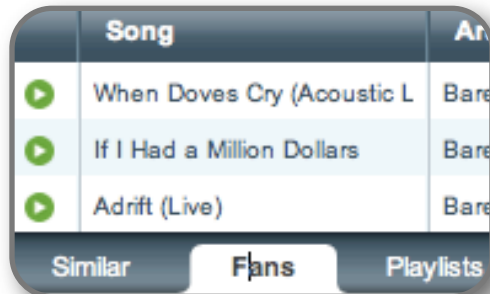


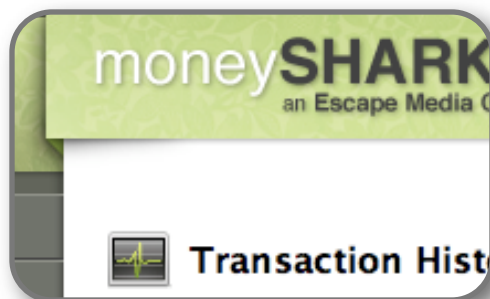
## Introduction

Grooveshark™ is an online music-sharing community where users are paid to market their favorite bands and artists. Leveraging the power of social networks and community contribution, Grooveshark's 'Wikipedia for Music' provides users with a value-added music experience. Grooveshark offers the first true alternative to illegal networks, and is also first to pay both users and content owners--truly a system where everybody gets paid.

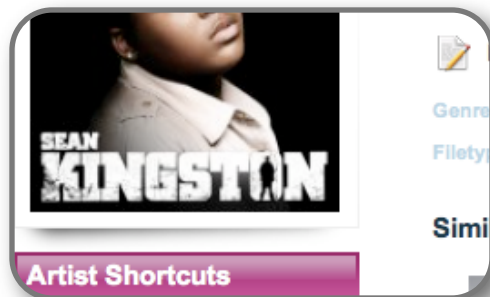


### Social Network Powers Sales

Fans are able to interact, discover and recommend new music, receiving \$.25 for every song they sell.



Label Interface, Moneyshark™  
Content owners are given full control over their pricing, song quality, and access to detailed analytics for all sales.



### Direct Artist Connections

Artist pages enable marketers to interact directly with fans, promote tour information, album releases, etc.

## User Music Experience

- User-generated music bios, reviews, a la Wikipedia
- Demand-based Pricing (\$.99, \$.75, \$.50, \$.25)
- Users receive \$.25 for every song they sell
- 100% virus-free, high quality files at high speeds
- Massive library via patented p2p architecture
- Custom music recommendations for music discovery

## Label Licensing Benefits

- No hard drives or CDs required to upload content
- \$.25 user credit incentivizes users to buy more music
- Song recommendations, artist promotion for partners
- Fans are paid to market your artists and bands
- Content is spread virally and legally from fan to fan

## Label Content Management

- Full control of pricing, payment, file quality (bit-rates)
- Sales reporting and comparison between competitors
- Artist metadata information input and development
- Access fan and user geographic & demographic data
- Full take-down and opt-out of content distribution

## Terms

Revenue split for songs sold in the system:

- 50% - Label
- 25% - Grooveshark User
- 25% - Grooveshark Administration Fee

- Label provides full metadata information
- Label pays publishing fees for any content sold
- Grooveshark pays all PROs related to streaming
- Grooveshark pays all hosting, integration fees