

## LICENSE AGREEMENT

This LICENSE AGREEMENT (this “**Agreement**”) is entered into as of [ ], by and between INK Universe Limited, a company established and registered under the laws of the Hong Kong (the “Party A”), and [ redacted ] (ID card No.: [ redacted ]) (the “Party B”). In this Agreement, Party A and Party B may each be referred to as a “Party,” or collectively, as the “Parties”.

### THE PARTIES AGREE AS FOLLOWS:

#### 1. DEFINITIONS

“**Affiliate**” means any company, enterprise, organization, or other legal entity controlled by Party A or controlling Party A or jointly controlled with Party A by any other entity. Control refers to direct or indirect possession of at least twenty percent (20%) of equity, voting rights, or at least twenty percent (20%) of any other equivalent asset, or other legal rights that can determine the management of the given party.

“**Arbitration Notice**” has the meaning given to it in Section 12.2.

“**Audio Adaptation Rights**” means the rights to adapt the Work (as defined in Section 2) into any audio formats in any media whatsoever, now known or hereinafter invented.

“**Audio Adaptation Works**” means any works produced by Party A or its Affiliates pursuant to Party A’s exercise of the Audio Adaptation Rights.

“**Digital Copyrights**” means rights in and relating to the Work, including but not limited to (1) Digital Distribution Rights; (2) right to modify, produce, reproduce and distribute the Work; (3) Audio Adaptation Rights; (4) Translation Rights; (5) New Works Rights; and (6) and all ancillary or subsidiary rights related rights relating to the aforesaid rights.

“**Digital Distribution Rights**” means the rights to distribute the Work and all ancillary or subsidiary rights related thereto and therein that are necessary for such distribution in all media and for all windows through the use of digital technology, now known or hereinafter invented including but not limited to Internet Rights, theatrical, video, television, airline and other common carrier distribution.

“**Dispute**” has the meaning given to it in Section 12.2.

“**HKIAC Rules**” has the meaning given to it in Section 12.3.

“**Internet Rights**” means digital or other new media transmission means now known or hereinafter devised (including via Internet, wired, wireless and mobile transmission), whether done by any form of streaming or encrypted download that is not a permanent copy.

“**Net Income**” means the income portion after costs (including but not limited to channel costs, operating expenses etc.) are deducted from Party A’s direct income from operation.

“**New Works**” means any works produced by Party A or Affiliates parties pursuant to Party A’s exercise of the New Works Rights.

“**New Works Rights**” means the non-exclusive right to create, produce, develop, publish and otherwise make any derivative works in whatever media or format (including, without limitation, films, online games and/or merchandises) based on, adapting, deriving from, or incorporating elements of the Work (including characters, props, plot, framework or background) and/or containing story elements and leading characters materially similar to the story elements and leading characters in the Work.

“**Other Digital Channels**” means all electronic channels other than Party A’s Web Channels, including but not limited to other operator's channels, third- party websites and third-party channels such as the Android market or the iTunes market.

“**Party A’s Competitors**” refers to companies, enterprises, economic organizations, and affiliated enterprises , engaged in the creation of literary works, the online reading business of network novels and published books, the publication and operation of literary works, agent of copyrights, sale of copyrights (including but not limited to publishing houses, book companies, copyright agents, and online reading websites, etc.) and websites, forums, and mobile terminal products of foregoing companies, enterprises, economic organizations and affiliated enterprises.

“**Party A’s Web Channel(s)**” means web channels operated by Party A, including but not limited to websites located under the [www.popinkapp.com] [www.webcomicsapp.com] and the [Android: [POPINK] ([WEBCOMICS]); IOS: [POPINK] ([WEBCOMICS]);] APP operated by Party A or its Affiliates.

“**Series**” has the meaning given to it in Section 9.1.

“**Translation Rights**” means the rights to Translate the Work into any other languages from [English].

“**Translated Works**” means any works produced by Party A or its Affiliates pursuant to Party A's exercise of the Translation Rights.

“**Work**” has the meaning given to it in Section 2.

## **2. SUBJECT MATTER OF THIS AGREEMENT**

The subject matter of this Agreement is the literary work created by Party B named [redacted] (hereinafter referred to as the “**Work**”), Book ID: [redacted].

## **3. LICENSED CONTENT AND PARTY B’S REMUNERATION**

### **3.1. LICENSED CONTENT**

Party B hereby grants to Party A and its Affiliates, and Party A and its Affiliates accept, a worldwide, non-exclusive, irrevocable, freely transferable and sublicensable license of the Digital Copyright and other related rights under this Agreement.

### **3.2. PARTY B’S REMUNERATION**

#### **3.2.1 COMPOSITION OF REMUNERATION**

Party A will use its reasonable endeavours to generate income for Party B by selling the Work via different distribution channels (including but not limited to generating income from the sales on Party A’s Web Channels and from promotion on Other Digital Channels).

In full consideration for the rights, licenses, privileges and authorities granted hereunder to Party A by Party B and subject to compliance with this Agreement by Party B, Party A will pay Party B the remuneration in accordance with this Section 3 of this Agreement. All remuneration described in this Section 3 represent the full and sufficient consideration (including any kinds of royalties or fees payable to Party B under all applicable laws) under this Agreement. Party A shall not be required to pay any other fees to Party B for using or otherwise dealing with the Work in accordance with the scope of this Agreement.

#### **3.2.2 SHARE OF INCOME**

(a) Share of income from digital sales of the Work

Regarding the income from: (i) the sale of the Work on Party A's Web Channels through marketing and/or promotional activities (including, but not limited to, time-limited free sales, discounted sales, complimentary tokens issuance and various promotion sales), but the income from the [coins as gifts or rewards given for free] shall be excluded; and (ii) the sale of Internet Rights of the Work through Other Digital Channels, Party A shall share fifty percent (50%) of the respective Net Income with Party B.

(b) Share of income from Audio Adaptation Rights

If Party A sub-licenses to a third party the Audio Adaptation Rights of the Work, unless otherwise agreed by the Parties, Party A shall provide Party B with fifty percent (50%) of the Net Income derived from the licensing fees obtained from such sublicensing.

(c) Share of income from Translation Rights

If Party A sub-licenses to a third party the Translation Rights of the Work, unless otherwise agreed by the Parties, Party A shall provide Party B with fifty percent (50%) of the Net Income derived from the licensing fees obtained from such sublicensing.

(d) Share of income from other copyright licensing

If Party A sub-licenses to any third parties any of its licensed rights under this Agreement other than Audio Adaptation Rights Translation Rights and the Digital Distribution Rights under this Agreement in respect of the Work, unless otherwise agreed by the Parties, Party A shall provide Party B with fifty percent (50%) of the Net Income derived from the licensing fees obtained. For the avoidance of doubt, the reference herein to income derived from sublicensing is only a reference to licensing fees obtained by Party A from sub-licensing the relevant copyrights of the Work to third parties.

(e) Share of income from New Work rights

If Party A sub-licenses to a third party the New Work rights of the New Works, unless otherwise agreed by the Parties, Party A shall provide Party B with ten percent (10%) of the Net Income derived from the licensing fees obtained from such sublicensing.

#### **4. PARTY B'S WARRANTIES AND REPRESENTATIONS**

4.1 Party B warrants and represents to Party A that:

4.1.1 the Work is original and created independently without the assistance of any other parties;

4.1.2 Party B has not plagiarized any third-party works and the contents of the Work do not infringe upon the rights and interests of any third party (including but not limited to any third-party copyrights and any other intellectual property rights, reputation rights, name rights, portrait rights or other relevant rights and interests as prescribed under the applicable laws);

4.1.3 Party B is not, and has not been, involved in any legal disputes concerning intellectual property rights;

4.1.4 the rights granted to Party A under this Agreement are free from any encumbrances, including but not limited to any security interests, options, mortgages, charges, or liens in favor of third parties; and

- 4.1.5 the Work does not violate any applicable laws or regulations.
- 4.2 Party B undertakes not to include any contents that are not permitted by Party A in any chapters of the Work, and Party B also undertakes not to take any actions to distort, slander, or damage the image of Party A or Party A's Web Channel(s) or other contracted authors or works on Party A's Web Channel(s) and shall not publish any statements that may cause others to have a negative impression of Party A or Party A's Web Channel(s).
- 4.3 Party B shall not provide any money, gifts, or other tangible or intangible benefits to the editors, employees and/or family members of any staff of Party A or Party A's Affiliates that have actual or potential business relationships with Party B.
- 4.4 Party B agrees to provide reasonable assistance to or support for Party's marketing and promotion for the Work, including without limitation necessary information or other promotional materials.
- 4.5 The Work must adhere to the standards set by Party A and Party A's Web Channel(s). If Work contains deliberately verbose words or excessive spelling or grammatical errors, Party B shall make revisions in accordance with Party A's requests. In the event that Party B refuses to make the revision(s) or the Work does not meet Party A's requirement after any revision, Party A shall have the right to not use or release such Work, and to suspend all payments and moreover to terminate this Agreement, without liability.
- 4.6 Party B shall make sure that the erotic content will not take up more than ten percent (10%) of the Work and there will be no detailed depiction of sexual organs and the description of underage erotic content and pedophilia.
- 4.7 With a view to better implement promotional strategies and improve sales via digital communication channels, Party B agrees that Party A, or other third parties commissioned by Party A, may produce covers, illustrations, and the like for the Work (based on, but not limited to, the characters, scenes, storyline, and items of the Work), add text-to-speech functions to the Work or produce promotional videos for the Work.
- 4.8 Party B hereby irrevocably grants his/her moral rights of Work (including rights to object to derogatory treatment) to Party A and its Affiliates that are necessary and indispensable for exercising all the rights granted to them in this Agreement under the applicable laws.
- 4.9 To further clarification, the Parties acknowledge and agree that Party A owns exclusively all right, title, and interest in and to all copyrights and any other intellectual property rights subsisting in the New Works, the Audio Adaptation Works and the Translated Works and such materials created, developed, published or republished by Party A in performance of this Agreement and Party A may deal with such works as it wishes without any necessity for any permission or consent from Party B.

## **5. RIGHTS AND OBLIGATIONS OF THE PARTIES**

- 5.1 Party B has the right to enter into any electronic, verbal, written, or other forms of agreement with any parties relating to the licensed rights granted to Party A under this Agreement.
- 5.2 On or after the date of this Agreement, Party A has the right to, depending on the sales of the Work, promote the Work on Party A's Web Channel(s) to help raise the reputation of Party B and the Work. To assist with promoting Party B and its reputation, Party B hereby authorizes Party A to create, manage, and run personal websites or other social media accounts such as Twitter or Instagram in Party B's name for the purpose of marketing to promote the Work and highlight the achievements of Party B; Party A has the right to use Party B's portrait, name, alias, pseudonyms together with the characters, plots, props, backgrounds, and other necessary information at no cost for the purposes of promotion and marketing as stated in this Section 5.1. Party B shall cooperate and participate in any

offline and online promotional events organized by Party A (including but not limited to book signings, meet and greets, press releases, etc.), and provide its promotional materials for such purpose as may be required by Party A. To clarify, subject to the expense standard for travel negotiated by the Parties in written form, the travel expenses arising from such commercial promotions shall be borne by Party A.

5.3 Party A may, during the term of this Agreement, require that Party B make reasonable revisions in good faith to the Work.

5.4 Party A may freely deal with the Work on Party A's Web Channel(s), and Party A may offer special promotions in respect of the Work from time to time, including but not limited to free offers for a limited period, discounted sales, issuance of complimentary tokens, and various other marketing and/or promotional events related to the Work.

5.5 During the Term of this Agreement, if the Work and other works created by Party B as assigned or licensed to Party A are faced with any infringement challenges taken by third parties, Party A has the exclusive right to, in the name of Party A, take actions to defend and safeguard its legal rights, including but not limited to lodging administrative complaints and commencing litigation and/or arbitral proceedings as appropriate, and Party B shall provide necessary assistance in connection therewith. In respect of any compensation and all monetary rewards ultimately obtained by Party A through taking foregoing actions, Party A and Party B agree and acknowledge that such compensation and monetary rewards shall solely belong to Party A.

5.6 Party B shall take all necessary actions to maintain the image of Party A and Party A's Web Channel(s) and cooperate with Party A in promoting the Work through various means.

## **6. TERM OF THIS AGREEMENT**

6.1 The term (the "**Term**", including the extended term if any) of the rights granted to Party A under this Agreement shall be from the date of signing of this Agreement and shall continue in full force and effect during the period of creation of Work and for five (5) years after the Work is completed; this Agreement shall be automatically renewed for an additional five (5) years, unless either Party provides written notice of non-renewal to the other Party, no less than ninety (90) days prior to the expiration of this Agreement according to this Agreement.

6.2 If the Agreement has been terminated, Party A and the operators of the Other Digital Channels shall have the right to continue to publish the contents of the Work to customers or users who have purchased and paid for the Work (including but not limited to readers on Party A's Web Channel(s) and Other Digital Channels authorized by Party A). After the expiration of the Term, Party A has a period of six (6) month to delete the Work published online by Party A the operators of the Other Digital Channels.

## **7. PAYMENT METHOD**

7.1 Party A will pay the remuneration payable to Party B for the previous month on the 10<sup>th</sup> day of every month to the bank account designated by Party A before such payment (which, if it is a public holiday, shall be postponed to the second business day after such public holiday). If the given month's remuneration is less than or equal to US\$ 100, the remuneration payable to Party B shall be extended until the amount exceeds US\$ 100. All issues and legal liabilities related to Party B's failure to promptly provide its account information to Party A, where the account information provided by Party B does not allow for payments or attracts other fees payable, any payment errors not attributable to Party A, or force majeure, shall be borne by Party B.

7.2 Party A may withhold the taxes and fees that Party B shall pay in accordance with the applicable laws.

7.3 Notwithstanding any provisions of this Agreement to the contrary, the Party A's obligation contemplated in Section 3 and this Section 7 shall be contingent on Party B's compliance with the obligations and restrictions imposed upon him/her pursuant to the terms of this Agreement.

## **8. CONFIDENTIALITY**

Party A and Party B agree that Party B shall be under obligations of confidentiality in respect of Party A's trade secrets or confidential information that Party B may obtain or become aware of in the course of this collaboration. Unless disclosure is required by a legal authority or disclosure is made with the written consent of Party A, if the use or disclosure of trade secrets and/or confidential information by Party B in violation of the provisions of this Agreement causes any direct or indirect loss to Party A (whether in terms of reputational damage or economic loss), Party A may require

Party B to provide compensation in full for such losses, and, Party A has the right to suspend, rescind, or terminate this Agreement on this basis.

## **9. BREACH AND TERMINATION**

9.1 If Party B is in breach of this Agreement (excluding Section 4.1), Party A may take such measures as is necessary and appropriate to protect its own rights and interests, including but not limited to the suspending or termination of remuneration payments and the termination of the Agreement; moreover, Party B shall return thirty percent (30%) of all income Party A paid to Party B and compensate Party A for all losses incurred thereof, including but not limited to any expenses incurred by Party A such as notary fees, attorney fees, accreditation fees, litigation fees, and all the promotion and marketing fees for the Work during the Term.

9.2 If Party B is in breach of the obligations in Section 4.1 of this Agreement, Party A may, at its sole discretion, withhold the publication of the Work and the payment of remunerations; moreover, Party B shall return to Party A one hundred percent (100%) of all income Party A paid to Party B and compensate Party A for all losses incurred thereof, including but not limited to any expenses incurred by Party A such as notary fees, attorney fees, accreditation fees, litigation fees, and all the promotion and marketing fees for the Work during the Term.

9.3 If Party B acts in breach of its obligations under Section 4.4 of this Agreement, in addition to the possibility of Party A enforcing its rights pursuant to Section 9.1 above, Party B shall also independently bear all relevant criminal liability.

9.4 For the avoidance of doubt, even if the Agreement is terminated in accordance with this Agreement, the irrevocable license granted under this Agreement will still continue. Party B's exclusive remedies in respect of Party A's breach pursuant to this Agreement are monetary damages.

9.5 The Parties agree and acknowledge that if this Agreement is suspended, terminated, or rescinded in advance for any reason, the surviving rights and obligations provided for in this Agreement with respect to the transferring, licensing, and confidentiality obligations in respect of the Work shall remain in force.

## **10. RIGHT OF PRIORITY**

10.1.1 The Parties further acknowledge and agree that if Party B intends to license or transfer any of the Digital Copyright of the Work exclusively to any third party during the Term or after the expiration of the Term, Party A has rights of priority to be licensed or transferred any of those Digital Copyrights. If Party B wishes to transfer or authorize others to any of those Digital Copyrights exclusively, Party B shall notify Party A in advance in writing (attaching the proposed terms of agreement, if any); Party A shall have a priority right over any third party to obtain the foregoing rights, and Party B shall take such actions as necessary and appropriate to allow Party A to exercise such priority rights. Unless Party A fails to exercise its priority rights within thirty (30) business days after receiving a written notification from Party B so requesting, Party B shall not transfer or license the aforesaid rights to any third party. Party A's priority rights shall be exercised in a manner consistent with maintaining the legitimate rights and interests of Party B, and Party A shall use all reasonable endeavours to create income for Party B by so doing.

10.1.2 The Parties hereby agree and acknowledge the methods and conditions for exercising the priority rights described herein. If Party B grants or licenses copyright pertaining to the Work exclusively to any third party without the permission of Party A such that Party A cannot exercise priority rights to which it is entitled, it shall be deemed as a breach of this Agreement on the part of Party B, for which Party B shall pay damages to Party A for all losses suffered in that connection, including but not limited to any expenses incurred by Party A such as notary fees, attorney fees, accreditation fees, litigation fees, and travel fees. Moreover, Party

B shall treat all income reasonably obtained from third parties as compensation to be paid to Party A for breach of the priority rights provisions herein; Party A has the right to deduct such compensation directly from the remuneration payable to Party B.

10.1.3 The Parties further acknowledge and agree that if Party B creates a prequel, sequel, special edition, continuation, series, or the like of the Work (hereinafter referred to as “**Series**”), for which Party A shall have an exclusive right of priority for the negotiation to be licensed any of those Digital Copyrights of the Series [, and priority for cooperation under the same conditions offered to any third-party.]

## **11. FURTHER ASSURANCE**

Each of Party A and Party B shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the other Party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated herein.

## **12. GOVERNING LAW AND DISPUTE RESOLUTION**

12.1 The conclusion, validity, interpretation, performance and dispute resolution of this Agreement shall be governed by and construed according to the laws and regulations of Hong Kong.

12.2 Any dispute, controversy or claim (each, a “**Dispute**”) arising out of or relating to this Agreement, or the interpretation, breach, termination, validity or invalidity thereof, shall be referred to arbitration upon the demand of either Party to the Dispute with notice (the “**Arbitration Notice**”) to the other.

12.3 The Dispute shall be settled by arbitration in Hong Kong at the Hong Kong International Arbitration Centre in accordance with the Hong Kong International Arbitration Centre Administered Arbitration Rules then in effect (the “**HKIAC Rules**”), which rules are deemed to be incorporated by reference into this subsection. The arbitration shall be conducted in the English language.

12.4 Each Party shall cooperate with the other Party in making full disclosure of and providing complete access to all information and documents requested by the other Party in connection with such arbitration proceedings, subject only to any confidentiality obligations binding on such Party.

12.5 When any Dispute occurs and is under arbitration, except for the matters under dispute, the Parties shall continue to fulfill their respective obligations and shall be entitled to exercise their rights under this Agreement.

12.6 The award of the arbitration tribunal shall be final and binding upon the Parties, and the prevailing Party may apply to a court of competent jurisdiction for enforcement for such award. The costs of arbitration shall be borne by the losing Party.

12.7 Any Party to the Dispute shall be entitled to seek preliminary injunctive relief, if possible, from any court of competent jurisdiction pending the constitution of the arbitral tribunal.

## **13. MISCELLANEOUS**

13.1 Party A has the right to assign its rights and obligations under this Agreement to Party A’s successors, Affiliates, or other third parties. Upon such assignment, Party A shall immediately notify Party B of the same, and such assignment shall take effect from the date on which Party A (or the relevant successor, Affiliate or third party) sends the notification to Party B.

13.2 All notices, requests and other communications to any Party hereunder shall be in writing in English and signed by or on behalf of the Party making the same, shall specify the Section under this

Agreement pursuant to which it is given or made, and shall be delivered personally or by telecopy transmission or sent by registered or certified mail (return receipt requested) or by any internationally known overnight courier service and shall be given; Party A may also deliver such notifications to Party B's user account as registered on Party A's Web Channel(s).

if to the Party A, to:

13.3 Address: RM4, 16/F, HO KING COMM CTR, 2-16 FAYUEN ST, MONGKOK KOWLOON, HONGKONG

if to Party B, to:

Address: [ **redacted** ]

E-mail: [ **redacted** ]

Each such notice, request or other communication shall be effective (i) if given by telecopy, when such telecopy is transmitted to the telecopy number specified in this Section 12.2 and evidence of receipt is received or (ii) if given by any other means, upon delivery or refusal of delivery at the address specified in this Section 13.2.

13.4 This Agreement is in English and enters into force when signed by the Parties on the date stated at the beginning of this Agreement. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument. Both parties agree that a scanned copy of the signed Agreement has the same legal effect as the original.

13.5 This Agreement contains one (1) annex, namely: Power of Attorney, which forms part of this Agreement with the same legal effect.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this License Agreement to be executed as of the date first above written.

Party A: INK Universe Limited

By: 

Name:

Title: Director

IN WITNESS WHEREOF, the parties hereto have caused this License Agreement to be executed as of the date first above written.

Party B(Signature):\_\_\_\_\_

Party B's Pseudonym: [ ]

## ANNEX 1

### POWER OF ATTORNEY

I, [redacted] (Pseudonym:[redacted]) am the author of the Series of [redacted] (with [1] book)(hereinafter referred to as: the “Work”) and own the copyright to the Work.

I hereby grant a full, Non-exclusive License for the non-exclusive use of global copyright and intellectual property rights to the Work to operating company INK Universe Limited (hereinafter referred to as: “[POPINK]”) of [www.popinkapp.com] website. The licensing period shall be from the date of this power of attorney until the expiration of the protection period for the copyrights and intellectual property rights to the Work. Without the written authorization of INK Universe Limited, no one (including myself) shall exercise the foregoing rights to the Work.

In summary, INK Universe Limited is now licensed to handle all matters related to the negotiation, disposal, and recovery of the foregoing rights to the Work. INK Universe Limited may take such approaches or measures that it deems reasonable to handle the foregoing matters and has the authority to transfer such authorization to other parties, to which I acknowledge that I shall raise no objections.

This statement has been hereby given.

**Licensor (Signature):**\_\_\_\_\_

Date: