensee of the Property in connection with the Licensed Products shall in any way confer or imply a grant of rights, title or interest

thereto, or to any element or portion thereof or any other rights, including, without limitation, copyrights, trademarks, trade names, service marks or goodwill associated therewith, the ownership of which shall be and at all times remain solely and exclusively with Licensor. Licensor reserves all rights now known or hereafter devised in and to the Property, Licensor's copyrights and trademarks including but not limited to Licensor's name and logo throughout the universe in perpetuity to the extent it owns or controls such rights. Licensee shall be the owner and copyright proprietor of the Licensed Products which shall bear a valid copyright notice and Licensee shall hold said copyright in trust for Licensor insofar as the Property is concerned. No use by Licensor of the Property in any media or manner shall be deemed by Licensee to interfere with the limited grant made to it by Licensor pursuant hereto.

30. AUTHORIZED MANUFACTURERS & DISTRIBUTORS.

30.1 Approval of Authorized Manufacturer. Licensor may, at its sole discretion, approve or disapprove any proposed Authorized Manufacturer. Other than Licensee, only Authorized Manufacturers may manufacture Licensed Products. Licensee agrees that all Authorized Manufacturers will conduct any business on behalf of Licensor or Licensee in a manner consistent with Licensor's Criteria for Engagement of Licensees and Authorized Manufacturers, a copy of which is attached as Exhibit "D". Licensor may amend Exhibit "D", at its sole discretion, at any time upon reasonable written notice. Such amendments will be effective upon written notice to Licensee and will apply to Licensee and all Authorized Manufacturers. Licensee will promptly report any amendment to Exhibit "D" to all Authorized Manufacturers. Should Licensor determine that Licensee or its manufacturer is not in compliance with such Criteria, it shall so notify Licensee in writing and Licensee shall not continue to use such manufacturer unless and until any problems have been corrected to Licensor's reasonable satisfaction.

30.2 Requirements. Licensee will not permit any third party to manufacture anything bearing any of the Property unless and until (a) the manufacturer has been designated an Authorized Manufacturer by Licensor pursuant to §30.1, (b) the manufacturer, Licensee and Licensor first execute the Consent for Third Party Manufacturer Agreement in the form set forth in Exhibit "E", (c) the third party manufacturer executes the Agreement by Authorized Manufacturer in the form attached as Exhibit "E", and (d) Licensor expressly approves such Manufacturer. Licensee will provide to Licensor a copy of the Consent for Third Party Manufacturer Agreement signed by the Authorized Manufacturer before submitting any orders or production requests to the Authorized Manufacturer.

30.3 Appointment of Distributors. Licensee may, upon Licensor's prior written consent and approval, appoint a distributor for re-sale of the Licensed Products ("Distributor"), provided that any such Distributor agrees to be bound by all of the terms and conditions of this Agreement, and further provided that Licensee agrees to guarantee all such Distributors' full performance of this Agreement.

31. LICENSOR'S CLAIM.

Whatever claim Licensor may have against Licensee hereunder for Royalties, Advances, and/or Guarantee(s), upon the expiration or early termination of this Agreement, as well as for damages, shall become a first lien upon all Licensed Products manufactured or produced pursuant to the terms of this Agreement and in the possession or under the control of Licensee or any related companies.

32. REMEDIES.

The parties hereto recognize the unique and special nature and value of the use of the Property and agree that it would be extremely difficult and impractical to ascertain the extent of the detriment to Licensor which

would be caused in the event of any use of the Property contrary to the terms and conditions of this Agreement. The parties further acknowledge that Licensor will have no adequate remedy at law in the event

Licensee uses the Property in any way not permitted hereunder, and that Licensor shall be entitled to equitable relief by way of temporary and permanent injunction, and such other and further relief at law or in equity as any arbitrator or court of competent jurisdiction may deem just and proper, in addition to any and all other remedies provided for herein. All specific remedies provided for in this Agreement shall be cumulative and shall not be exclusive of one another or of any other remedies available in law or equity. Failure of Licensor to insist upon strict performance of any of the covenants or terms hereof to be performed by Licensee shall not be construed to be a waiver of any such other covenants or terms.

33. LICENSEE'S REPRESENTATIONS, WARRANTIES, INDEMNIFICATION & PRODUCT LIABILITY INSURANCE.

33.1 Licensee represents, warrants and agrees that: i) Licensee is a company duly organized, validly existing and in good standing under the laws of Australia; has full corporate power and authority to conduct its business as now being conducted and as contemplated hereby; and holds all necessary licenses and permits from all government entities for the proper conduct of said business; ii) Licensee has the unrestricted right, power and authority to enter into this Agreement and to perform its obligations hereunder, and neither the execution and delivery of this Agreement nor the consummation of the actions contemplated hereby will (a) violate any provisions of its charter documents, (b) violate, conflict with or constitute a default under any contract to which it is a party or (c) violate any law binding on it; iii) it will comply with all applicable laws, regulations, ordinances and other requirements, including, without limitation, all existing and future laws, regulations, and ordinances governing blockchain technology, non-fungible tokens and cryptocurrency, involving the use of the Property, the Licensed Products and the conduct of Licensee's business in connection therewith; and iv) it will not harm, misuse or bring disrepute to the Property.

33.2 Licensee hereby indemnifies and agrees to defend and hold harmless forever Licensor, Agent, and their respective agents, representatives, employees, attorneys, successors and assigns from and against any and all claims, demands, losses, costs and expenses (including attorneys' fees reasonably incurred by Licensor and/or Agent), investigations, damages, judgments, penalties and liabilities of any kind or nature whatsoever, directly or indirectly arising out of, resulting from, relating to or connected with: i) the production, distribution, display, use, or exhibition of the Licensed Products by Licensee or any of Licensee's related entities, employees, agents, subcontractors, distributors or manufacturers; ii) any unauthorized use by Licensee of the Property; iii) any breach of any representation, warranty or covenant of Licensee hereunder including, but not limited to its failure to comply with any applicable Data Protection Laws (as defined in § 38.2 below); iv) any defect in or use by any person or entity of any Licensed Products; v) any defamation by Licensee or invasion of the right of privacy, publicity or other personal or property right; vi) any breach of any confidentiality or trade secret provision or agreement; vii) any use of any patent, process, method or device, not licensed hereunder; or viii) any infringement of any copyright or trademark not licensed hereunder by Licensor, all whether alleged or actual. Licensee shall, promptly upon receipt of notice of any such claim, defend such claim at Licensee's sole cost and expense using counsel reasonably acceptable to Licensor; or Licensor, at its option, may engage counsel and defend such claim at Licensee's sole cost and expense for which Licensee shall pay within ten (10) business days upon being invoiced therefore. No settlement of any claim for which indemnity shall be made hereunder shall be made by Licensee without the prior written consent of Licensor.

33.3 Licensee will obtain and maintain, at its sole cost and expense, during the Term and for a period of five (5) years thereafter, commercial general liability insurance from a qualified insurance carrier licensed to do business in the State of New York and having a Best Rating of at least A- (including, without limitation, bodily injury coverage, personal injury, product liability, cyber liability, property damage, and casualty loss) equivalent to three million U.S. dollars (US\$3,000,000), naming Licensor and Agent as additional insured under said policy, with a deductible of not more than ten thousand U.S. dollars

(US\$10,000.00) (certificate of which shall be furnished to Licensor), providing adequate protection for

Licensor, Agent and their respective officers, agents, and employees against any claims, demands, costs and liabilities of any kind arising out of or in connection with any Licensed Products or any use thereof. Such insurance policy shall be in effect within ten (10) days after the execution of this Agreement and provide that it may not be canceled or materially modified without at least fifteen (15) business days written notice to Licensor. Such policy shall contain an endorsement that negates the "other insurance" clause in the policy and a statement that the insurance provided is primary and that any similar insurance carried by Licensor is neither primary nor contributing.

34. LICENSOR'S REPRESENTATIONS AND WARRANTIES.

34.1 Licensor represents and warrants that it: i) owns and possesses all right, title and interest in and to the Property in the Territory for use in connection with the Licensed Products; ii) is a corporation duly organized, validly existing and in good standing under the laws of the State of California; iii) has full corporate power and authority to conduct its business as now being conducted and as contemplated hereby; and iv) holds all necessary licenses and permits from all government entities for the proper conduct of said business; v) has the unrestricted right, power and authority to enter into this Agreement and to perform its obligations hereunder; and vi) neither the execution and delivery of this Agreement nor the consummation of the actions contemplated hereby will: (a) violate any provisions of its charter documents, (b) violate, conflict with or constitute a default under any contract to which it is a party or (c) violate any law binding on it; and vii) it will comply with all applicable laws, regulations, ordinances and other requirements involving the use of the Property and the conduct of Licensor's business in connection therewith.

34.2 Should any third party assert a valid claim, demand, or cause of action against Licensee asserting that Licensee's use of the Property as authorized under this Agreement infringes upon said third party's rights, Licensor shall undertake and conduct the defense of any such valid claim, demand or cause of action. Licensee may, but shall not be obligated to, join in such defense and be represented by its own counsel. If Licensee elects to be represented by its own counsel, Licensee shall bear its own attorney's fees. Licensee agrees that Licensor shall have the sole and final decision concerning the disposition of any action which involves the Property and has the right to order Licensee to dispose of inventory and all works in progress as it sees fit. Licensor shall also have the right, in its discretion, to institute and prosecute lawsuits against third persons for infringement of the rights licensed in this Agreement. Any such lawsuit shall be prosecuted solely at the cost and expense of Licensor and all sums recovered in any such lawsuits, whether by judgment, settlement or otherwise, shall be retained solely and exclusively by Licensor. Upon request of Licensor, Licensee shall execute all papers, testify on all matters, and otherwise cooperate in every way necessary and desirable for the prosecution of any such lawsuit. Licensor shall reimburse Licensee for all reasonable legal expenses incurred as a result of such cooperation.

35. RELATIONSHIP.

This Agreement does not constitute and shall not be construed as constituting a partnership, agency, or joint venture between Licensor and Licensee. Licensee shall have no right to obligate or bind Licensor in any manner whatsoever and nothing herein contained shall give or is intended to give any right of any kind to any third party.

36. ASSIGNMENT, CHANGE IN CONTROL, AND REORGANIZATION.

36.1 This Agreement is personal to Licensee who has been chosen specifically by Licensor for, among other reasons, its reputation, expertise and ability to perform this Agreement. Licensee shall not assign, sublicense, encumber, pledge or otherwise transfer any or all of its rights or obligations under this Agreement without Licensor's prior written approval in its sole discretion. Licensor may assign this Agreement in its sole discretion to any entity, including one controlled by, controlling or under common

control with Licensor. Despite any such approved assignment or other transfer, the assignor or transferor shall, after such assignment or transfer, continue to guarantee its obligations under this Agreement and shall ensure that its permitted assignee or transferee agrees in writing to be bound by all the provisions of this Agreement. No assignee or transferee shall acquire any rights greater than those of the assignor or transferor under this Agreement. The foregoing restrictions on transfer and assignment shall be binding on all permitted assignees or transferees.

36.2 Licensor shall have the right to either continue or terminate this Agreement because of a Change in Control, except for transactions described in §36.3. In the event that Licensee intends to enter into a transaction or series of transactions that will result in a Change in Control, Licensee shall immediately give written notice to Licensor. At the time Licensee gives such notice, Licensee shall provide Licensor with all information and documentation necessary for Licensor to evaluate the contemplated transaction. Licensee will provide additional information as reasonably requested by Licensor. Within 30 days after receiving appropriate information and documentation, Licensor shall advise Licensee in writing as to whether it will continue or terminate this Agreement because of the Change in Control, pursuant to §§ 36.2.1 and 36.2.2. As used herein, a “Change in Control” shall mean any transaction or series of related transactions which would result in (i) the transfer of fifty percent (50%) or more of Licensee’s outstanding capital stock or voting securities whether by sale, merger, consolidation, reorganization or otherwise, (ii) the transfer of capital stock or other voting securities of Licensee possessing the voting power to elect fifty percent (50%) or more of the members of Licensee’s board of directors or other managing body whether by merger, consolidation, reorganization or issuance, sale or transfer of Licensee’s capital stock or voting securities, or (iii) the sale of all or substantially all of Licensee’s assets.

36.2.1 Continuation of Agreement. Licensor in its sole discretion may decide to continue this Agreement despite the Change in Control and may decide that it will continue this Agreement subject to such terms and conditions as Licensor deems appropriate including payment by Licensee of a fee to Licensor (“**Transfer Fee**”). The Transfer Fee is equal to the Guarantee payable to the Licensor under this Agreement and shall be consideration to Licensor for, among other issues, Licensor’s potential harm from loss of business from any transition caused by the Change in Control, or from the identity, reputation, creditworthiness, financial condition and business capabilities of Licensee following the Change in Control. Licensee shall pay the Transfer Fee to Licensor upon consummation of the Change in Control. The Transfer Fee shall not be applied in recoupment or reduction of any Guarantee or any other payments payable to Licensor under this Agreement.

36.2.2 Termination of Agreement. Licensor may in its sole discretion decide to terminate this Agreement because of the impending Change in Control (including the situation where Licensee does not agree to any of the terms and conditions required by Licensor in §36.2.1). Upon such termination, Licensee shall immediately pay Licensor a termination fee (“**Termination Fee**”) equal to the Guarantee payable to Licensor under this Agreement. If the remaining Term of this Agreement (including any automatic renewals and any conditional renewal where the condition is likely to be satisfied if the Agreement were not terminated) is less than 18 months, then the Termination Fee will be pro-rated based on the period of time remaining in the Term. The Termination Fee shall be consideration to Licensor for loss of business while seeking another licensee and completing the transition to the new licensee.

36.3 Despite §§ 36.1 and 36.2, Licensee shall be free, with 30 days’ prior written notice to Licensor (with no consent required), to assign or transfer this Agreement in its entirety to one or more of Licensee’s “Affiliates” as part of a corporate reorganization exclusively among entities that were all existing Affiliates of Licensee on the date this Agreement is signed; provided, however, that the transfer of Licensee’s rights

under this Agreement is not a purpose of such reorganization and provided that the rest of the provisions of

§36.1 (other than Licensor’s consent rights) shall apply to any permitted assignment. Upon such assignment of this Agreement to Licensee’s Affiliate, such Affiliate as well as Licensee shall be subject to all the terms and conditions of this Agreement. Despite such assignment or transfer to an Affiliate, it is specifically agreed that the provisions of §36.2 including Licensor’s right to elect to continue or terminate this Agreement as a result of a Change in Control will be triggered by a Change in Control of such Affiliate. “**Affiliate**” means any entity that controls, is controlled by, or is under common control, with Licensee, whether by virtue of ownership, voting power, management or otherwise.

37. NOTICE.

Whenever notice is required to be given under this Agreement, it shall be deemed to be good and sufficient notice if in writing, signed by an officer or an authorized agent of the party serving such notice and sent by telegram, telefax, or mailed by registered or certified mail, or personal delivery or overnight air to the other party at the address stated below in this §37 unless notification of a change of address is given in writing. Notice shall be deemed given as of the dates such notice is given to the following:

On behalf of Licensor:

Licensee:

38. CONFIDENTIALITY & DATA PRIVACY LAWS.

38.1 Confidentiality. This Agreement constitutes a confidential business relationship between the parties. Each party hereto acknowledges that significant damage could be done to the other party should the terms of this Agreement become public knowledge. Both parties agree that they will not reveal the terms of this Agreement to any third party (excluding agents, attorneys, representatives, and others with whom they have a legal obligation to disclose) and that they will exercise reasonable precautions to ensure that neither they nor their employees or agents shall allow the terms of the Agreement to become public knowledge.

38.2 Compliance with Data Privacy Laws. Licensee represents and warrants that it will comply with, and shall cause its third-party manufacturers and distributors to comply with, all data protection laws, including, without limitation, the California Consumer Privacy Act (“CCPA”), the EU General Data Protection Regulation 2016/679 of the European Parliament and of the Council (“GDPR”), if applicable, and/or all other applicable data protection or national/federal or state/provincial/emirate privacy legislation in force, including where applicable, statutes, decisions, guidelines, guidance notes and codes of practice, codes of conduct and data protection certification mechanisms issued from time to time by courts, any supervisory authority, and other applicable authorities (the “Data Protection Laws”). To avoid doubt, Licensee shall be and remain the data controller as defined under the Data Protection Laws for any data it obtains. In no event shall Licensor have visibility or access to any personal data obtained by Licensee.

39. CLEARANCES.

Notwithstanding any rights granted by Licensor herein with respect to the Property, Licensee shall be solely responsible for obtaining all consents and permissions necessary in connection with the activities contemplated hereby including, without limitation, all permissions from copyright owners of all photographs, images, illustrations, stills, music, sound recordings, audio visual recordings and/or artwork used in the advertising, sale or distribution of the Licensed Products and all persons appearing therein,

whether depicting the Property or otherwise.

40. NO MODIFICATION; WAIVER.

The terms of this Agreement shall not be modified except by an agreement in writing signed by both parties hereto. No waiver by either party of a breach or default hereunder shall be deemed waiver by such party of a subsequent breach or default of a like or similar nature.

41. GOVERNING LAW.

41.1 This Agreement, its validity, construction and effect, shall be governed and construed in accordance with the laws of the State of XXXX, United States of America, without reference to its conflicts of laws principles.

41.2 Nothing in this Agreement is intended to be contrary to the laws of any country or political sub-division thereof. In the event that any of the paragraphs or particular terms or conditions set forth herein are held to be unenforceable by a court of record with competent jurisdiction, such paragraph or particular term of condition therein shall be deemed to be modified to the extent required within the jurisdiction of such Court and the Agreement shall otherwise remain in full force and effect in such jurisdiction and in its entirety in other jurisdictions.

41.3 While any action relating to this Agreement is pending, Licensee shall remain obligated to continue to pay Royalties as provided herein.

42. MEDIATION/ARBITRATION.

42.1 If a dispute arises out of or relates to this contract, or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Procedures before resorting to other dispute resolution procedure. Both parties acknowledge and consent that arbitration shall be the sole, mandatory and exclusive forum to settle any controversy or claim arising out of or relating to this Agreement, or the breach thereof.

42.2 Any controversy or claim arising out of or relating to the Agreement, or breach thereof, shall be settled by arbitration in XXXX, in accordance with the then in-effect Rules of the American Arbitration Association. The judgment upon the award rendered by the arbitrator(s) may be entered in any court having the jurisdiction thereof. The prevailing party shall be entitled to an award of any and all of its attorneys' fees, and costs of other expenses reasonably incurred in connection therewith, in addition to any other relief to which such party may entitled.

43. FORCE MAJEURE.

No failure or omission by either of the parties to perform any of its obligations under this Agreement shall be deemed a breach of this Agreement if such failure or omission is the result of acts of God, war, riot, accidents, pandemic, compliance with any action or restriction of any government or agency thereof, strikes or labor disputes, inability to obtain suitable raw materials, fuel, power or transportation, or any other factor or circumstance beyond the control of the party, which is not attributable to the negligence of such party. Any suspension of performance by reason of this § 43 shall be limited to the period during which such cause

of failure exists, but such suspension shall not affect the running of the Term of this Agreement.

44. ENTIRE AGREEMENT.

This Agreement shall constitute the entire understanding of the parties with respect to the subject matter contained herein, superseding all prior and contemporaneous promises, warranties, representations, covenants, agreements and understandings, whether written or oral pertaining thereto.

45. COUNTERPARTS.

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same Agreement.

46. PREVAILING LANGUAGE.

The English language version of this Agreement shall be controlling in all respects and shall prevail in case of any inconsistencies with translated versions, if any.

47. ELECTRONIC SIGNATURES.

This Agreement may be executed by providing an electronic signature under the terms of the Electronic Signatures Act, 15 U.S.C. § 7001 et. Seq. The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement.

END OF STANDARD TERMS AND CONDITIONS.

EXHIBIT "B"

PROPERTY

EXHIBIT "C"

ROYALTY REPORT TEMPLATE

Contract
Party
Period End Date
Date Reported
Returns Total
Currency

Indicate the Contractually
Granted Licensed Property Utilized

Indicate the Contractually
Granted Product Sold

SKU#	Description	Property	Product	Territory	Channel	Sales Type	Units	Price	Gross Sales	Return Units	Returns	Net Units	Net Sales	Royalty %	Royalty Payable
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EXHIBIT "D"

CRITERIA FOR ENGAGEMENT OF LICENSEES AND AUTHORIZED MANUFACTURERS

Labor and Workplace Standards. Licensee covenants, and agrees to require all Authorized Manufacturers to covenant:

- a) That wages and overtime pay practices comply with the standards set by law, including the payment of compensation for overtime hours at such premium rates as is legally required in that country, but not less than at a rate equal to their regularly hourly compensation rate.
- b) That working hours must not exceed prevailing local work hours in the country where the work is to be performed, except with respect to appropriately compensated overtime; must not require in excess of a 60-hour week on a regularly scheduled basis; and must permit at least one day off in every 7-day period.
- c) That no one under the legal minimum age is employed in any stage of manufacturing; that a minimum age of 14 applies in all circumstances, but notwithstanding the foregoing, that C138 Minimum Age Convention (1973) and C182 Worst Forms of Child Labor Convention (1999) of the International Labor Organization apply.
- d) That no forced or prison labor is employed*, that workers are free to leave once their shift ends, and that guards are posted only for normal security reasons.
- e) That all workers are entitled to sick and maternity benefits as provided by law.
- f) That all workers are entitled to freely exercise their rights of employee representation as provided by local law.
- g) That factories provide a safe and healthy working environment for their employees and comply with or exceed all applicable local laws concerning sanitation and risk protection.
- h) That the factory is properly lighted and ventilated and that aisles and exits are accessible at all times.
- i) That there is adequate medical assistance available in emergencies and that designated employees are trained in first aid procedures.
- j) That there are adequate and well-identified emergency exits, and that all employees are trained in emergency evacuation.
- k) That protective safety equipment is available, and employees are trained in its use.
- l) That safeguards on machinery meet or exceed local laws.

m) That there are adequate toilet facilities which meet local hygiene requirements and that they are properly maintained.

n) That there are facilities or appropriate provisions for meals and other breaks.

o) If a factory provides housing for its employees, it will ensure that dormitory rooms and sanitary facilities meet basic needs, are adequately ventilated and meet fire safety and other local laws.

p) That all employees are treated with dignity and respect and that no employee shall be subjected to any physical, sexual, psychological or verbal harassment or abuse.

q) That no mental or physical disciplinary practices are employed.

r) That factories shall recognize and respect the rights of employees to associate, organize and bargain collectively in a lawful and peaceful manner, without penalty or interference.

s) That factories shall not discriminate on the basis of race, religion, age, nationality, social or ethnic origin, sexual orientation, gender, political opinion or disability.

Compliance. Licensee further covenants, and agrees as follows:

a) The purpose of this Exhibit “D” is to establish a standard of performance, to educate, and to encourage a commitment to responsible manufacturing, not to punish.

b) To determine adherence, Licensee will evaluate its own facilities as well as those of its Authorized Manufacturers. Licensee will examine all books and records and conduct on-site inspections of the facilities and request that its Authorized Manufacturers follow the same practices with subcontractors.

c) An annual statement of compliance with this Exhibit “D” should be signed by an officer of each Authorized Manufacturer.

d) Contracts for the manufacture of Licensed Products should provide that a material failure to comply with this Exhibit “D” or to implement a corrective action plan on a timely basis is a breach of contract for which the contract may be canceled.

e) Because of the great diversity in the kinds of Licensed Products manufactured and the manufacturing methods used, as well as the wide range in factory sizes and numbers of employees, a rule of reason must be used to determine applicability of these provisions.

f) This Exhibit “D” should be posted or available for all employees in the local language.

*Many countries recognize that prison labor is essential to the rehabilitation process. This provision prohibits the exportation of prison-made goods to countries that prohibit or restrict the importation of such goods.

EXHIBIT "E"

CONSENT FOR THIRD PARTY MANUFACTURER

Licensee:

Ladies and Gentlemen:

Reference is made to the Agreement dated as of _____ by and between _____ ("Licensor"), c/o Agent ("Agent") and _____ ("Licensee"), for the territory of _____ (the "License Agreement"). Licensor hereby consents to the manufacture of the Licensed Products named below by the manufacturer named below upon the following conditions to which Licensee agrees: (1) that the said manufacturer will sign and agree to be bound by the Manufacturer's Agreement attached hereto; (2) that said manufacturer will fully comply in all respects with the License Agreement; and (3) that Licensee will continue to be bound by all the conditions and terms of the License Agreement, and will be responsible for ensuring compliance by the manufacturer with the conditions and terms of the License Agreement, including compliance with all of its quality control requirements. Failure by the manufacturer named below to comply with any of the said conditions and terms will entitle Licensor to terminate the Manufacturer's Agreement and require that the portion of all copies, molds, or other devices relating to the placement of the Property on the Licensed Products in possession of Licensee or the named manufacturer be immediately delivered to Licensor or be destroyed to the satisfaction of Licensor.

Manufacturer:

Products:

Country of Manufacture:

LICENSOR

By: _____

Print Name: _____

Title: _____

Date: _____

LICENSEE

By: _____

Print Name: _____

Title: _____

Date: _____

EXHIBIT "E" (continued)

AGREEMENT BY AUTHORIZED MANUFACTURER

Name and Address of Manufacturer:
Country of Manufacturer:
Name and Address of Licensee:
Expiration Date of License:
Licensed Products:
Property:

In order to induce _____ to consent to the manufacture of the Licensed Products using the Property by the undersigned (the "Manufacturer"), Manufacturer agrees that:
It will comply in all respects with the _____ Merchandising License Agreement dated _____ by and between _____ ("Licensor"), c/or Agent ("Agent"), and _____ ("Licensee") expiring on _____ and it has been furnished a copy thereof.
Manufacturer will not manufacture the Licensed Products to the order of anyone except the Licensee, will only invoice the Licensee, will not ship to anyone other than the Licensee or Licensee's designees and will not ship after the expiration date of the License;

Manufacturer will hold strictly confidential all information related to the Licensed Products;

Manufacturer will not subcontract production of the Licensed Products;

Manufacturer will not manufacture any products or merchandise utilizing the Property other than on the Licensed Products;

Manufacturer will permit an authorized representative of Licensor upon request and five (5) days' notice to inspect its activities and premises, accounting books, and invoices relevant to its manufacture and supply of the Licensed Products;

Manufacturer will not publish or cause the publication of pictures of the Licensed Products in any publication or promotional material, nor promote or advertise the fact that it is permitted to manufacture the Licensed Products; and

Upon expiration or termination of the License Agreement, or upon notification by Licensor, Manufacturer will immediately cease manufacturing the Licensed Products and deliver to Licensor or its authorized representative that portion of any and all molds, plates, engravings, or other devices used to reproduce the Property or will provide Licensor with evidence that the Property have been removed.

[MANUFACTURER'S NAME]

Date: _____

Signature: _____

Print Name: _____

Title: _____

Exhibit F

SOCIAL MEDIA PARAMETERS

1. Licensee understands that Licensor supports their success, and if these guidelines and parameters are respected and followed, Licensor will selectively engage and promote Licensee's product through sharing and engaging with relevant social posts, as well as occasional organic posts directly on Licensor's platforms, including the official site of the Property.
2. Licensor's names or any names that include Licensor's characters, may not be used in any profile name, username, or URL on any online website, social media platform or online group or community without written approval from Licensor, which approval may be withheld at Licensor's sole discretion.
3. Any social accounts with profile mentions of any of Licensor's names/properties must be @ mentions linked to those official profiles (rather than hashtags). If a Licensor related account is unable to be tagged on a particular Platform, a hashtag is acceptable in its place.
4. Posting or sharing of any of Licensor's related images, photos, and/or references to events and/or activities that are unrelated to the licensee's actual product shall be subject to Licensor's prior approval. All fan art re-posts or posting of old art (pre-2020) or non-official image or video of any kind should be pre-approved by Licensor before posting. Re-posting and sharing of images or videos posted on Licensor's Instagram platforms is permitted and encouraged.
5. Licensee agrees not to make proprietary references to the Trademarks and/or any Licensor-related cartoons (e.g., "our characters" or "our cartoons"). @ mentions must be used to tag official accounts when posting any comments anywhere on social media related to Licensor's brand, films or characters. Engagement is encouraged, and when seen Licensor will click and engage to support where appropriate.
6. Irrelevant hashtags or those noting any other brand, person, film, or entertainment entity not associated with the licensed product should not be included in any posts about any of Licensor's films or property. Helpful hashtags that are directly relevant to the post and product are permitted, such as #property, #licensor, etc.
7. In all social posts that mention the Property or Licensor, @ sign mentions that link to those official accounts should always be used. This also allows Licensor to engage and further help to promote Licensee's product.
8. Licensee should not be promoted on any of the platforms specifically prohibited by Licensor. This includes collab posts on Instagram and sharing or tagging of Licensee's product or accounts on any of the platforms. These brands are to be kept completely separate. The exception to this is cartoon screenings or special events, when pre-approved by Licensor, where Licensee will be present as a sponsor or vendor. All posts about screenings of Licensor's cartoons must contain an @Licensor mention.