



**THIS LICENSE AGREEMENT** is made on Tue, 11 Jul 2023 04:40:19 -0400 ("Effective Date") by and between Licensee (hereinafter referred to as the "Licensee") also, if applicable, professionally known as **Licensee**, and **CraddyMusic** ("Songwriter"). (hereinafter referred to as the "**Licensor**"). Licensor warrants that it controls the mechanical rights in and to the copyrighted musical work entitled The Beat Title (Contract Preview Only) ("Composition") as of and prior to the date first written above. The Composition, including the music thereof, **was composed by CraddyMusic** ("Songwriter") managed under the Licensor.

**License Fee:** The producer's receipt of a **\$39.99** licensee fee (the "Standard License Fee") from you is a precondition to this Standard License Agreement.

**Delivery of the Beat:** Following receipt of the Standard License Fee and execution of this Standard License Agreement, the Producer will email a link to the Beat in 32-bit/44.1k WAV and 320kbps MP3 file format to the email address you provided to the Producer.

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

### **1. Use of the Beat:**

**a. Non-Exclusive.** The Beat is being licensed to you on a non-exclusive basis, which means for example without limitation that the Producer may continue to exploit the Beat and/or license it to other third parties.

**b. Making One New Song.** You will have a limited, non-exclusive, non-transferable 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 for the New Composition and New Recording. You will not have the right to sublicense the New Composition and/or New Recording to third parties (e.g., you may not permit anyone to "sample" your New Recording in a subsequent master recording).

**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 a 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).

**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), 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 Standard License Agreement (i.e. and would qualify as a New Recording hereunder).

**e. No Radio.** You may not 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.)—any such use would require your purchase of an "UNLIMITED" license in connection with the Beat.

**f. One Video.** You may synchronize (use) the New Composition and New Recording in one (1) audiovisual work ("Video"). The duration of the Video can't exceed the longer of (i) five (5) minutes, and (ii) the duration of the New Composition as embodied in the New Recording. The Video can't be used to promote any third-party product or service—it can only be used to promote the New Composition and New Recording. You may exploit the Video only on free-access internet video platforms (e.g., YouTube, Vimeo, Instagram, Facebook, and/or Vevo), The description of the Video on such video platforms must include credit to CraddyMusic as the producer. You may not license or permit the Video 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—for example without limitation, in any commercial, television show, film, or video game.

**g. No Content ID Registration.** You may not register or permit the registration of the New Composition and/or New Recording with any content identification system or service (for example without limitation, with YouTube's Content ID, whether directly or through a third party such as CDBaby or TuneCore). This is a non-exclusive license agreement, and the Beat may have been or may yet be licensed to third parties for their own use; if any licensed users of the Beat tried to register their derivative songs, the content identification system might improperly flag all other users of the Beat as infringing uses. The licensee reserves the sole right to register or permit the registration of the Beat or any work derivative of the Beat with content identification systems and services.

**h. 10,000 Copy/100,000 Stream Cap.** Your rights to exploit a New Composition and New Recording are subject to a maximum aggregate number of one hundred thousand (100,000) streams and ten thousand (10,000) copies (physical, or digital downloads), across all services and platforms (for an illustrative example, if the Video had 50,000 plays on YouTube and the New Recording had 50,001 streams on SoundCloud, that would be a breach of this paragraph). If you are approaching the foregoing cap on your rights to use the Beat, New Composition, and New Recording, you must either remove the New Composition and New Recording from all platforms, or you must purchase a new higher-level license of the Beat from the Producer (e.g., a "STEMS" or "Exclusive Rights" License), before exceeding the foregoing cap.

**i. 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 a New Composition and New Recording that incorporates the Beat along with sufficient new and unique material to distinguish the New Composition and New Recording from and not directly compete with the Beat.

**PRO Registration:** The 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 the Producer retains 50% ownership of the copyright in the New Composition). You agree that any registration of the New Composition with relevant performance rights organizations (e.g., ASCAP, BMI, etc.) will reference the Producer having 50% of the total writer's share under **CraddyMusic (PRO: ARTISJUS - IPI Number: 730189061)**.

**Royalties:** In addition to the Standard License Fee, you agree to pay the following royalties to the 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., DistroKid), or by doing so yourself (e.g., to PayPal ID: **CraddyMusicBeats@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 the Producer is paid mechanical royalties for the Producer's 50% songwriting share of the New Composition, at the minimum statutory rate.

**b. Producer Royalties.** For the Producer's production of the Beat, you intend to use in the New Recording, you agree to pay the Producer 50% of everything you make from the New Recording.

**Credit:** You will have the right to use and permit others to use the Producer's approved name "CraddyMusic" for purposes of the New Recording and "Produced By CraddyMusic" for purposes of the New Composition, but solely in connection with uses of the New Composition and New Recording permitted hereunder. You will use your best efforts to have the Producer credited as a "producer" of the New Recording (e.g., "Produced by CraddyMusic") and co-writer of the New Composition (e.g., "Written by CraddyMusic [and other co-writers]" in any and all metadata, liner notes, and/or another 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 the Producer properly credited, you will use reasonable efforts to cure such failure immediately on a prospective basis.

**Ownership:** The Producer is and shall remain the sole owner and holder of all rights, titles, and interests in the Beat, including all copyrights to and in the sound recording and the underlying musical compositions written and composed by the Producer. Nothing contained herein shall constitute an assignment by the Producer to the 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 the Producer does not herein grant to you any rights in or to any other derivative works that may have been or may yet be created by third parties 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.

**Audio Samples:** If the Instrumental includes third-party samples, the Licensee understands that the sequence and music arrangement are considered original work. Samples may not be cleared before composition, and Licensee is required to seek clearance for the samples. The Licensee is responsible for clearing all samples used (if any) and the Licensor cannot and will not be held liable for the misuse of any sampled material that the Licensee uses in conjunction with the composition/arrangement that is being licensed in this agreement.

**Breach by You:**

a. If you fail to cure any breach of this Standard 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 Standard 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 Video (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 Video in a manner not expressly permitted in this Standard License Agreement, you agree to pay the Producer any and all 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 Video (as applicable).

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

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

**Representations, Warranties, and Indemnification:**

**a.** Producer represents and warrants that Producer has the full right and ability to enter into this Standard 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, the 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 the 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 Standard License Agreement by the defaulting party, their agents, heirs, successors, assigns, and employees, which have been reduced to final judgment or settled 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.

**Miscellaneous:** In no event shall the Artist be entitled to seek injunctive or any other equitable relief for any breach or non-compliance with any provision of this Standard License Agreement. This Standard 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 Standard License Agreement supersedes all prior agreements between the parties, whether oral or written. Should any provision of this Standard License Agreement be held to be void, invalid, or inoperative, such decision shall not affect any other provision hereof, and the remainder of this Standard 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 the 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 Nevada 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 Nevada, Clark County. 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 Standard License Agreement. You shall be deemed to have signed, affirmed, and ratified your acceptance of the terms of this Standard License Agreement by virtue of your payment of the Standard License Fee to the Producer and your electronic acceptance of the terms and conditions (e.g., at the time of your payment of the Standard License Fee).