

# EXCLUSIVE LICENSE CUSTOM BEATS 4 YOU

1. License Fee: Producer's receipt of a \$1000 licensee fee (the "Exclusive License Fee") from you is a precondition to this Exclusive License Agreement.

2. Delivery of the Beat: Following receipt of the Exclusive License Fee and execution of this Exclusive License Agreement, Producer will email a link to the Beat in 24-bit/44.1k WAV and 320kbps MP3 file format, along with "tracked out" stem files for the Beat (as such terms are understood in the music industry), to the email address you provided to Producer.

3. Term: The Term of this Exclusive License Agreement shall be in perpetuity (unless terminated earlier pursuant to the terms of this Agreement).

4. Use of the Beat:

a. Making One New Song. You will have a limited, non-exclusive, nontransferable license to create one (1) new, substantially different (i.e., with substantial unique addition) derivative musical composition (the "New Composition") and one (1) new derivative master recording (the "New Recording") incorporating the Beat. For example, you may choose to record your own topline vocals over the Beat, and/or incorporate all or portions/samples of the Beat into the instrumental music of a New Composition and New Recording. You will have the right to modify the arrangement, tempo, duration, and/or pitch of the Beat in preparation of the New Composition and New Recording. You will have the right to sublicense the New Composition and/or New Recording to third parties (e.g., you may permit third parties to "sample" your New Recording in a subsequent master recording), but you may not license the Beat to third parties for the creation of new musical compositions and/or master records that are derivative only of the Beat as opposed to being derivative of your New Composition and New Recording. You can make music based on the Beat, but you don't get to let other people do that.

c. For Sale and Streaming. You may exploit and/or permit exploitation of the New Composition and New Recording in non-paid and/or paid uses—e.g., where people don't have to pay to listen to and/or download it, and where they do. For example, you may release the New Recording for free download, include it on a free mixtape or free compilation of music, or release it on non-monetized digital streaming service (such as SoundCloud); and you may also sell physical copies of it (e.g., on CD), or release it for sale on a digital service platform (such as iTunes or Amazon Music), or release it on a monetized digital streaming service (such as Spotify or Apple Music).

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d. Public Performances. You may perform the New Recording (and/or underlying New Composition) publicly (for example, in a live concert performance, at a festival, or in a nightclub), and even if people are paying to see you perform. Any recording of a live performance of the New Composition shall be subject to the same terms of this Exclusive License Agreement (i.e., and would qualify as a New Recording hereunder).

e. Radio. You may pitch, submit or permit the pitching or submission of the New Composition and New Recording for performance on terrestrial, satellite, or internet radio (e.g., over-the-air radio, Sirius XM, Pandora, etc.).

f. Music Videos & Synchronizations. You may synchronize (use) the New Composition and New Recording in audiovisual works (“Music Videos”), and you may issue third party master use synchronization licenses for the New Recording and third party musical composition synchronization license for your share (but not Producer’s share) in the New Composition. You may exploit the Music Videos on internet video platforms (e.g., YouTube, Vimeo, Instagram, Facebook, and/or Vevo), and you may monetize the Music Videos (on those platforms or otherwise). The description of the Music Videos on such video platforms must include credit to Def Starz as producer. You may license or permit the Music Videos to be broadcast on television networks, or to be otherwise licensed to third parties. For the avoidance of doubt, the New Composition and/or New Recording (and/or Beat) may not be synchronized with or incorporated in any other audiovisual work (i.e., other than the Music Videos as permitted above)—for example without limitation, in any commercial, television show, film, or video game—without Producer or Producer’s publisher approving and issuing a license in connection with Producer’s share of the New Composition (and you will cause Producer to be paid a share of your royalties on the New Recording in connection with such synchronization, as set forth in paragraph 8.b).

g. No Copy / Stream Cap. Your rights to exploit a New Composition and New Recording are not subject to a maximum aggregate number of streams or copies (physical, or digital downloads).

h. No Direct Use of the Beat. For the avoidance of doubt, you are not getting any right to exploit the Beat directly, only to create and exploit New Compositions and New Recordings that incorporate the Beat along with sufficient new and unique material to distinguish the New Composition and New Recording from the Beat.

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5. PRO Registration: Producer has written and composed the Beat, which is commonly treated as one-half of the total songwriting on a musical composition (and you agree that Producer retains a 50% ownership of the copyright in the New Composition). You agree to register the New Composition with relevant performance rights organizations (e.g., ASCAP, BMI, etc.) with Producer having 50% of the total writer's share under Def Starz (Domagoj Knezovic, PRO: BMI, CAE#: 00668231431) and 50% of the total publisher's share under Songtrust Blvd(BMI 615755145)

6. Royalties: In addition to the Exclusive License Fee, you agree to pay the following royalties to Producer, either by directing the distributor of your records to do so (i.e., your record label, or the digital distribution company you use, e.g., TuneCore, DistroKid, etc.), or by doing so yourself (e.g., to PayPal ID: custombeats4you@gmail.com, or via Producer banking information that may be provided upon emailed request):

a. Mechanical Royalties. When a copy of a master recording like the New Recording is sold (either on a CD, or when someone buys it on a service like iTunes) or streamed (e.g., on a service like Apple Music or Spotify), copyright law requires that the songwriters get paid a royalty called a mechanical license. You agree to make sure that Producer is paid mechanical royalties for Producer's 50% songwriting share of the New Composition, at the minimum statutory rate.

b. Producer Royalties. For Producer's production of the Beat you intend to use in the New Recording, you agree to pay Producer 10% of everything you make from the New Recording (i.e., including without limitation from master use synchronization licenses, but not including in connection with the Music Videos, which shall be subject to paragraph 8.c.)

c. Music Videos Royalties. Notwithstanding anything to the contrary herein, you will pay or cause to be paid to Producer 6% of all monies you make in connection with exploitation of the Music Videos (for example without limitation, from ad revenues in connection with monetization on YouTube, from digital or physical sales of the Music Videos, etc.).

7. Credit: You will have the right to use and permit others to use Producer's approved name "Def Starz" for purposes of the New Recording and "Def Starz" for purposes of the New Composition, but solely in connection with uses of the New Composition and New Recording permitted hereunder. You will cause Producer to be credited as a "producer" of the New Recording (e.g., "Produced by Def Starz")

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and co-writer of the New Composition (e.g., “Written by Def Starz [and other co-writers]” in any and all metadata, liner notes, and/or other customary place for such credits in connection with all exploitations of the New Recording and/or New Composition (as applicable), and in a manner no less favorable to Producer than credit accorded to any other producer or songwriter of the master recordings and musical compositions (respectively) bundled with the New Recording and/or New Composition. In the event of any failure to have Producer properly credited, you will use reasonable efforts to cure such failure immediately on a prospective basis.

8. Ownership: The Producer is and shall remain the sole owner and holder of all right, title, and interest in the Beat, including all copyrights to and in the sound recording and the underlying musical compositions written and composed by Producer. Nothing contained herein shall constitute an assignment by Producer to Licensee of any of the foregoing rights. You may not register or attempt to register (or permit the registration or attempted registration) of the Beat with the U.S. Copyright Office. You may own a copyright to the extent of your contributions embodied in the New Song and New Recording (e.g., your topline lyrics, melody, and/or other new instrumental elements), but any registration or claim of copyright as to the New Song and/or New Recording must be as a derivative work disclaiming any ownership to the copyright(s) in the Beat. For the avoidance of doubt, there is no intention of the parties for the New Composition and/or New Recording to constitute a joint work for purposes of copyright law, and Producer does not herein grant to you any rights in or to any other derivative works based on the Beat. Producer reserves to itself any and all rights in and to the Beat not expressly granted to you herein. You will, upon request, execute, acknowledge and deliver to Producer such additional documents as Producer may deem necessary to evidence and effectuate Producer’s rights hereunder, and you hereby grant to Producer the right as attorney-in-fact to execute, acknowledge, deliver and record in the U.S. Copyright Office or elsewhere any and all such documents if you fail to execute same within five (5) days after so requested by Producer.

9. Breach by You:

a. If you fail to cure any breach of this Exclusive License Agreement within five (5) business days of Producer providing you with written notice of a breach, Producer will have the right to immediately terminate this Exclusive License Agreement, and if Producer notifies you of such termination, you will have no further right to use the Beat in the New Composition, New Recording, and/or Music Videos (and you must immediately cause them to be no longer available to the public).

b. If you use the Beat, New Composition, New Recording, and/or any Music Videos in a manner not expressly permitted in this Exclusive License Agreement, you agree to pay Producer any and all

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amounts previously or thereafter collected, received, or credited to you or any third party in connection with such exploitation of the Beat, New Composition, New Recording, and/or Music Videos (as applicable).

c. You recognize and agree that a breach or threatened breach by you of this Exclusive License Agreement could cause irreparable injury to Producer, which may not be adequately compensated by monetary damages. Accordingly, in the event of a breach or threatened breach by you, Producer shall be entitled to a temporary restraining order and preliminary injunction restraining you from violating the provisions of this Exclusive License Agreement.

d. Nothing herein shall prohibit Producer from pursuing any other available legal or equitable remedy in connection with breach or threatened breach of this Exclusive License Agreement, including but not limited to the recovery of monetary damages from you.

### 10. Representations, Warranties, and Indemnification:

a. Producer represents and warrants that Producer has the full right and ability to enter into this Exclusive License Agreement and grant those rights granted herein. Producer warrants that the exploitations of the Beat permitted hereunder will not infringe upon or violate any common law or statutory right of any person, firm, or corporation; including, without limitation, contractual rights, copyrights, and right(s) of privacy and publicity and will not constitute libel and/or slander.

b. You represent and warrant that exploitation of the New Composition and/or New Recording hereunder will not infringe upon or violate any common law or statutory right of any person, firm, or corporation; including, without limitation, contractual rights, copyrights, and right(s) of privacy and publicity and will not constitute libel and/or slander. Just to be clear, Producer takes no responsibility whatsoever as to any elements added to the New Composition and/or New Recording by Licensee or any third party, and Licensee indemnifies and holds Producer harmless for any and all such elements.

c. Parties hereto shall indemnify and hold each other harmless from any and all third party claims, liabilities, costs, losses, damages, judgments, costs, and expenses as are actually incurred by the non-defaulting party (including, without limitation, reasonable attorneys' fees) arising in connection with any breach or claim of breach of this Exclusive License Agreement by the defaulting party, their agents, heirs, successors, assigns and employees, which have been reduced to final judgment or settled

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with the defaulting party's consent. The non-defaulting party shall give the defaulting party prompt written notice of all claims giving rise to indemnification obligations hereunder, and the defaulting party shall have the right to participate in the defense of such claims with counsel of its choice at its sole expense.

11. Miscellaneous: In no event shall Artist be entitled to seek injunctive or any other equitable relief for any breach or non-compliance with any provision of this Exclusive License Agreement. This Exclusive License Agreement constitutes the entire understanding of the parties and cannot be changed or waived, in whole or in part, except in writing signed by both parties hereto. This Exclusive License Agreement supersedes all prior agreements between the parties, whether oral or written. Should any provision of this Exclusive License Agreement be held to be void, invalid or inoperative, such decision shall not affect any other provision hereof, and the remainder of this Exclusive License Agreement shall be effective as though such void, invalid or inoperative provision had not been contained herein. No failure by Producer hereto to perform any of its obligations hereunder shall be deemed a material breach of this agreement until you give Producer written notice of its failure to perform, and such failure has not been corrected within thirty (30) days of notice (or, if such breach is not reasonably capable of being cured that quickly, Producer does not commence to cure such breach within said time period, and proceed with reasonable diligence thereafter). This agreement shall be governed by and interpreted in accordance with the laws of the State of New York applicable to agreements entered into and wholly performed in said State, without regard to any conflict of laws principles. You hereby agree that the exclusive jurisdiction and venue for any action, suit or proceeding based upon any matter, claim or controversy arising hereunder or relating hereto shall be in the state or federal courts located in the State of New York. You don't have the right to make any money off the Beat, the New Composition, or the New Recording except as specifically allowed in this Exclusive License Agreement. You shall be deemed to have signed, affirmed and ratified your acceptance of the terms of this Exclusive License Agreement by virtue of your payment of the Exclusive License Fee to Producer and your electronic acceptance of the terms and conditions (e.g., at the time of your payment of the Exclusive License Fee.