

Notice of Termination

Regarding Our Response Towards Athena Nightingale's Accusation

This notice is to inform you that Athena Nightingale will no longer operate under AkioAIR due to a breach of contract, leading to this termination notice.

Our policy is to avoid sharing statements publicly if they could possibly be detrimental to any involved parties. However, Athy's recent announcement contains inaccuracies that necessitate a considered response.

That being said, this response is not meant to attack any party involved but to only describe facts and considerations on our side so we may paint the full picture for those who are disappointed or angry at our decisions. There are always two sides to a story, and we hope you can hear us out.

We already agreed to an early Graduation / Peaceful Termination

Earlier this month, Athy requested an early termination before her contract expires next year.

We agreed to peacefully terminate the contract with graduation if required; this decision was made because:

- Athy has contributed to the company enough that an early leave is justified.
- Athy should prioritize her main job if needed; this has already been our priority for her.

The conditions and terms are as follows:

- The graduation announcement will be posted within 2 months, preferably during November.
- She can choose whether to hold a graduation stream or not after the announcement.
- She can choose to return to her old identity after the contract terminates. However, she mentioned that she might not return to her old identity at this point in the discussion.

First Major Breach

Athy then willingly involved in activities that can be expected to damage the company's operation and stability within the company. Her actions could cause more unwanted damage as a direct result.

This involvement was uncalled for simply for these reasons:

- The activities she was involved in are not directly related to Athy
- The contract would naturally absolve without the need to participate in this event as we have already agreed upon a peaceful termination.

In accordance with her actions, we issued a formal notice informing her about the possibility of a contract breach. Since this is a formal notice, we had to include the potential outcome of being unable to comply with our request, as breaching contracts usually comes with legal liability.

Our request was as follows:

- Apologize for the mistake she made.
- Inform the parties involved that she won't be involved anymore and will ask for a peaceful leave.

That's all we asked for to continue our peaceful termination process and to forgive the damage she may have caused.

Unfortunately, she didn't comply, and believing this was a threat, she chose to lawyer up and refuse to discuss it with us further.

Second Major Breach

Since the discussion has gone quiet; she has decided to resume contacting the company once again, inquiring whether she could peacefully terminate the contract or not. She informed us that she didn't want to be Athena anymore and hoped we would get back to her in a week about this inquiry.

However, since she had not complied with the previous requests in a timely manner, we were considering other options that could be offered as an alternative for a peaceful termination.

She then, on the next day, without notice, decides to announce at her own discretion without asking us:

- She will no longer be associated with AkioAIR
- She will start posting content on her old Athena Nightingale channel

This clearly violates our agreement:

- By announcing disassociation, one can reasonably expect this would damage the company deeply.
- Announcing she would be posting on her old channel without the contract being terminated in the first place is not only simply a conflict of interest but also violates our terms in disallowing publishing content related to Athy on non-AkioAIR-operated channels.
- Our initial proposal for peaceful termination asks for such an announcement to be published only in November.

There was no emergency or any reasonable cause why this announcement has to be announced now and not later, which would simply result in a peaceful termination.

Of course, as with any other breach, we want to seek a peaceful solution. Jason was asked to contact Athy regarding handling the damage caused by her reckless action. She was informed of the following:

- Company legal was unhappy with such a serious breach since this is already a second violation, and she had shown no remorse for the second at the time; she was informed if no action was taken on her end, we would consider this intentional and legal action could ensue.
- We wanted to find a solution to stop the damage from spreading further, which would also minimize any liability she would be responsible for, which is in the interest of both parties.

Thankfully, she complied with our request to delete the announcement, and she was fully informed that this action was a direct violation of the contract and shouldn't be taken lightly.

However, she intends to use this breach that she caused and asks that subsequent compliance be part of the settlement request for peaceful termination. Demanding us to give her a full list of what she needs to comply with, to which we explained:

1. We are unable to provide exact details since we are unsure of what extent this damage has caused at that moment and what measures are required to hopefully rectify the situation.
2. She demanded we provide the details and the contract needed to peacefully terminate the contract within 2 and a half days. Given the time frame, it is hard to draft a legal document on such short notice, not counting that we were preparing for debut, and a lot of materials needed to be remade and handled too.

We offered the same procedure, the first proposal of a peaceful termination that both parties have agreed upon previously. She said that it would be too long for her and then demanded that three days be her limit; if requests were not met, she threatened that she would have no choice but to believe Jason was manipulating her and threatening her with legal action to his own benefit.

She insisted that fixing this problem (she first caused it in the first place) should be enough for settlement, and we should forgive her and not press any legal action against her.

Creating a problem and then providing a solution to the problem doesn't seem very ethical.

In short, Athy posted an announcement without our consent, caused damage, fixed part of it, and demanded a near-impossible request for us to comply in order for her to fix the damage she caused in the first place.

We really tried our best to help her rectify her mistakes and provide a reasonable solution a normal person can easily comply with. Our request was simple:

- Let's figure out how to fix the damage first, then we can talk about a peaceful termination.

She declined, stating that she would only fix the damage if we offered a peaceful termination within 3 days.

Final Major Breach

The final major breach comes from the recent announcement. Unfortunately, most are defamatory and potentially slanderous; hopefully, we can clarify most of the accusations here.

We offered resources in the past in order to grow her channel, including the following:

1. Licenses for mixing program: Athy requested the company for the purchase as she likes to mix songs as her hobby on the way to work. While it is not directly related to VTubing, she told us that she could mix her own song and also offer help to the gemmates; therefore, we agreed. Despite receiving little to no returns as initially anticipated, we didn't discontinue the license.
2. Invest a huge sum of money to promote her cover songs, including Ghost, Lacrimosa, and other covers. During the promotion period for Ghost, her channel grew as a result and made us interested in investing in more.
3. Offering a 2.0 model as an incentive for her to stream more regularly.
4. Offering to release cover songs every month, but was rejected by Athy herself as she claimed she would be unable to perform again due to mental health issues from her workplace outside AkioAIR at the time.
5. A chibi model made only for her per her request

Please do note that investment with Athy has been particularly hard because she takes irregular breaks that may eliminate any benefits resulting from the investment.

While she claims the company does not help her grow, there was nothing we could have done for the talents if they chose not to stream on a regular basis and had to take weeks, if not months, of hiatus.

Regarding payment, our payments are not paid by the month but per talent request to save off transaction fees and the cumbersome process that international transactions may ensue. While we have reminded Athy multiple times that we are request-based, we agree that even if it saves everyone some fees and trouble, talents may feel like the last payment was forever ago.

However, we must admit there were hiccups in the beginning. The tax revenue agency here sometimes had issues with us simply because our business model is considered relatively new

and rare, especially with some rather new “influencer tax” tax policies. We also admit that sometimes international transactions take up more time due to time zone differences and bank requests for clarification, which we often explain to our talents, and it is indeed a slow and cumbersome process that may feel unresponsive.

We sincerely apologize for the payment issues that have occurred over the last few months. International transactions, time zone differences, and bank authorizations slowed the payment process and have caused misunderstandings that the company has not paid the talents.

That being said, we would like to clarify that all the payments that were requested have all delivered, and starting from S2, we have requested the bank to enable features that allow us to streamline the process a lot faster and more directly with the bank whenever issues arise; and we decide to opt for monthly payouts after S2 debut as it may encourage the talents better.

In regards to Nophi's status, we have never intended to hide her age within the company, Nophi herself often tells others about it while introducing herself. Given the frequent interaction Athy had with Nophi when Athy returned from the hiatus and turned down the termination offer, it's beyond reasonable doubt that such a conversation would have occurred. After consulting with Nophi, she made it clear that such information was provided, albeit a long time ago.

Contradictions

At the end of 2022, Athy informed us that she would like to terminate the contract early due to mental health issues. We acknowledged this and offered for her to graduate in March after her hiatus. However, she later came back to the company and stated that she had recovered and would be able to return to streaming, therefore canceling the graduation process.

She apologized for making such a decision, wanting to do her best with her main job, and appreciated that we offered her such an opportunity to continue working at AkioAIR.

This contradicts the current statement in multiple ways; she was offered to leave peacefully more than once already, which she never took; she declined and opted to continue her journey with us.

Conclusion

During her career, she was offered two opportunities to leave peacefully without any consequences. She rejected one and did not want to wait for the other even though she was already on hiatus on a regular basis.

Even when she breached the contract, which we had the ground to ask for liability, we asked only for an apology and owning up to her mistake, which she refused over and over again.

Leaving us the option of informing her that we would take legal action as a last resort. It was not a threat, but the only option we had left, hoping she would cooperate.

Until the final moment, an announcement of defamatory and slander was made, which usually is the point of no return.

That being said, we are willing to forgive her actions. We believe Athy is a kind person at heart; however, often, her careless action has caused others to suffer, as the consequences of her action may not have been intentionally done. Sometimes, pressure forces people to make irrational options, and we all know this.

Just like the second breach, we are willing to forgive Athy for the third time for this situation. We are willing to drop any lawsuit against them once again and opt for a peaceful resolution; **as long as she apologizes sincerely publicly, we will NOT pursue any legal action against Athy.**

Otherwise, we will be forced to clear our names in the courtroom.

We have been willing to invest heavily in our talents, given that they can follow the foundations that allow us to do so, whether it's simply by following the contract or recording covers to make it into a promotion campaign to promote them.

Our contract is very flexible and easy to comply with, asking for no minimal streaming time and allowing breaks whenever they need it, be it a mental health issue, family issue, or simply having to focus on other priorities.

We had privately solved multiple contract terminations without cause because the other party did minimal damage, showing that a lawsuit is the last and desperate option we would choose to perform.

We only ask people not to engage in reckless behavior, leak information, and make decisions to their own advantage without consideration of the other party. We believe that VTubers are aiken to an investment relationship, where the contract ensures that the investment doesn't go to waste or be taken away.

We believe that contracts are the foundation of corporate VTubing; it is what makes it possible for companies to invest in a person to develop their career. Without a contract, anyone can do whatever they want, malicious or not, making investments impossible.

Therefore, we kindly ask you to understand our insistence on honoring a contract.

If anyone can breach a contract multiple times without consequences, as we are discouraged by the public from doing anything, it raises concern about the efficacy and significance of contracts

within the VTuber industry. If contracts lack enforceability, it prompts questioning why we uphold them at all.

Athy is a wonderful talent, and we hate to see her go. Every time she has breached the contract, we always offer a peaceful option. Hopefully, this time, we can finally reach an amicable solution where we don't have to fend for ourselves in a legal battle.

Sincerely,

AkioAIR Board of Directors & AkioAIR Talent Manager.