

Exclusive License Agreement (Contract Preview Only)

This exclusive license agreement (the "Agreement"), having been made on and effective as of **01-01-1900** (the "Effective Date") by and between **Moody** (the "Producer" or "Licensor"); and you, **Customer Name** ("You" or "Licensee"), residing at **Customer Address**, sets forth the terms and conditions of the Licensee's use, and the rights granted in, the Producer's music composition entitled **Track Title** (the "Beat").

This Agreement is issued solely in connection with and for Licensee's use of the Track pursuant and subject to all terms and conditions set forth herein.

1. Rights: The Producer hereby grants the Licensee an exclusive, non-transferable, non-sublicensable license to use the Beat solely for the creation and distribution of a New Song. The Licensee may not assign or transfer these rights without the express written consent of the Producer, which may be withheld at the Producer's sole discretion.

2. Fee: The Licensee shall pay the Producer a non-returnable, non-recoupable Fee of **\$100,000** USD upon execution of this Agreement. This Fee grants the Licensee the exclusive, non-transferable right to use the Beat as detailed in this Agreement. This payment does not constitute a "Work for Hire". The rights granted are specifically defined and limited within this document and pertain solely to the use of the Beat for the creation of a New Song as outlined herein.

3. Mechanical License: The Producer and the Artist agree that the mechanical royalties payable for the Beat will be split equally between them. Each party shall receive 50% of the minimum statutory rate established for mechanical royalties. This arrangement ensures that both the Producer and the Artist are fairly compensated for their contributions to the creation and commercial use of the Beat.

a. **Rate Distribution:** The total mechanical royalty paid will be based on the current statutory minimum rate as set by the Copyright Royalty Board at the time of sale. Each party will receive half of this rate for each phonorecord sold.

Example: If the statutory minimum rate at the time of sale is \$0.091 per phonorecord, the mechanical royalties would be calculated as follows:

- Total Royalties per Phonorecord: \$0.091
- Producer's Share: \$0.0455 per phonorecord
- Artist's Share: \$0.0455 per phonorecord

b. **Reporting and Payment:** Royalties will be calculated and paid on a semi-annual basis, with statements and payments due within 45 days after the end of each semiannual period (June 30 and December 31).

4. Performance Royalties

The Producer is entitled to 50% of the publishing and songwriter royalties derived from public performances of the work, including but not limited to performances on radio broadcasts, live concerts, streaming services, and television broadcasts. To facilitate accurate registration and royalty collection:

- a. The Licensee shall provide the Producer with all required information for registering the work with the Producer's Performing Rights Organization (PRO). This includes the complete names and details of all songwriters, their specific contributions (e.g., lyrics, composition), ISWC code if available, and any other necessary metadata.
- b. The required information must be provided no later than 14 days following the completion of the recording, or before any public release or distribution of the work, whichever is earlier.
- c. The Licensee warrants the accuracy and completeness of the information provided and agrees to promptly update any details in the event of changes.
- d. Upon receiving the necessary information, the Producer will register the work with their PRO, listing the Licensee and any other relevant parties as co-writers or co-publishers according to the agreed percentages of ownership.
- e. After registration, the Producer will confirm the registration with the Licensee and provide a copy of the registration details.
- f. Both parties commit to full cooperation and will provide additional documentation or clarification as needed to address any disputes or inquiries from the PRO concerning the registration.
- g. If the Licensee registers their interest in the composition of the New Song with their PRO, they must simultaneously acknowledge and register the Producer's 50% share and ownership interest, affirming the Producer's contribution to and ownership of half the composition and publisher's share of the New Song.

Composer: Stephen Moody, ASCAP, IPI xxxxxxxxx, 25%

Publisher: Sanktifyd Music, ASCAP, IPI xxxxxxxxx, 25%

5. Synchronization License

- a. The Licensee is granted rights to use the New Song in synchronization with visual media. The revenue generated from such synchronization will be split, with the Producer entitled to 50% of the synchronization income.
- b. The Producer retains exclusive rights to license the Beat itself for synchronization purposes. Any revenues generated from the synchronization of the Beat alone will be retained entirely by the Producer.

6. Delivery of the Beat

- a. The Producer agrees to deliver the Beat as a compressed zip file which contains 24-bit TRACKSTEMS files for professional audio mixing, a 24-bit WAV stereo reference mix, and a mastered high-quality MP3 or WAV file as a reference master. Producer shall use commercially reasonable efforts to deliver the Beat to Licensee immediately after payment of the License Fee is made.

b. The Licensee is responsible for confirming their ability to download large files. Should the Licensee encounter difficulties downloading the zip file, they must notify the Producer within five (5) business days of delivery. Upon such notification, the Producer agrees to furnish the Beat on a flash drive and ship it to the Licensee at the Licensee's expense.

7. Credit and Likeness: The Licensee shall accord the Producer proper credit on all commercial releases of the New Song. Such credit shall be in a prominent place and formatted as "Produced by Moody". The Licensee agrees to use the Producer's approved name, likeness, and other biographical material for promotional purposes related to the New Song and in connection with the commercial exploitation of the New Song. The Licensee shall not alter or modify any of the Producer's approved biographical material without prior written consent from the Producer. In the event of any failure by Licensee to issue the credit to Producer, Licensee must use reasonable efforts to correct any such failure immediately and on a prospective basis.

8. Term and Termination: The Licensee is required to commercially release the New Song incorporating the Beat within 24-months from the Effective Date. For the purposes of this Agreement, 'release' is defined as the distribution of the New Song with recorded vocal lyrics through digital platforms or physical media such as CDs or albums. This stipulation ensures the timely utilization of the Beat and prevents it from being withheld from potential opportunities with other artists.

9. Buy-Out Option

- a. At any point during the term of this Agreement, the Licensee may propose to buy out the Producer's rights in the Beat for full ownership. Such a buy-out shall effectively transfer all of Producer's rights, titles, and interests in and to the Beat to the Licensee, rendering the Agreement and its granted rights as "work for hire".
- b. The terms of the buy-out, including but not limited to the buy-out fee, shall be mutually agreed upon by both parties in writing. The buy-out fee will reflect the full value of the Beat, considering its potential future earnings and the relinquishment of the Producer's rights. No buy-out shall take effect until a separate buy-out agreement has been executed and the agreed-upon fee has been paid in full to the Producer.
- c. This option is provided to facilitate flexibility in the licensing arrangement but does not imply an obligation on the Producer to agree to any buy-out proposal that does not meet the Producer's valuation of the Beat.

10. Audit Rights: The Producer reserves the right to audit the Licensee's books and records related to the revenue and royalties generated from the use of the Beat, no more than once per calendar year unless a previous audit has revealed discrepancies in payment exceeding 5% of the amount due. The Licensee is required to provide all relevant financial documents and records either physically or digitally for review. Such an audit can be conducted by a Certified Public Accountant or Attorney. The Producer must give at least sixty (60) days' written notice before conducting any audit. The cost of the

audit will be borne by the Producer, unless the audit reveals discrepancies in the Producer's favor exceeding 5% of the due payments, in which case the cost of the audit shall be paid by the Licensee. Any discrepancies found in favor of the Producer must be rectified by the Licensee, and any monies owed shall be paid within 30 business days of the audit's conclusion. Disputes over audit findings shall be subject to mediation or binding arbitration as agreed upon by both parties.

11. Breach by Licensee

- a. The Licensee shall have five (10) business days from its receipt of written notice by Producer and/or Producer's authorized representative to cure any alleged breach of this Agreement by Licensee. Licensee's failure to cure the alleged breach within five (10) business days shall result in Licensee's default of its obligations, its breach of this Agreement, and at Producer's sole discretion, the termination of Licensee's rights hereunder.
- b. If Licensee engages in the commercial exploitation and/or sale of the New Song outside of the manner and amount expressly provided for in this Agreement, Licensee shall be liable to Producer for monetary damages in an amount equal to any and all monies paid, collected by, or received by Licensee or any third party on its behalf in connection with such unauthorized commercial exploitation of the New Song.

12. Force Majeure: Neither party shall be liable for the delay or failure to perform its obligations under this Agreement, except for any obligations to make payments hereunder, if such delay or failure is due to causes beyond its reasonable control, such as natural disasters, government actions, or network failures. Specifically, the Producer may claim Force Majeure for delays in delivering the Beat due to such causes, while the Licensee may claim Force Majeure for delays in commercial exploitation of the New Song under similar conditions. Each party must notify the other within a reasonable time frame of their intent to claim Force Majeure.

13. Warranties, Representations, and Indemnification

- a. The Producer warrants and represents that he has the full right, power, and authority to enter into this Agreement and to grant the rights herein. The Beat is original, does not infringe on any third party's rights, has not been licensed to another artist under a non-exclusive agreement, and all necessary permissions for any third-party content have been obtained.
- b. The Licensee warrants that they will use the Beat in compliance with this Agreement and not in any way that infringes third-party rights.
- c. Each party (the "Indemnifying Party") agrees to indemnify, defend, and hold harmless the other party (the "Indemnified Party"), its affiliates, officers, agents, employees, and permitted successors and assigns against any and all claims, losses, damages, liabilities, penalties, punitive damages, expenses, reasonable legal fees, and costs of any kind or amount whatsoever, which result from or arise out of any act or omission of the Indemnifying Party that breaches any of the Indemnifying

Party's representations, warranties, or agreements hereunder. This indemnification will survive the termination of this Agreement.

d. The parties agree that neither shall be liable for indirect, special, incidental, consequential, or punitive damages, including lost profits, even if the party has been advised of the possibility of such damages.

14. Miscellaneous: This Agreement constitutes the entire understanding of the parties and is intended as a final expression of their agreement and cannot be altered, modified, amended or waived, in whole or in part, except by written instrument (email being sufficient) signed by both parties hereto. This agreement supersedes all prior agreements between the parties, whether oral or written. Should any provision of this agreement be held to be void, invalid or inoperative, such decision shall not affect any other provision hereof, and the remainder of this 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 the Licensee gives Producer written notice of its failure to perform, and such failure has not been corrected within thirty (30) days from and after the service of such notice, or, if such breach is not reasonably capable of being cured within such thirty (30) day period, Producer does not commence to cure such breach within said time period, and proceed with reasonable diligence to complete the curing of such breach thereafter. This agreement has been entered into in **Texas, US** and the validity, interpretation, and legal effect of this agreement shall be governed by the laws of the **Texas, US** applicable to contracts entered into and performed entirely within such State. The courts of **Texas, US** (state and federal) only will have jurisdiction of any controversies regarding this agreement and the parties hereto consent to the jurisdiction of said courts. All notices, statements and payments to be sent to any party hereunder shall be addressed to such party at the applicable address set forth on the first page hereof or at such other address as is designated in writing by the applicable party from time to time. All notices shall be in writing and shall either be served by personal delivery (with written receipt of such delivery), or certified or registered mail, return receipt requested, all charges prepaid, except statements may be sent by regular U.S. mail. Except as otherwise provided herein, notices delivered in accordance with the foregoing shall be deemed given when personally delivered, or five (5) days after mailing, except that notices of change of address shall be effective only after actual receipt. Where approvals are required hereunder, such approval or consent shall not be unreasonably withheld and the parties acknowledge and agree that email confirmations/responses shall suffice. Producer shall not be entitled to any monies in connection with the New Song other than as specifically set forth herein. Producer shall have the right to assign this agreement to any parent, subsidiary, or affiliate, or any individual or entity owning or acquiring a substantial portion of Producer's stock or assets provided that Producer remains secondary liable. Licensee may not assign any of Licensee's rights or obligations hereunder without Producer's prior written consent and any such purported assignment shall be null and void ab initio. Both parties agree and acknowledge that this agreement (a) will be binding upon and inure to the benefit of the parties hereto and their

respective successors, permitted assigns, heirs, estates, administrators and executors; (b) embodies the sole and entire agreement of the parties in respect of, and supersedes all prior oral or written understandings between them concerning the subject matter hereof; and (c) may not be amended except by a written instrument signed by all parties hereto. A waiver by either party hereto of any provision of this agreement in any instance shall not be deemed to be a waiver for the future. All remedies, rights, undertakings, and obligations contained in this agreement shall be cumulative and none of them shall be in limitation of any other remedy, right, undertaking, or obligation of either party. Any breach by either party shall not be deemed material unless, within thirty (30) days (or fifteen (15) days for failure to pay monies owed) after the non-breaching party learns of such breach, the non-breaching party serves written notice thereof on the breaching party specifying the nature of the breach and the breaching party fails to cure such breach, if any, within thirty (30) days (15 days regarding payments) after receipt of such notice, or within a reasonable time thereafter if such breach is not curable within thirty (30) days. In entering into this agreement and providing services pursuant hereto, Licensee have and shall have the status of an independent contractor and nothing herein contained shall contemplate or constitute Licensee as Producer's agent or employee.

EACH PARTY UNDERSTANDS THAT IT HAS THE RIGHT TO SEEK THE ADVICE OF INDEPENDENT COUNSEL CONCERNING ITS RIGHTS, THE PROVISIONS HEREOF, AND THE ADVISABILITY OF EXECUTING THIS LEGALLY BINDING AGREEMENT. FURTHER, EACH PARTY ACKNOWLEDGES THAT THEY HAVE BEEN GIVEN THE OPPORTUNITY TO SEEK THE ADVICE OF INDEPENDENT COUNSEL AND BOTH PARTIES ACKNOWLEDGES THAT THEY ARE EXECUTING THIS AGREEMENT VOLUNTARILY AFTER CONSULTATION WITH INDEPENDENT COUNSEL OR INTENTIONALLY DECIDING NOT TO SEEK ADVICE OF INDEPENDENT COUNSEL.

This agreement may be executed via facsimile and in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one instrument. In addition, a signed copy of this agreement transmitted by facsimile, by digital signature, or scanned into an image file and transmitted via email shall, for all purposes, be treated as if it were delivered containing an original manual signature of the party whose signature appears thereon and shall be binding upon such party as though an originally signed document had been delivered. **Notwithstanding the foregoing, in the event that you do not sign this Agreement, your acknowledgment that you have reviewed the terms and conditions of this Agreement and your payment of the License Fee shall serve as your signature and acceptance of the terms and conditions of this Agreement.**

AGREED TO and entered into by the parties hereto.

Producer

By: _____

Date: _____

Licensee

By: _____

Date: _____