

## DISTRIBUTION AGREEMENT

### BIG T RECORDS

Dated as of April 20<sup>th</sup>, 2026

Artist:

The Owls  
\_\_\_\_\_

Dear \_\_\_\_\_ :

This is an exclusive distribution agreement between *Big T Records* and *The Owls*, as follows:

1. The artist agrees to work exclusively with the label with respect to the recording and distribution of sound recordings during the term of this agreement. The initial term of this agreement shall continue until the delivery and commercial release of one (1) album, but in no event longer than two (2) years from the date this agreement is signed. The label shall have the option to extend the term for up to two (2) additional album periods, each exercised in writing, provided the label has fulfilled its obligations under this agreement. If the label fails to commercially release any completed album within six (6) months of delivery, the artist shall have the right to terminate this agreement upon written notice. Exclusivity under this agreement shall apply only to the recording and distribution of music.

2. The label will support the artist's career in the following areas: (a) The label will support the artist in the creation of music by providing resources, including access to producers and other industry professionals. The label agrees to fund and support the production of at least three (3) album projects within five (5) years of this agreement. The label shall use commercially reasonable efforts to ensure timely production and release of such projects. (b) The label will assist in planning and coordinating live performance opportunities for the artist, including concerts, music festivals, commercial shows, television appearances, and other similar events. All such activities shall be subject to the artist's reasonable approval, and nothing in this section shall restrict the artist's independent live performances. (c) The label will support the artist in developing their public image and brand. This includes guidance on styling, visual presentation, and professional conduct, with the goal of improving the artist's public presence. Final decisions regarding the artist's image, branding, and creative direction shall remain with the artist. (d) The label will assist the artist in negotiating business opportunities with third parties, including brand partnerships, endorsements, and licensing deals. The label will secure favorable terms while protecting the artist's legitimate interests. The artist shall have the right to approve or reject any such agreements, and nothing in this section shall prevent the artist from independently pursuing non-conflicting opportunities. (e) The label will promote the artist through social media accounts on mainstream media, such as Instagram and TikTok. The artist shall retain ownership of all social media accounts associated with their name, image, and brand. During the term of this agreement, the label has the right to

manage, operate, and use these accounts for promotional purposes, subject to the artist's reasonable approval. Any revenue generated from social media activities will be included in the total revenue and shared according to the terms of this agreement. Any revenue generated from social media activities. The artist will have the right to independently post at least three (3) original posts per week on social media accounts. (F) The artist cannot independently enter into advertising, endorsement, or commercial agreements through personal channels during the term of this agreement, except under the following conditions: If, after two (2) years from the start of this agreement, the artist's social media following has not reached 500,000 followers; or if the artist's social media following reaches 1,000,000 followers. Under either condition above, the artist may independently accept advertising or endorsement deals. Any revenue generated from such deals will be shared, with forty percent (40%) to the label and sixty percent (60%) to the artist. This restriction shall apply only to opportunities directly related to recorded music and shall not limit the artist's ability to pursue independent business or creative activities that do not conflict with the label's rights under Section 1.

3. (a) Revenue includes all income earned by the artist directly related to the exploitation of recorded music and label-secured activities under this agreement, including but not limited to income from live performances, endorsements, brand partnerships, and music rights (including, but not limited to, streaming income and licensing for film, television, and other media). Revenue generated independently by the artist outside of label involvement shall not be included unless otherwise agreed in writing. Revenue sharing will be based on net revenue, meaning the amount remaining after deducting agreed costs. (b) Agreed costs include, but are not limited to, music production costs, marketing and promotion expenses, and travel-related expenses. All costs must be reasonable, necessary, and directly related to the artist's activities. Each type of cost may be subject to a maximum limit, which will be agreed upon by both parties in advance. Any expense that exceeds the agreed limit must receive prior written approval from both the label and the artist. Costs that are not approved or properly documented will not be deducted from revenue. The label shall not deduct general overhead, administrative fees, or unrelated expenses. (c) The label and the artist agree that net revenue will be shared as follows: sixty percent (60%) to the label and forty percent (40 %) to the artist. (d) The label will account to the artist and pay any royalties due within sixty (60) days after the label receives the corresponding payments from distributors or other sources. The label will provide accounting statements to the artist no less than twice per year (semi-annual basis). Such statements shall include a full and transparent breakdown of all revenue and deductions, and the artist shall have the right to audit the label's records upon reasonable notice. (e) The label guarantees the artist shall receive not less than \$ 75,000 per year, or such other amount as may be required. This minimum payment shall be non-recoupable and payable regardless of the label's recovery of costs.

4. (a) For all songs created by the artist during the term of this agreement, the artist owns 100% of the copyright. For any sound recordings funded by the label, the label will own the master recordings. Such ownership shall be limited to exploitation during the term of this

agreement and any agreed post-term exploitation period, after which ownership or control shall revert to the artist. The artist grants the label an exclusive license to use, distribute and monetize both the compositions and the recordings during the term of this agreement. This license shall be limited to activities directly related to distribution and promotion and shall not include the right to assign, transfer, or sublicense such rights to any third party without the artist's prior written consent. Neither artist nor label may grant rights to any third party without prior written consent from the other party. For commercial uses of the works (including film, television, games, and other media), revenue will be shared according to the terms of this agreement. All such uses shall require the artist's prior approval, which shall not be unreasonably withheld. (b) If the label contributes creative materials to a work, including but not limited to lyrics, melodies, or concepts, the parties will determine ownership and revenue sharing based on their respective contributions. Such terms must be agreed upon in writing before the work is commercially released. No ownership interest shall be implied without a written agreement signed by both parties.

5. (a) The artist confirms that they have not granted any rights to any third party that would conflict with the rights granted to the label under this agreement. If the artist has entered into any prior agreements related to their music, performances, or business activities, the artist must disclose them to the label before signing this agreement. The artist agrees that the rights granted to the label under this agreement will not conflict with any existing obligations. The label acknowledges such disclosed agreements and agrees to honor them. (b) Nothing in this agreement shall prevent the artist from engaging in independent creative projects, collaborations, live performances, or business activities that do not conflict with the label's rights under this agreement, as defined in Section 1. The label shall not unreasonably withhold or delay approval of such activities. (c) The label agrees not to enter into any agreements on behalf of the artist that would conflict with the artist's existing obligations or personal brand without the artist's prior written consent.

6. (a) If the label fails to perform its obligations under this agreement, including but not limited to failing to reasonably support the artist's activities, promote the artist's music, or make timely payments, the label will pay a penalty equal to one percent (1%) of the amount owed or the applicable expected revenue for each day of delay, up to a maximum of thirty percent (30%) of such amount. If such failure continues for more than thirty (30) days after the artist provides written notice specifying the breach, the artist may terminate this agreement by further written notice and may require the label to pay all unpaid revenue share for completed work and any accrued penalties under this section. (b) If the artist fails to perform their obligations under this agreement, including but not limited to refusing without valid reason to participate in agreed activities or engaging in conduct that materially and demonstrably harms the label's business interests, the label shall provide written notice specifying the breach, and the artist shall have thirty (30) days to cure such breach where reasonably possible. (c) Any damages sought by the label must be reasonable and directly related to its actual, provable losses. If the artist's breach makes it impossible to achieve the purpose of this agreement (including, but not limited to, by

committing a serious criminal offense or repeatedly breaching this agreement after written notice and failure to cure), the label may terminate this agreement by written notice and require the artist to return any unrecouped advances directly related to unfulfilled obligations, to the extent not yet earned, and compensate the label for any additional direct and provable damages.

7. (a) If the artist engages in illegal conduct resulting in a criminal conviction that seriously harms the label's reputation or business interests, the label may terminate this agreement for cause. The label must notify the artist in writing within ten (10) business days after becoming aware of such conduct. Where reasonably possible, the artist shall have a period of ten (10) business days to respond to or address the issue before termination becomes effective. The artist must cooperate in resolving any related matters, including making reasonable public statements or corrective actions, mutually agreed upon by both parties, within five (5) business days after receiving the notice. (b) Either party may terminate this agreement if the other party becomes unable to perform its material obligations under this agreement (including, but not limited to, due to insolvency, bankruptcy, or long-term incapacity). The terminating party must give written notice within thirty (30) days after becoming aware of such a situation. This agreement will end on the effective date stated in the notice, which shall be no earlier than the date the other party receives the notice, unless applicable law requires a different date. (c) If the agreement cannot continue due to events beyond the reasonable control of both parties (such as natural disasters, acts of government, war, civil unrest, epidemics, or other comparable force majeure events), either party may propose termination of this agreement without liability (other than obligations that expressly survive termination). Each party must notify the other in writing within fifteen (15) business days after becoming aware that such an event makes performance impossible or impracticable and must provide reasonable written proof of the event and its impact.

Very truly yours,

**AGREED TO AND ACCEPTED:**

**Label:**

Big T Records \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Artist:**

The Owls \_\_\_\_\_  
\_\_\_\_\_  
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