## **CONSULTING AGREEMENT**

This Agreement is made and entered into this day of, 2011 (the " <u>Effective Date</u> "), by and between Fawi, Inc., a New York corporation, ("Company"), and, an Individual (" <u>Artist</u> ").
RECITALS
WHEREAS, Company desires to engage Artist, and Artist desires to provide consulting services to the Company, all as set forth in this Agreement.
NOW THEREFORE, in consideration of the premises and mutual agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Company and Artist hereby agree as follows:
1. Artist's Services and Responsibilities.
2. <u>Engagement</u> . The Company hereby engages Artist and Artist hereby agrees to render to the best of his/her ability, at the request of the Company, musical services for recording purposes.
3. Services. Artist shall work with the Company to provide the Company with recordings (which shall be recorded on) and structure for an instructional video ("Work") which can be purchased in either DVD or on-line format and will be sold worldwide via various sales channels. Works shall include recordings which were not included in the final product of the instructional video as a result of editing during the production process.
4. <u>Warranty</u> . Artist warrants that: (i) the Services will be performed in a professional and workmanlike manner and (ii) Artist has the full right to provide the Company with the assignments and rights provided for herein.
5. Financial Terms.
6. <u>Compensation</u> . As consideration for Artist's performance of the

7. <u>Accompanying Artists</u>. Should the Artist choose to engage other artists in order to help perform the Services, the Artist shall be responsible for all costs and

Services, the Company shall pay the Artist in accordance with the terms provided in

Exhibit A incorporated herein to this Agreement.

fees associated with such hiring.

8. <u>Artist's Intellectual Property.</u> Company acknowledges that the Artist may own intellectual property such as but not limited to: songs and compositions ("Artist's IP") prior to the Effective Date of the Agreement. The Artist agrees that if the performance of the Services requires the Company to record the Artist's IP, the Artist shall not require

remuneration for recordation or duplication of the Artist's IP as it relates to the performance of the Services. Artist further acknowledges and agrees that if the Company sells any DVD or on-line videos which contain the Artist's IP as a result of the performances of the Services, Artist shall only be entitled to the Compensation outlined in Exhibit A of the Agreement.

- 9. <u>Payment Schedule.</u> Artist shall be paid on a quarterly basis and will be paid via PayPal on the 15<sup>th</sup> day of the month following the end of each calendar quarter in which Company receives payment for the Work.
- 10. <u>Discount</u>. Artist shall be entitled to purchase, from the Company, the Work created by the Artist in DVD format at a discount which shall be 75% off of the retail price ("Discounted Rate"). In the event that the Discounted Rate prevents the Company from making a minimum of eight dollars (\$8.00) from the sale of the DVD to the Artist, the Company shall be entitled to change the Discounted Rate provided that the Company provides the Artist five (5) days notice regarding such change.

DVDs purchased at the Discounted Rate for resale may only be sold at concerts and clinics where the Artist performs ("Event"). Artist is prohibited from selling DVDs purchased at the Discounted Rate via an on-line retailer such as but not limited to: Cdbaby.com, Ebay.com, or the Artist's personal website; or at any other commercial outlet that is outside the scope of the Event ("Prohibited Transaction"). In the event, that the Company discovers that the Artist is engaging in a Prohibited Transaction, the Artist shall cease engaging in the Prohibited Transaction and shall be responsible for paying the Company all profits gained from the Prohibited Transaction. The Company shall also be entitled to pursue other legal remedies.

- 11. Intellectual Property Rights.
- 12. <u>Assignment of Exclusive Rights by the Artist.</u> Upon the performance of the Services, Artist shall assign to the Company all of his/her rights, title, and interest to Artist's performance for this Video Recording for distribution and commercial exploitation worldwide.

Nothing in this agreement will serve to limit or restrict the Artist's right to use any of his underlying instructional materials used in this video in any way, including but not limited to future publication, performance or other commercial exploitation of these materials.

13. Purchase Option to Exclusive Rights. If the Company chooses to terminate sales of the Work ("Termination"), the Company shall provide the Artist with written notice of the Termination and the Artist shall have the option to purchase the Work(s) and all of the rights stated in the above paragraph for two thousand dollars (\$2,000.00) for each individual Work. Artist shall have 90 days from the date of the written notice of the Termination to exercise the Purchase Option.

## 14. Miscellaneous.

- 15. <u>Governing Law and Jurisdiction</u>. This Agreement shall be governed and interpreted in accordance with, and the rights of the parties shall be determined by, the laws of the State of New York, without application of principles of conflict of laws.
- 16. Severability. If any provision of this Agreement shall be declared invalid or illegal for any reason whatsoever, then notwithstanding such invalidity or illegality, the remaining terms and provisions of this Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein. In the event that any provision of this Agreement is determined by any court of competent jurisdiction to be unenforceable by reason of excessive scope as to geographic, temporal or functional coverage, such provision will be deemed to extend only over the maximum geographic, temporal and functional scope as to which it may be enforceable.
- Agreement shall be valid unless made in writing and executed by each of the parties hereto. This Agreement (including the Exhibits and incorporated herein by reference thereto) contains the entire agreement among the parties regarding the subject matter hereof and supersedes all other written or oral understandings thereon. The failure of any party to require the performance of any term or obligation of this Agreement, or the waiver by any party of any breach of this Agreement, in any particular case will not prevent any subsequent enforcement of such term or obligation to be deemed a waiver of any separate or subsequent breach.
- 18. <u>Counterparts</u>. This Agreement may be executed in one or more counterparts, and each executed counterpart shall be considered as the original.
- 19. <u>Successors</u>. This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors and representatives.
- 20. <u>Further Actions</u>. Each of the parties agrees that it shall hereafter execute and deliver such further instruments and do such further acts and things as may be required or useful to carry out the intent and purpose of this Agreement and as are consistent with the terms hereof.
- 21. <u>No Contract of Employment</u>. Except as expressly provided herein, this Agreement shall not be construed as a contract of employment between Artist and the Company or as a commitment on the part of the Company to retain Artist in any capacity for any period of time.
- 22. <u>Assignment.</u> This Agreement and the Services contemplated hereunder are personal to Artist and Artist shall not have the right or ability to assign, transfer, or subcontract any obligations under this Agreement without the written consent of the Company. Any attempt to do so shall be void.

23. <u>Confidentiality</u> . Artist and Company agree to keep the terms of this agreement strictly confidential.
24. <u>Execution of Agreement</u> . Artist and the Company agree that the Agreement may be executed and will be considered valid if executed via digital or electronic signature.
IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.
Fawi, Inc.
By: Falk Willis, President
By:, Artist

## **EXHIBIT A: COMPENSATION STRUCTURE**

Artist shall be entitled to fifty percent (50%) of the net profits received from the sale of the Work ("Compensation"). Net profits shall be defined as the monies remaining after the following costs, to the extent that they have been incurred, have been deducted:

- 1. A flat one-time fee in the amount of \$1,000 (of which \$500 shall be the Artist's contribution) which shall cover a portion of the production costs of the Work;
- Expenses incurred for licenses or royalties needed for the Artist to perform
  copyrighted materials. In the event that the Company is able to obtain one or
  more blanket license(s) that permit(s) the Company to use the license for
  recordings for multiple artists; a pro-rata share of the cost of the license shall be
  deducted;
- 3. Credit card processing fees;
- 4. A flat fee in the amount of \$5 per each DVD sold, for DVD production costs;
- 5. A flat fee in the amount of \$5 per any streaming-video product, for hosting fees of the video (equivalent to DVD production costs above); and
- 6. Fees incurred or discounts given in order to sell the Work via a third party (such as, but not limited to: Amazon.com and any affiliates of the Company).