

## **LICENSE AGREEMENT**

This License Agreement N. SFEEUR/2020MEGA (the "**Agreement**") is made this 18<sup>th</sup> of December 2019 by and between Sanrio GmbH with its principal office at Zwischen den Toren 9, 21465 Wentorf bei Hamburg, Germany (hereinafter called "**Licensor**"), and Sfera LLC (hereinafter called "**Licensee**") having its principal office at Bochkova Street 9, Bldg. 1., Moscow, 129085, Russia, VAT N. 9717068457.

### **WITNESSETH**

**WHEREAS**, Sanrio Company, Ltd. with its principal office at 1-6-1 Osaki, Shinagawa-ku, Tokyo, Japan owns the property described in Section 1.4. (the "**Property**"); and

**WHEREAS**, Sanrio Company, Ltd. has granted to Licensor certain rights to use the Property (including the right to license the rights) under an agreement dated 20<sup>th</sup> April 1999; and

*[For the meanings and purposes of this Agreement, Sanrio Co. Ltd. and Sanrio GmbH will be referred to as "Sanrio".]*

**WHEREAS**, the Licensee desires to use the Property on or in connection with the Products as specified in Section 1.5. on a non-exclusive basis, and in the territory identified in the Section 1.6.; and

**WHEREAS**, the Licensee desires to produce, distribute and sell the Licensed Products through the specified sales channel in the Licensed Territory as listed in Section 1.7.; and

**WHEREAS**, Licensor is willing to grant to the Licensee the right to use the Property on such Licensed Products; and

**WHEREAS**, Licensor has appointed Megalicense International LLC (ORGN number: 1147746087928) with its registered office at Konniy pereulok, Building 12, 3<sup>rd</sup> Floor, Office 201, Moscow, 115162, Russian Federation (hereinafter "**Agent**"), to act as its licensing agent for the purpose of seeking and identifying potential licensees and to negotiate on Sanrio's behalf licences upon or in connection with the manufacture, distribution, sale and marketing of the Licensed Articles, in the Territory. Accordingly, the Agent is authorised to give notices, handle payment invoicing and collecting, approve and monitor Licensees marketing budgets, conduct prior audits of Licensees and do any other acts on behalf of the Sanrio under this Agreement, unless and until the Licensee receives written notice otherwise from Sanrio. The Licensee's obligations under this Agreement shall be deemed to have been satisfied in full when so made to the Agent.

**NOW, THEREFORE**, in consideration of the mutual promises, covenants and conditions in this Agreement, Licensor and Licensee agree as follows:

## SECTION 1.

## SUBJECT TERMS OF CONTRACT

1.1. <u>Licensors:</u>	<p>Name: <b>Sanrio GmbH</b></p> <p>Address: <b>Zwischen den Toren 9 21465 Wentorf bei Hamburg Germany</b></p>
1.2. <u>Licensee:</u>	<p>Name: Sfera LLC (hereinafter called "<b>Licensee</b>") having its principal office at Bochkova Street 9, Bldg. 1., Moscow, 129085, Russia</p> <p>Address: Sfera LLC (hereinafter called "<b>Licensee</b>") having its principal office at Bochkova Street 9, Bldg. 1., Moscow, 129085, Russia</p>
1.3. <u>Agent:</u>	<p>Name: <b>Megalicense International LLC</b></p> <p>Address: <b>Konniy bereulok, building 12, 3<sup>rd</sup> Floor, Office 1 Moscow, 115162 Russian Federation</b></p>
1.4. <u>Property:</u>	<p>The marks and characters</p> <ul style="list-style-type: none"> <li>• "Hello Kitty" and "© 1976, 20__ SANRIO CO., LTD."; and</li> <li>• "My Melody" and "© 1976, 20__ SANRIO CO., LTD.";</li> </ul> <p>and directly associated designs, logos, images and other materials as depicted in Licensors' style guides. This includes all Intellectual Property Rights (as defined in Section 2.3.) therein or related thereto, including Sanrio's pre-existing trademarks and trademarks newly registered under Section 4.1 of this Agreement.</p>
1.5. <u>Licensed Products:</u>	<ul style="list-style-type: none"> <li>• <b>Balloons, material: latex – in up to 6 – 12 designs</b></li> <li>• <b>Balloons, material: foil – in up to 4 – 8 designs</b></li> <li>• <b>Tablecloth, material: PET – in up to 2 – 4 designs</b></li> <li>• <b>Party Candles – in up to 2 – 4 designs</b></li> <li>• <b>Paper disposable plates 7", 6 pcs – in up to 4 – 8 designs</b></li> <li>• <b>Paper disposable plates 9", 6 pcs – in up to 4 – 8 designs</b></li> <li>• <b>Paper disposable cups, 6 pcs – in up to 4 – 8 designs</b></li> <li>• <b>Party hats, 6 pcs – in up to 2 – 4 designs</b></li> <li>• <b>Paper napkins, 12 pcs – in up to 4 – 8 designs</b></li> <li>• <b>Party Blowout, 6 pcs – in up to 2 – 4 designs</b></li> <li>• <b>Party crackers – in up to 4 – 8 designs</b></li> <li>• <b>Party Garlands – in up to 2 – 4 designs</b></li> <li>• <b>Soap Bubbles, 36 pcs, box – in up to 2 – 4 designs</b></li> </ul>

	<p>Before any formal submission into Licensor's DIVA online approval system in accordance with Section 13, all product concepts are to be reviewed in advance by the regional Sanrio Sales Office in charge. Such review in advance is only a non-binding pre-check and does not affect or replace the later product approval process under Section 13.</p> <p>For any additional product to be [manufactured or sourced] by the Licensee not included in this list, the prior written approval of Licensor is required. Upon approval by Licensor, amendments shall be issued and signed by all parties.</p>
<p><b>1.6. <u>Territory:</u></b></p>	<ul style="list-style-type: none"> <li>• <b>Russia, Belarus, Kazakhstan, Kyrgyzstan, Armenia</b></li> </ul> <p>The allocation of territories is subject to the provisions of Section 20.4.</p> <p>Licensee shall concentrate its sales efforts for the Licensed Products within the Licensed Territory, but shall be free to accept and fulfil orders from customers having registered offices, and located in, the Relevant Countries.</p> <p>For the purposes of this Agreement, "<b>Relevant Countries</b>" means any countries that are: (i) members of the European Economic Area ("EEA") outside the Territory; or (ii) countries outside the Territory that have entered into the EEA or Free Trade Agreements with the European Union; and the Licensed Products so ordered are intended for onward sale only within such Relevant Countries.</p>
<p><b>1.7. <u>Sales Channels:</u></b></p>	<ul style="list-style-type: none"> <li>• <b>Airports stores</b></li> <li>• <b>Book retailers</b></li> <li>• <b>Department stores</b></li> <li>• <b>Retailers</b></li> <li>• <b>Gift channels</b></li> <li>• <b>Mass market stores</b></li> <li>• <b>Wholesalers</b></li> <li>• <b>Distributors</b></li> <li>• <b>Mid-tier department stores</b></li> <li>• <b>Newsstands / Kiosks</b></li> <li>• <b>Specialty stores (specialized in one category)</b></li> <li>• <b>Supermarkets / Food stores</b></li> <li>• <b>Toy stores</b></li> <li>• <b>Online</b></li> </ul> <p>Licensee shall concentrate its sales efforts in the channels listed.</p>
<p><b>1.8. <u>Term:</u></b></p> <p>a. <b>Commencement Date:</b></p> <p>b. <b>Execution Date:</b></p> <p>c. <b>Expiration Date:</b></p>	<p><b>1<sup>st</sup> January 2020 – 31<sup>st</sup> December 2021</b></p> <p><b>1<sup>st</sup> January 2020</b></p> <p>Date of signature by Licensor</p> <p><b>31<sup>st</sup> December 2021</b></p>

<b>1.9. <u>Exclusivity:</u></b>	NON-EXCLUSIVE
<b>1.10. <u>Royalty Rate:</u></b>	of Wholesale Sales
<b>1.11. <u>Minimum Guarantee:</u></b>	<p>A Guaranteed Minimum Royalty in the total amount of for the Term shall be paid by Licensee as follows:</p> <p>a) due upon full execution of this Agreement ("Advance"); and</p> <p>b) on or before <b>1<sup>st</sup> June 2020</b> (if not covered by royalty payments) ("Balance").</p>
<b>1.12. <u>Samples per Product:</u></b>	<ul style="list-style-type: none"> <li>• Six (6) production samples to Sanrio – Hamburg office</li> </ul> <p>Subject to availability and reasonable costs, Licensee also agrees to supply five (5) additional samples to Licensor upon request free of all charges.</p>
<b>1.13. <u>Insurance:</u></b>	<p>Minimum of combined single limit with no deductible amount for each single occurrence and in the aggregate for bodily injury and/or for property damage</p>
<b>1.14. <u>Product Development/ Submission Date:</u></b>	<ul style="list-style-type: none"> <li>• Concepts: Q1 / 2020</li> <li>• Samples: Q2 / 2020</li> </ul>
<b>1.15. <u>Consumer Introduction Marketing Date:</u></b>	<ul style="list-style-type: none"> <li>• Trade presentation: 1<sup>st</sup> April 2020</li> <li>• On shelf date: 1<sup>st</sup> April 2020</li> </ul>
<b>1.16. <u>Post-Expiration Disposal Period (Sell-Off):</u></b>	Ninety (90) days

## **SECTION 2. GRANT AND OWNERSHIP OF RIGHTS**

- 2.1. Licensor grants to the Licensee, upon the terms and under the conditions set forth in this Agreement, the right to use the Property as set forth in Section 1.4. ("Property") in the connection with the manufacture, distribution, sale, advertising and promoting of the Licensed Products as specified in Section 1.5. ("Licensed Products") within the Licensed Territory as specified in Section 1.6. ("Territory"), and, for this purpose only, to affix the Property on packaging, advertising and promotional materials sold, used or distributed in connection with the Licensed Products (the "Promotional and Packaging Material").
- 2.2. Unless otherwise agreed by the parties in writing, Licensee shall also not give away or donate Licensed Products to their accounts, employees or other persons for the purpose of promoting sales of Licensed Products or other products, except for samples which are not for onward distribution.

IN WITNESS WHEREOF, and intending to be legally bound thereby, both parties hereto have caused this instrument to be duly executed as of the day and year here below written.

**SANRIO GMBH**

  
Shiro Murakami  
C.F.O.

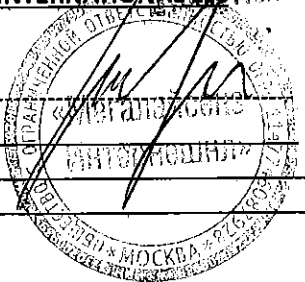
By: \_\_\_\_\_  
Title: Sanrio GmbH

Date (Execution Date): 28 February, 2020

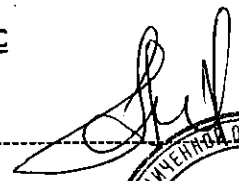
**SANRIO GMBH**  
Zwischen den Toren 9  
Wentorf b. Hamburg

**MEGALICENSE INTERNATIONAL LLC**

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



**SFERA LLC**

  
By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

