

LICENSING AGREEMENT

This Agreement is between Licensor and Licensee, sections 1.a. and 1.b. respectively of the License Certificate, pursuant to which Licensor has or will assign a certain musical composition ("**Beat(s)**") defined in section 1.c. of the License Certificate, to be recorded and featured in digital media ("**Master(s)**"), and/or synchronized in digital media productions ("**Synchronization(s)**"), by and through Beat Brokers Global, LLC ("**Broker**") via Broker's digital music licensing platform ("**Beat Brokerz**"). The parties hereto described as "Licensee" and "Licensor" and their respective use of such Masters shall be defined subject to the terms and conditions specified in that certain electronically signed digital document ("**License Certificate**") accompanying this Agreement and as set forth below.

1. **BROKER'S RIGHTS AND LIABILITY:** Broker shall be the exclusive intermediary between Licensor and Licensee to deliver on-line Beats, collect payments, issue the License Certificate, and maintain records under this Agreement. Broker shall not be deemed an owner, partner, or joint venturer with the Licensor or Licensee. Broker makes no representations or assumes no duties with respect to Licensor or Licensee's authority to enter into this Agreement. Nor does Broker make any representations concerning the nature or origin of the creative elements embodied in the Beats. The parties hereto agree to defend, indemnify, and hold Broker harmless in the event there is any, claim, action or proceeding made or commenced by any third party arising out of or relating to their performance or non-performance hereunder or any breach of warranty. Broker shall not be liable for any claims arising out of or relating to Licensor's or Licensee's rights hereunder. Licensee and Licensor hereby release Broker from any claims arising from Licensor or Licensee's performance or non-performance under this Agreement. Any liability arising from Broker's negligence, gross negligence or intentional conduct shall be limited to the consideration paid Licensor to Broker for services rendered hereunder.

2. **SCOPE OF LICENSE:** Licensee is hereby granted the right to use the Beats, subject to the terms and conditions of the License Certificate. No agreement is constituted between Licensor and Licensee for use of Beats unless the License Certificate which accompanies this Agreement passes digital validation through means provided by Beat Brokerz, or an alternative validation method which verifies definitively that the digital signature contained within the License Certificate is legitimate and originated from Broker, and that payment has been collected in full for the amount stated in section 1.d. of the License Certificate.
 - a. **Profitable Distributions:** Licensee shall not profit from, distribute, sell, or otherwise exploit the Beats for commercial purposes unless such commercial purpose is expressly permitted in the License Certificate as a permitted Master under section 2, or as a permitted Synchronization/Performance under section 4.

- b. **Master Recordings:** Licensee may commercially release under this Agreement, a combined total number of Masters not to exceed the maximum limit of Masters permitted under section 2.a. of the License Certificate. "Commercial release," as defined herein, shall mean the use, sale or exploitation of any Masters for profit through normal media or retail distribution channels, including on-line stores or digital media, or any other medium wherein the Masters may be commercially exploited for profit. Licensee shall limit the format for such commercial release to the formats expressly permitted in Section 2.c. of the License Certificate.
- c. **Synchronization:** Licensor hereby grants to the Licensee during the term the non-exclusive, limited right to:
- (1) Record the Master identified below (including the music and/or lyrics thereof in any arrangement, orchestration or language), but only in the synchronization or timed relation with an audio-visual format subject to the limitations in Section 4.b of the License Certificate.
 - (2) Sell, license and distribute said recordings and/or copies throughout the Region.
 - (3) Perform said Master throughout the Region but only in synchronization or timed relation with those certain audio-visual formats expressly permitted and subject to the limitations in Section 4.b. of the License Certificate.
- d. **Term of License:** This Agreement shall commence as of the effective date set forth in Section 1.e of the License Certificate. In the event recordings are permitted in section 2.a. of the License Certificate, Licensee shall commercially release each permitted Master within the period defined in section 3.a, or a period of 6 months, whichever is greater. The royalty-free term defined in section 3.a. shall commence on the date of the first commercial release, or at the end of the grace period defined in section 2.b, whichever comes first, for Masters permitted by this Agreement. Licensor hereby grants Licensee a perpetual license for profitable distributions of any Master commercially released under the terms of this agreement. In the event that synchronization or performance is permitted, the period for associated rights granted under this agreement shall expire after the term defined in section 4.a. of the License Certificate.
- e. **Region:** The rights granted hereunder shall be limited to the Region specified in Section 4.c. of the License Certificate.
- f. **Reservation of Rights:** All terms of license shall be determined by Licensor in his or her sole and absolute discretion, including but not limited to, the price for each Beat, exclusivity of use, and duration of license. Licensor retains all rights to collect royalties for any use of Beat in any medium unless specifically waived in the License

Certificate for such use, including but not limited to, performance or mechanical royalties derived from use of the Beat in compact discs, cassettes, audio-visual recordings, video gaming, motion picture, live performance, radio, and television. If exclusive rights are granted to Licensee, Licensor shall not issue any more licenses for use of Beat during the term of such exclusivity. Any prior non-exclusive licenses issued prior to the date of such grant of exclusive rights shall remain in good standing only for the term of such non-exclusive license and such prior licensee not suffer any penalties by reason during the non-exclusive license period. Notwithstanding the foregoing, nothing herein shall be construed to transfer or assign any copyright ownership in and to the Beat.

- g. **Derivative Works:** Licensee shall retain an ownership interest in and to any derivative works created from the Beat, and Licensor expressly permits the creation of such derivative works under this Agreement during the License Period. In the absence of other specific agreement, Licensee and Licensor shall equally share in the results and proceeds from such derivative works.

3. ROYALTIES:

- a. **Royalty-Free Limit:** Licensor shall waive all mechanical royalty rights for royalty-bearing copies in digital media up to the maximum limit provided in Section 3.b. of the License Certificate, provided that such copies are within the formats expressly permitted in Section 2.d. of the License Certificate. Licensor hereby waives all rights to receive royalties, commissions, or any monies whatsoever from profitable distributions permitted under the License Certificate. The royalty-free limit defined in Section 3.b. of the License Certificate shall include the aggregate sum of all Masters commercially released and/or distributed gratis within the License Period.
- b. **Accrual of Payment:** Mechanical royalties shall be due after either the royalty-free limit in section 3.b. of the License Certificate is reached or the License Period in Section 3.a., whichever is earliest. When recordings are permitted in section 2.a. of the License Certificate, the term defined in section 3.a. shall commence with the first commercial release of any Mastery permitted by this Agreement. If Licensee has not met the limit of profitable distributions defined in Section 3.b. of the License Certificate, the term defined in Section 3.a. of the License Certificate shall automatically restart for each new commercial release of Masters permitted under this Agreement.
- c. **Royalty Rate/Payees:** Royalties shall be calculated at the rate defined in Section 3.c. of the License Certificate and shall be equal to the percentage of the full current statutory royalty rate. Royalties shall be reported and paid by the Licensee, or its duly authorized designee, directly to the Licensor or its designee.

- d. **Payment Upon Assignment:** In the event that Licensor sells, transfers, or assigns its interest, either in whole or in part, upon written notice by Licensor to the Licensee, Licensee shall pay such assignee his or her pro rata share of royalties due under this Agreement. All royalties due hereunder shall be made to the current copyright owner(s).

4. **PERFORMANCE RIGHTS:**

- a. Performance royalties may be collected by Licensor if he or she is a member of any performance rights organization (i.e., ASCAP, BMI, SESAC) authorized to collect such royalties. Nothing contained within this Agreement shall limit or waive Licensor's right to such performance royalties.
- b. The Licensee may exploit the musical composition contained within a Master by and through any media permitted in Section 4b of the License Certificate. All other uses, however, shall not be governed by this Agreement and must be negotiated separately and memorialized in signed writing between Licensor and Licensee.

5. **EXCLUSIVITY:**

- a. If an exclusive license is granted by Licensor, such license shall be exclusive to Licensee during the exclusivity period, and solely within the Region specified in section 4.c. of the License Certificate. Notwithstanding the foregoing, nothing herein shall limit or waive the rights of any non-exclusive license rights granted by Licensor prior to the effective date of this Agreement. In the event of an exclusive license, Licensor hereby expressly warrants and represents that no prior exclusive licenses have been granted by Licensor, which shall interfere or conflict with those exclusive rights granted to Licensee hereunder.
- b. In the event that Licensor grants an exclusive license, the Maximum Term defined in section 5.a. of the License Certificate shall be the maximum amount of time that Licensee shall have exclusive use of the Beat and the musical composition embodied therein. Exclusive use under this agreement shall terminate upon the expiration of the Maximum Term, or the first commercial release of a permitted Master under this agreement, whichever comes first.

- 6. **CREDIT:** As valuable consideration for the Agreement, Licensor shall receive credit as specified by Licensor in Section 2.d. of the License Certificate. Notwithstanding the foregoing, the failure to provide the credit shall not entitle Licensor to any monetary damages or other relief so long as Licensee makes good faith efforts to cure such failure upon written notice.

- 7. **NO ASSIGNMENT:** The rights granted under this Agreement, including the License Certificate, is non-assignable. Any unauthorized assignment shall be void and may result in

termination of this Agreement.

8. **BROKER'S RELEASE:** Licensor and Licensee acknowledge and agree that Broker makes no warranties and shall not be liable at law or equity for any breach of warranty or breach of contract arising out of or relating to this Agreement.
9. **TERMINATION:** The rights granted under this Agreement shall automatically continue in perpetuity unless such terms expire or terminate pursuant to any other clause under this Agreement.
10. **NOTICES:** All legal notices required to be sent to Licensee shall be sent by Certified Mail, Return Receipt Requested, to the Licensee's address provided in the License Certificate.
11. **ATTORNEYS' FEES:** The prevailing party in any dispute, claim or controversy, whether or not resulting in litigation, arising out of or relating to this Agreement, shall have the right to collect from the other party his or her reasonable costs and attorney fees incurred to enforce or interpret the terms of this Agreement.
12. **WARRANTY/INDEMNIFICATION:** Licensor warrants that he or she is owner of the Master(s) and/or has full authority to execute this Agreement and to grant the exclusive rights granted hereunder. Licensor agrees to defend, indemnify, and hold Licensee and/or Broker harmless in the event there is any, claim, action or proceeding made or commenced by any third party arising out of or relating to any rights granted by Licensor hereunder or any alleged breach of this warranty. Licensor's warranty shall survive the terms of this Agreement.
13. **JURISDICTION/VENUE:** This Agreement, regardless of its place of execution, shall be construed, interpreted and enforced in accordance with the laws of the State of California applicable to agreements executed, delivered and to be performed within such State. Any civil action or proceeding shall be commenced and resolved in the federal or state courts of the State of California and such courts shall have exclusive jurisdiction over such matters.
14. **ENTIRE AGREEMENT:** This Agreement constitutes the entire understanding between the parties hereto and may not be modified except by a written instrument duly executed by the parties hereto or authorized representatives.