Recording Lease Agreement (a.k.a. Artist Producer Agreement) Non-Exclusive Beat Lease

LICENSE SUMMARY

Project Types:	Music Recording	
	Motion picture (video)	
	Graphics/Images/Photography	
	Audio Advertisements/Commercials	
Number of Projects:	Unlimited	
Territories:	Worldwide	
Expiration:	None	
Distribution Copies:	Unlimited	
Performance Rights:	Yes	
Project Streams:	Unlimited	
Performances:	Unlimited	
Broadcast Rights:	Unlimited	
Commercial Use:	Yes	
Non-Profit Use:	Yes	

PLEASE CAREFULLY READ THE FOLLOWING AGREEMENT TO FULLY UNDERSTAND THE TERMS AND CONDITIONS AND ANY RIGHTS GRANTED. IF YOU ACCEPT THIS AGREEMENT YOU CONSENT TO THESE TERMS AND CONDITIONS. IF ANY QUESTIONS PLEASE SEE <u>SKYBELLIS.COM</u> FOR MORE INFORMATION:

This agreement ("Agreement") made on the day, month, time, and year of purchase/transaction (for clarity, this defines the "date of agreement") is by and between <u>SKYBELLIS LLC</u> ("Owners/Licensor") also professionally known as <u>SKYBELLIS</u> and **you** ("Licensee"). By making this purchase/transaction **you** (the person or company utilizing the Owner's/Licensor work or services) hereby agree to the following terms:

1. **Glossary of Definitions**:

- (a) "Work(s)" means any tangible or intangible thing produced or created as a result of effort, such as a sound recording, musical composition, video, game, art, and any other physical or abstract thing in similarity.
- (b) "Derivative work(s)" means a new work such as a sound recording or musical composition has been created that incorporates a preexisting work such as a previously published, registered, or original work of authorship sound recording (i.e. master(s) or Licensed Master(s)) or musical composition (i.e. song). The preexisting sound recording and/or musical composition must be rearranged, remixed, or otherwise altered in sequence or character, or must contain an additional new sound recording and/or musical composition to be considered a derivative work. The new or revised sound recording and/or musical composition gound recording and/or musical composition for musical composition must contain at least a minimum amount of the original preexisting sound recording or musical composition to create a derivative work is normally granted by a license. The term derivative work is an official term used in the U.S. Copyright Act.
- (c) "Audiovisual(s)" means any work that includes a visual and sound component. Some examples of an audiovisual would include slide shows, movies, television programs, live theater (i.e. a play).
- (d) "Release" rather used in past, present, or future tense means a work is made available to the public, usually for commercial purposes (i.e. for profit via a sales channel), but includes for non-profit use as well (i.e. to market or promote a brand). For example, if a work is streamed on a website, sold via a service or at a store, or used in a commercial, these would be some, but not all scenarios that would constitute a release.
- (e) "Licensed Master(s)" means a work that has been created that contains both a sound recording and a musical composition. The sound recording and musical composition can have different copyright owners as they are two separate distinct components of a work that can be copyrighted. Noting that "Licensed Masters" could have other

definitions outside of this agreement, but in this agreement Licensed Master(s) will be used to define both these copyright components as one, so when used it will refer to both distinct copyright components of the work as a whole.

- (f) "Royalty" means payment due to anyone, but usually due to an owner for any use of a work. For example, a sound recording and musical composition would be considered two works that can be licensed to someone by someone else. In this example, the person who has been granted the license is called the licensee and is granted clearance to use those works and make a payment called a royalty to the licensor, who is usually the owner of the work licensed.
- (g) "Mechanical Royalty" means per-unit payments made by anyone, like a licensee, usually paid to the owner or owner's appointed agent for the mechanical reproduction, recreation, copying, re-recording, distribution, and sale of copyrighted musical compositions and/or Sound Recordings appearing in a digital stream, permanent digital download, ringtone, tape, CD, album, vinyl record, phonorecord, and any other such similar manufactured formats.
- (h) "Multitrack" means individually separated audio files usually in wav format that can each be placed on a track and played together as a whole to create a larger sound. Noting the word "Multitrack" is sometimes used interchangeably in the music industry with other terms like "track outs" or "stems" which can have the same meaning as multitrack.
- (i) "Instrumental" means a sound recording and/or musical composition (i.e. Licensed Master(s)) that has minimal vocal content (i.e. verses, lyrics, singing, poetry, talking, narration) or no vocal content synchronized with it. Minimal vocal content means that of the total duration of the work used only 50 percent or less contains synchronized vocal content. An instrumental consists of music that is predominantly made up of the sounds produced by playing instruments (electronic, non-electronic, or a mixture of both). An instrumental is sometimes referred to as a "beat".

2. LICENSE GRANTED:

(a) Whereby Owners (also referred to herein as "Licensor(s)") are the owners of the certain master recordings described below. Owners, hereby grant to Licensee a non-exclusive license to use the master recording(s) embodying the performances of the producers(s) known professionally as <u>SKYBELLIS</u> ("Producer") comprising of both the underlying musical composition (hereinafter also referred to as "Compositions") and Sound Recording listed on schedule "A" annexed herein and made a part of this Agreement, for the purpose of manufacturing, promoting, marketing, distributing, selling, and releasing to the public "Records" which are defined as phonograph records, all formats of digital media (including but not limited to downloads or digital phonorecord delivery or permanent digital download, interactive and non-interactive streaming, ringtones) tapes and compact discs (CDs) and any future, new, or other media format that becomes available. Hereinafter the Musical Composition and Sound Recording will both be referred to as the "Licensed Masters(s)" and will include both the Sound Recording and the Musical Composition as one whole work. Under

this Agreement Licensee is granted the unlimited right to include the Licensed Master(s) in the following manner:

To exploit Licensed Master(s) for non-profit and/or profit. This includes the right to copy, modify tempo, sample, modify arrangement, perform publicly or privately, modify length, sync with any other project(s) rather audio or video including video games, modify pitch, or modify a portion or entirety of Licensed Master(s) to create derivative work(s). Derivative work(s) will be hereinafter known as "New record(s)" but Derivative work(s) can still be used interchangeably with the term "New record(s)".

3. LICENSE FEE:

(a) Licensee agrees to pay Licensor the one-time fee associated with purchase/transaction for Licensor's services in granting a license to Licensee on the date of this agreement. No rights will be granted to Licensee under this agreement until this one-time fee is paid to the Licensor. Once the one-time fee payment is paid to Licensor and Licensee agrees to this agreement then and only then will all other terms and conditions listed herein this license agreement be granted to Licensee. For clarity, if any purchases and/or transactions occur that have a zero-dollar fee provided by the Owner/Licensor's service, then any rights mentioned herein for those specific transactions/purchase will be granted to Licensee.

4. **DELIVERY OF LICENSED MASTER(S):**

(a) The Licensed Master(s) will be delivered electronically and be of high-quality and meet music industry standards and will be delivered to Licensee's email via Owner/Licensor's service as a link for digital download upon payment of license fee or upon completion of transaction or checkout.

5. **RIGHTS GRANTED:**

Owners hereby grant to Licensee the following non-exclusive right subject to the following:

- (a) The right to manufacture, promote, market, distribute, and sell "Records" which are defined as phonograph records, all formats of digital media rather monetized or nonmonetized (including but not limited to downloads or digital phonorecord delivery or permanent digital download, interactive and non-interactive streaming, ringtones) and any future new or other media format that becomes available, and tapes, vinyl records and compact discs, containing the performance embodied in the Licensed Master.
- (b) The "allied and ancillary" rights to Licensed Master(s). "Allied and ancillary rights" are defined as any and all rights that have to do with exploiting the property in ways that are different from its original format. In other words, this allows the Licensee to create any other form of work or content (examples: Remixes, different titles and versions, translations) based on the Licensed Master.
- (c) The right to include the Licensed Master(s) in an unlimited number of projects and create an unlimited amount of copies of licensed Master(s). For clarity, this means that Licensee is granted the right to include the Licensed Master(s) in more than one project (i.e. unlimited projects). For clarity, Licensee has the right to create as many

songs as Licensee would like using Licensed Master(s), and has the right to create as many copies of the Licensed Master(s) that Licensee needs, as long as doing so is within the terms of this agreement and does not violate any of the terms mentioned herein.

- (d) The right to publicly perform (i.e. live event), use as background music (including use in traditional and digital jukeboxes) and broadcast (i.e. terrestrial and digital radio) performance embodied in the Licensed Master. For clarity, in the event that Licensed Master needs to be performed in a public venue or medium that has no performance license granted from a performance rights organization (i.e. ASCAP, BMI, SESAC) or similar organization (i.e. SoundExchange), this agreement will serve as license clearance for performance use of Licensed Master and requires no additional compensation to Licensor.
- (e) The right to copy, modify tempo, sample, modify arrangement, perform publicly or privately, modify length, sync with any other project(s) rather audio or visual including video games, modify pitch, or modify a portion or entirety of Licensed Master(s) to create derivative work(s). Some examples of derivative works include adding lyrics to Licensed Master(s), arranging the Licensed Master(s) multitrack (sometimes called stems and track outs), and remixing Licensed Master.
- (f) The right to synchronize Licensed Master with any audiovisual or live event (including but not limited to video/motion picture(s), theatrical play(s), photograph(s), and video game(s)). This right also includes the right to broadcast Licensed Master on any television network rather terrestrial or digital and stream on any video platform (i.e. YouTube).
- (g) The right to use Licensed Master(s) as part of a library, which can be licensed to another entity as part of a blanket. This means Licensee has the right to use Licensed Master(s) as part of a library containing other works to grant another entity use (usually used in film).
- (h) The right to use the names and likeness of Producer in connection with the advertising, publicizing or sale of Records manufactured therefrom, provided that Licensee shall be bound by any restrictions imposed by Owners with respect thereto of which Licensee shall have been informed by Owners in writing at the time of signing this Agreement.
- (i) Owners shall notify Licensee in writing at the time of executing this Agreement, the owners of the Sound Recording, Compositions, and any Publishing Company or Publisher owning any right to the Composition(s).
- (j) Any rights not specifically granted and set forth in this License are hereby reserved by the Owner.

6. LICENSED TERM:

Licensee shall have the non-exclusive Rights Granted in perpetuity.

7. **CREDIT:**

When and where possible, on any published or released works that contain Licensed Masters, Licensee shall use best efforts to credit in writing and verbally all the publishers and writers accurately listed on schedule "A" ("Licensed Masters(s)"). Licensee agrees that any released material (i.e. credits or music metadata or other information on website, CD, tape, cassette, vinyl, or any other materials of any similar form) will list or reference the producer by producer's "professionally known as" title listed on schedule "A" and use best effort to credit producer using the following format: "**Produced by** *<Producer>*", so for example purposes only, a credit may be written as follows for the producer professionally known as SKYBELLIS, "**Produced by SKYBELLIS**".

8. Compensation:

(a) Any payments received in conjunction with this license are non-refundable.

9. ROYALTIES:

(a) Subject to Licensee's compliance with the terms and conditions herein this agreement, a Composition mechanical royalty will be due to Owner but no Sound Recording mechanical royalty will be owed or paid to Owner under this agreement, except for any Sound Recording mechanical royalty mentioned herein. No Sound Recording mechanical royalties need to be accounted for, reported to, or paid to Owner under this agreement. Composition mechanical royalties will be paid to Owner (in accordance with Ownership listed on SCHEDULE "B") at one hundred percent (100%) of the minimum current U.S. statutory rate with no cap at that time (as of this writing the rate is \$0.091 U.S. currency for track durations shorter than five minutes, but for track durations longer than five minutes it is \$0.0175 U.S. currency per every minute started) per unit of each reproduction on physical media (i.e. CDs, vinyl, cassettes, and the like) or from digital download (i.e. iTunes store, Amazon's digital music store, ringtones, and the like) and for non-U.S. and Canada reproductions on physical media and from digital download the rate will be one hundred percent (100%) of the minimum current territory's statutory rate with no cap at that time. For digital streaming (i.e. Spotify, Pandora, Apple Music, Google Play Music, and the like), webcasts, and any other similar digital reproductions, this composition mechanical royalty will be paid to Owner in accordance with Licensee's sales (i.e. interactive and/or non-interactive streams) received from digital streaming service (usually this is based on market share) or the like and the mechanical royalty will be paid in accordance with Owner's split ownership share listed on SCHEDULE "B". Owner allows Licensee to make the decision at release time on if composition mechanical royalties for each release will be paid on each copy of Licensed Master SOLD versus each copy of Licensed Master PRESSED (i.e. CD duplication or the like) or REPRODUCED (i.e. digital download or the like). Owner allows Licensee to create an unlimited amount of promotional copies of Licensed Master to be PRESSED or REPRODUCED (i.e. offered as digital download, a digital stream, or the like) for nonprofit use and no composition mechanical royalty needs to be accounted for, reported to, or paid to Owner under this agreement for any such promotional copies of Licensed Master created for non-profit use. For clarity, the mechanical royalty will be due to the Composition Owner(s) of the Licensed Master(s) listed on SCHEDULE "B" and be paid at the rates mentioned herein per unit of each reproduction. For clarity purposes the mechanical royalty due to the composition Owner(s) under this agreement is a separate and distinct mechanical royalty and not the same as a sound recording mechanical royalty. For clarity, the composition mechanical royalty is usually paid to a publisher collection service (i.e. The Harry Fox Agency), which then pays the publisher(s) (listed on SCHEDULE "B") or publisher's administrator/agent.

- (b) Owner does not give up any rights to any other royalties such as but not limited to public performance royalties, synchronization royalties, print royalties, and theatrical royalties. Most but not all performance rights royalties are usually paid via an affiliated Performance Rights Organization like ASCAP, BMI, SESAC, and SoundExchange for example. Owner has made Licensee aware of Owner's affiliated Performance Rights Organization(s) in this agreement as listed on SCHEDULE "B". Licensee agrees to provide notice of Owner's split ownership share in accordance with and listed on SCHEDULE "B" for any works created using Licensed Masters to any Performance Rights Organization(s) and report and account to Owner for any performance related royalties generated from any transactions agreed upon herein this agreement. This notice is required under this agreement and Licensee agrees to register any works released that use the Licensed Masters with a Performance Rights Organization(s). A Performance Rights Organization(s) usually reports and accounts for performance royalty distributions to an appointed agent of the Owners or directly to Owners of registered work(s). Licensor and Licensee agree in good faith to use best efforts to provide notice to one another in the event that any affiliation with any Performance Rights Organization(s) licensor or licensee is affiliated with changes in this agreement. Any performance fees (i.e. ticket sales, touring fee, performance fee) Licensee charges and receives for non-dramatic live (i.e. in person, non-digital, and not from synchronization with an audiovisual, nor used as a transcription meaning no visual component) performances (i.e. shows and concerts), that are not from royalties paid by a Performance Rights Organization (i.e. ASCAP) or collective rights organization (i.e. SoundExchange) or similar organization do not need to be accounted for nor reported to Licensor and no payment or portion of any of these fees is due to Licensor for these types of transactions. For clarity, Licensee is required to account for, report to, and pay to Owner a royalty (i.e. a portion of any fees or revenue Licensee receives) in accordance with Owner's split ownership share listed on SCHEDULE "B" for any fees or revenue generated from Licensee's direct negotiated transactions that use Licensed Masters in any dramatic works (i.e. opera, Broadway musical, ballet, play). Licensee agrees to account for and report to Licensee's affiliated Performance Rights Organization (or Licensor in the event of direct one-to-one licensing taking place) for any applicable performances with proper documented setlist including song title, venue, location, and date and time of performance. For any one-to-one transactions (i.e. Licensee has a direct agreement with a third party) regarding digital performances, including digital streaming, webcasts, and any other similar digital reproductions of Licensed Master(s) or derivative works, a performance royalty will need to be accounted for, reported to, and paid to Owner in accordance with Owner's split ownership share listed on SCHEDULE "B" for any revenue generated from Licensee's transaction, and there is no minimum performance royalty due for this type of transaction.
- (c) Regarding SoundExchange royalty claims, Owner agrees it will only have rights and make claims to SoundExchange for royalties specific to what Owner owns which are mentioned in Owner's split ownership share listed on SCHEDULE "B". For clarity, Owner will not have nor make any claims to any of the "Featured Artist Claim" SoundExchange share for any such works created.

- (d) For any transactions regarding synchronization (sync) of Licensed Master(s) or derivative works with still images (i.e. photographs, advertisements), or video (i.e. film, TV, Shows, Commercials, Movie), with a game, with graphics, digital animation, or any other similar synchronization like transactions, a sync royalty will need to be accounted for, reported to, and paid to Owner in accordance with Owner's split ownership share listed on SCHEDULE "B" for any fees or revenue generated from Licensee's direct negotiated transactions, and there is no minimum sync royalty due for this type of transaction. Licensee agrees to account for, and report to Licensee's affiliated Performance Rights Organization (or Licensor in the event of direct one-toone licensing taking place) for any applicable performances with proper documented cue sheets including song title, network, program, program title, episode number, production company, duration of sync use details, and date of transaction, and airdate. For clarity, regarding any fees charged or received by Licensee for any and all synchronization placement agreements using Licensed Master(s) a portion of such fee will need to be accounted for, reported to, and paid to Owner. This portion of such fee shall be paid to Owner in accordance with Owner's split ownership share listed on SCHEDULE "B" and there is no minimum synchronization fee due for this type of transaction.
- (e) For any transactions regarding transcription use of Licensed Master(s) or derivative works with other audio (i.e. radio advertisement), or any other similar transactions, a transcription royalty will need to be accounted for, reported to, and paid to Owner in accordance with Owner's split ownership share listed on SCHEDULE "B" for any fees or revenue generated from Licensee's transaction, and there is no minimum transcription royalty due for this type of transaction. For any fees charged or received by Licensee for any and all transcription agreements using Licensed Master(s) a portion of such fee will need to be accounted for, reported to, and paid to Owner. This portion of such fee shall be paid to Owner in accordance with Owner's split ownership share listed on SCHEDULE "B" and there is no minimum transcription fee due for this type of transaction.
- (f) Under this agreement no "points" will be paid to Owner, except those mentioned herein the terms of this agreement. Points and royalties are both used to describe the specifics surrounding a payment, but points usually are outside the scope of royalties and actually describe any additional payments due that come from the direct sale of the Licensed Master in its original form or from the sales of a derivative work and are usually paid as a percentage of the retail price.
- (g) Any fees or revenue licensee receives or charges for any other transactions not mentioned herein this agreement or that are unforeseeable at this time that comes directly from usage of Licensed Master(s) shall be split with Owner in accordance with Owner's split ownership share listed on SCHEDULE "B" and there is no minimum fee due for these types of transactions. In the event that Licensee enters a transaction that generates revenue that is highly complex or not covered in this agreement or involves Licensed Master(s) being combined or intermingled with other works, Licensee agrees to contact Owner and discuss and negotiate with Owner to come to an agreement on the specific details on how royalties shall be calculated and what payment and how any such payment will be due to Owner.
- (h) Licensee only needs to start notifying, reporting, and distributing payment for all royalties and fees owed to Owner once the royalty income sum to licensee surpasses

a threshold of **\$10,000 (U.S currency)**, where a minimum payment point threshold balance of \$100 needs to be reached before being required to notify, report to, and distribute payment to Owner. The Songwriter split agreement and Sound Recording split agreement information for performance, synchronization, and any other royalties and fees are defined in SCHEDULE "B" of this agreement for any derivative works created by Licensee. Any future derivative works incorporating the Licensed Master(s) will follow the same split model defined in schedule "B" for any royalties and fees due to Owner, unless stated anywhere differently herein or nullified in another separate agreement.

- (i) Licensee agrees that any royalties due to Owner shall be paid on a quarterly basis. Quarter 1 will be defined as January through March, Quarter 2 will be April through June, Quarter 3 will be July through September, Quarter 4 will be October through December. Royalties will be due within 45 days after the end of each quarter. For example, if licensee owed the Owner a royalty from revenue generated within Quarter 1, that royalty would be due 45 days after the last day in Quarter 1. Licensee agrees to contact Owner within 45 days of Licensee having notice to make owner aware that a royalty is due to Owner and Licensee agrees to contact Owner by phone, mail, or email or by any other means of contact listed herein to notify Owner that a royalty payment is due. Licensee agrees to notify Owner at least 2 weeks ahead of time by phone, mail, or email or by any other means of contact method listed herein if licensee is aware that any royalty distributions will not be sent within this schedule or will not arrive on time to Owner.
- (j) Royalties and electronic statements shall be sent to Owner via Owner's website mentioned herein, which will have procedural details on how to submit payment. If any issues are encountered with using this method of payment and statement submission Licensee will need to contact Owner by phone, mail, or email or any other means of contact mentioned herein to send payments and statements. Payments can be sent to owner by mail, but licensee will need to notify Owner before sending to confirm proper destination address at that time. Royalty payments shall include a formal royalty statement that includes how royalties were calculated and include descriptions and reasonable details about payment.
- (k) Under this agreement all royalties need to be accounted for by Licensee from date of execution of this agreement. This helps to ensure that any royalty payments that become due to Owner are accurate.
- (I) For any derivative works (i.e. any sound recordings, motion pictures, visual arts, and any other works) created by Licensee that are released publicly (i.e. available as a webcast, broadcast, or physical media distribution), Licensee acknowledges and agrees to send notice within 45 days after release to Licensor with a brief description of derivative work and include at minimum, information identifying if the work is considered "classical music" (see PRO BMI's definition), information on if the release was all original music (were any samples, etc. used), duration of work released, the full legal name of the legal publisher of the work, release date, release channel (i.e. CD baby, TuneCore), any applicable ISRC (International Standard Recording Code) and ISWC (International Standard Work Code) codes, title of work, any alternate titles of work, a list of all performers (i.e. artists, musicians, background vocalists) on derivative work, a list of all writers and/or publishers of work with their full legal names and their correct ownership share listed on a split sheet like the one listed on

SCHEDULE "B", and at least two forms of contact information for writers and/or publishers of work.

(m) Any royalties received by Licensee from exploiting the Licensed Master(s) that have not been covered in this agreement will also need to be accounted for and reported and paid to Licensee in accordance with Owner's split ownership share listed on SCHEDULE "B".

10. **RIGHTS RETAINED BY OWNER:**

Owner will retain all rights in and to the Licensed Masters except any mentioned in the specific terms and conditions granted in this Agreement. To clarify the Owner remains the sole owner and holder of all rights and interest in Licensed Masters. This agreement does not prevent the Licensed Master's Owner from using the master recordings for his/her own purposes. Owner specifically does not rescind any rights whatsoever to use Licensed Masters. The Owner is not giving up any reserved rights and is still able to grant any further licenses to any other party. For example, Owner has the right to lease to another party, sale to another party, market, produce, utilize, and incorporate into other works, or use in any form or fashion whatsoever the Licensed Masters.

11. OWNERSHIP:

Owner will retain all rights in and to the Licensed Masters except any mentioned in the specific terms and conditions granted in this agreement. To clarify the Owner remains the sole owner and holder of all rights and interest in Licensed Masters. Licensor has the full right to transfer all and any copyright ownership (i.e. rights, interest, and title) in Licensed Masters to any other party and in the event of such a transfer all rights granted herein will be transferred intact to new Copyright Owner and Licensor agrees in good faith and with best effort to send notice to Licensee by any contact method Licensee has listed herein of any transfer of ownership rights and any information on where to send any accounting, reporting, payment, or any other documentation. Any works created by Licensee that contain a portion of or the entirety of Licensed Master(s) will have the ownership rights split in accordance with the ownership split sheet listed on SCHEDULE "B."

12. **RESTRICTIONS:** This license does not include any right or authority

- (a) to make any other use of the Licensed Master not set forth herein.
- (b) to upload, copy, or share Licensed Masters or derivatives on any illegal platforms, especially any computer networks or computer-related platforms that promote and permit piracy.
- (c) to register Licensed Masters or any derivative works containing Licensed Masters with any content ID (Identification) system. Content ID (YouTube uses this) is a term used to describe the technology that pairs your music with a digital ID or digital fingerprint so it can be identified and possibly monetized. Content ID systems can have different

names, so Licensee will need to exercise full due diligence and fully read and understand any agreement to know if a Content ID type system will be applied to the Licensed Masters or its derivative works before entering into any agreements or transactions with any third parties. For example, at this time CD baby (a digital aggregator and music store) has the option to opt-in to obtain a Content ID for music distributed via them. With that said in order to not violate the terms of this agreement, the solution would be for Licensee to not opt-in for that service. The reason this agreement imposes a restriction on pairing your work with a Content ID is due to the fact that this is a lease agreement so other parties could be possibly using a Content ID at the same time, which may cause conflict when publishing any works containing Licensed Masters or it's derivative works, which could result in takedown notices that require time and effort to investigate and resolve. If Licensee wishes to be granted the right to register Licensed Masters or any derivative works containing Licensed Masters with any content ID (Identification) system, then Licensee will need to obtain an exclusive license from Licensor or have copyright ownership transferred, and for clarity purposes Owner reserves the right to register Licensed Masters with any content ID system at any time of Owners choosing.

(d) to release the Licensed Master(s) in its original form or release Licensed Master(s) or any derivative of Licensed Master(s) as an instrumental. For clarity, in no way is Licensor granting Licensee the right to release the Licensed Master(s) as an instrumental, so Licensee is only able to release the Licensed Master(s) if Licensed Master contains or is synchronized with vocal content. For clarity purposes, Licensee is granted the right to use Licensed Master(s) in its original form or as a derivative of Licensed Master(s) as an instrumental only in conjunction with live performances (i.e. reproducing Licensed Master or derivative works for a live event or tour) rather public or private and this right includes profit and/or non-profit usage.

13. WARRANTIES:

- (a) Licensor warrants they are the sole one hundred percent (100%) owners and controllers of the Licensed Master's Sound Recording and musical composition and Licensor is not restricted or prohibited from granting the license herein this agreement and hereby have the one hundred percent (100%) right to grant the terms of this Agreement. Owner(s) warrants it has been granted the rights in writing from all producers, side producers, musicians, side musicians, artists, and side artists for the intellectual property rights associated with the Licensed Masters. Owner warrants that the license granted herein this agreement for Licensed Master(s) will not result in any copyright infringement or common law copyright violations. Licensee agrees and acknowledges that no Warranties mentioned herein apply to any elements added (i.e. lyrics, instruments, sounds) to Licensed Master(s) by Licensee, and Licensee indemnifies Owner for any liability for any such elements added and holds Owner non-responsible for any claims, damages, costs, or anything else that could cause harm to Owner and this applies to any New record(s) (i.e. derivative works) created by Licensee. Owner also warrants that Owner is not subject to any Union or collective bargaining agreements that could conflict with this agreement or violate the rights of any third party.
- (b) Licensor makes no guarantees or promises to engage in any further transactions with Licensee for any further services (i.e. further creative services like remixing, recording,

or arranging "Licensed Master(s)"). To clarify, the transaction for which this agreement covers is a one-time transaction and any deliverables to Licensee are "asis", with no warranties of any kind. Owner will work in good faith with Licensee upon this one-time transaction to resolve any issues if they arise with the delivery of any mentioned deliverables herein this agreement.

- The Licensee's ownership in any reproductions, works, musical compositions or (c) Sound Recording of the New record(s) shall not include ownership in the Licensed Master's portion of work, which is solely owned by Owner. Any other parts of the works, outside of Licensed Masters portion of the reproduction, shall be entirely the property of Licensee, free of any claims whatsoever by Owner or Producer, with the exception that any New record(s) will have copyright ownership splits that are in accordance with that listed on SCHEDULE "B" for any works created using Licensed Masters. Owner warrants it is the sole owner of the Licensed Masters and has been granted all rights associated with the recording of the Composition embodied on the Licensed Masters and Sound Recording of the Licensed Masters and hereby have the right to grant the terms of this Agreement. The songs and performances embodied in the Recordings, and any use thereof by Licensee or its grantees, licensees, or assignees, will not violate or infringe upon the rights of any third party. Owner warrants all proper licenses have been secured for the right to perform and record all or any part of the performances or recordings embodied on the Licensed Master for the use of a Musical Composition or Sound Recording appearing in the Licensed Master from a "sample", an "interpolation" or a "replay".
- 14. **ASSIGNMENT:** Licensee shall have the right to Assign this Agreement without the express written consent of Owner. This is in order to secure any third-party agreement that shall arise that requires use of the Licensed master and/or derivative works (i.e signing a recording agreement). Licensee will notify Owner in the event of any assignment in writing within 45 days of any assignment.
- 15. **INDEMNIFICATION:** All parties indemnify and hold harmless the other party, its officers, agents, employees, licensees, attorneys and assignees, from and against any and all claims, losses, damages, suits, demands, liabilities, recoveries, judgements, costs and expenses including but not limited to attorney's fees, in whole or in part, arising out of any breach by the other party of any representation, warranty, term or agreement made or to be performed by this Agreement, unless stated anywhere differently herein this agreement.
- 16. BREACH: If either party is in breach of the terms and conditions set herein this agreement or violates any rights, the non-breaching party shall give written notice to the alleged breaching party, and the alleged breaching party shall have thirty (30) days after written notice to remediate the breach before it is deemed significant. Licensee agrees and acknowledges that at the sole discretion of Owner, Owner reserves the right to revoke this agreement at any time, if any breach is not cured within the period aforementioned and will send notice to Licensee in writing by mail or email, or any other means of contact mentioned herein that will reach Licensee in writing. Licensee agrees and acknowledges that Licensor reserves the right to revoke this agreement if Licensee fails to account to, report to, and/or send any royalty due to owner in line with any royalty payment scheduled given herein this agreement. When and if licensor revokes this agreement, any use of any works by Licensee which contain the Licensed Master(s) for which payment has not been made will be considered copyright infringement and if Licensor revokes this agreement Licensee to use the Licensed Master(s).

17. **GOVERNING LAW:**

- (a) This Agreement has been entered into in the state of Georgia.
- (b) Any and all actions under the law shall be instituted in a court of competent jurisdiction in the State of Georgia and shall be deemed construed according to the laws of the State of Georgia.

18. MISCELLANEOUS PROVISIONS:

- (a) This Agreement shall endure in perpetuity for the territory of the entire world.
- (b) Licensee is under no obligation to make any use of Licensed Masters.
- (c) This agreement does not create any partnership, joint-venture, agency, or any other form of joint enterprise between Licensee and Licensor.
- (d) All sound recording and musical composition names (including Licensed Masters) are subject to change, and all parties agree to notify each other of any name changes.
- (e) For the purposes of this agreement, any fees or revenue licensee receives or charges for transactions that trigger a royalty payment to be accounted for, reported to, and paid to Owner which come directly from Licensee herein this agreement will be paid based on "gross receipts or earnings". The term "gross receipts or earnings" herein this agreement means the total of all earnings and other consideration, factoring in in any adjustments for returns or discounts, and subtracting any and all "reasonable" expenses incurred by Licensee. For clarity, "reasonable" expenses would include but are not limited to equipment rental, vehicle rental, ridesharing and/or public transportation, supplies, airfare, hotel stay, gas, parking, and hired workers or any other similar expenses that may be incurred by Licensee to secure and generate revenue. As not all reasonable expenses will be foreseeable, Licensee will need to account for and report any such "reasonable" expenses deducted from any payments due to Owner upon payment to Owner. For clarity, this clause is to allow the Licensee to be able to recoup any investments made in a direct transaction (i.e. travel expenses incurred to secure a direct licensing deal with a third party) and protect the Licensee from having to pay Owner in the scenario where no profit (i.e. a loss) occurs. In summary the Owner agrees to only make money if and when the Licensee makes money.
- (f) This agreement grants the Licensee the right to grant sublicenses to any party it chooses for any rights that Licensee has been granted under this agreement, as long as in accordance with the rights that have been granted in this agreement. For clarity, under this agreement the Licensee is restricted from and cannot sublicense Licensed Master(s) in its original form or as an instrumental or as a derivative instrumental to any third party, meaning Licensee is only able to sublicense the right to use Licensed Master(s) after it has already been synchronized or combined in time-relation with vocal content, and for further clarity this means Licensee can only sublicense the Licensed Master(s) as long as Licensed Master(s) is integrated with other vocal content (i.e. another sound recording work containing vocals) and being sublicensed as a whole (i.e. with vocals content added and not as an instrumental). Licensee

understands that if a sublicense of licensee's rights is granted to a third party the Licensor is in no way responsible for, accountable for, nor liable for any issues nor disputes arising from any sublicenses that Licensee granted to any third parties nor any related transactions. Licensee agrees and acknowledges that any future changes or amendments to this agreement will carry over to any sublicenses granted by Licensee and will keep this in mind if deciding to grant any sublicenses. If Licensee has any questions or concerns, Licensee agrees to contact Licensor prior to engaging in any transactions like granting any sublicenses. Any and all sublicenses granted by Licensee to any other parties shall be subject to, and consistent with, the terms and conditions of this Agreement. Licensee agrees and acknowledges that if for any reason this contract is terminated that Licensee and any sublicensees must comply and immediately cease access to and take down any Licensed Masters and/or New record(s) that are available to the general public from anywhere including digital and physical distribution channels, marketing channels, promotional channels, and any other channels alike. For clarity Licensee will be responsible for the compliance of its sublicensees with the terms and conditions of this Agreement.

- (g) This agreement shall endure after the death of either Licensor or Licensee in the event Licensor or Licensee dies before any termination date mentioned herein this agreement is reached and for clarity purposes this agreement will still terminate upon any mentioned termination date mentioned herein and in accordance with the terms and conditions granted in this Agreement. In the event of death, any rights granted under this agreement to either party will be passed to the designated party's successor via his/her will, and in the case of no will or written documentation of how property is to be distributed, the rights would need to be handled by the laws of the state in which party resides in.
- (h) Owner agrees to negotiate in good faith issuing any further such licenses or written agreements to effectuate this Agreement if either is further required by Licensee or by Licensees assignors or sublicensees. All parties agree to discuss and negotiate any situation or circumstance not covered in this agreement that shall arise. In the event that any party has any disputes or is unable to resolve by direct negotiations then the party with the dispute (i.e. plaintiff) agrees to settle the dispute by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. All parties agree to settle any and all disputes with arbitration administered by the American Arbitration Association prior to litigation to resolve the dispute and agrees that any and all expenses resulting from engaging the American Arbitration Association for their services shall be paid by the party that initiates the dispute. Arbitration is to be conducted in all respects in accordance with the rules and regulations of said Association. The arbitrator(s) shall be an Entertainment subject matter expert. The place of arbitration shall be Atlanta, Georgia, but, if attendance at location is not feasible all parties agree to use online dispute resolution (meaning parties can meet online through instant messaging, email, videoconferencing, or a combination of these methods) as a means to resolve any disputes remotely. The arbitration shall be governed by the laws of the State of Georgia. Time is of the essence for any arbitration under this agreement and arbitration hearings shall take place within 90 days of filing and awards rendered within 120 days. Arbitrator(s) shall agree to these limits prior to accepting appointment. The arbitrator(s) shall award to the prevailing party, if any, as determined by the arbitrators, all of their costs and fees. "Costs and fees" mean

all reasonable pre-award expenses of the arbitration, including the arbitrators' fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, witness fees, and attorneys' fees.

- (i) This agreement is intended to be a final expression of the terms and conditions acknowledged, understood, and agreed upon by signed parties. Any modifications, amendments, or alterations of this agreement in whole or in part must be executed in writing and signed by all parties and any new agreements must be executed in writing and signed by all parties.
- (j) If any provision herein this agreement is held to be unlawful, void, invalid, unenforceable, or inoperative, said provision 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. All signed parties shall in best effort and in good faith negotiate to replace any unlawful, invalid or unenforceable provisions with valid provisions such that the economic effect of such provisions come as close as possible to those of the unlawful, invalid, or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.
- (k) In the scenario where the Licensee is offered an opportunity to enter into an agreement with a major recording, publishing, or other company or entity (person, group, or organization) other than (i.e. outside of) Licensee's own company or Licensee's self, Licensee is required at minimum to notify Licensor in writing within 45 days and Licensor will use best efforts to work in good faith with Licensee to renegotiate if need be any terms and conditions of this contract before-hand. A major recording or publishing company is herein defined as one that has a budget to spend a minimum of \$750,000 to publicly release, market and/or promote works in association with Licensed Master(s) or any derivative work(s) created using Licensed Master(s). If such scenario shall arise Licensee will be required to contact Owner by phone, mail, and email, whichever reaches Owner first, to notify Owner. To clarify the Licensee has the right granted herein this agreement to proceed forward in entering into an agreement with another entity or company with the same rights granted herein this agreement, but it is highly recommended that Licensee consult with Licensor first before doing so to discuss and have a solution in place for all and any complexities that may arise in such a scenario.
- (I) Licensor and Licensee agree in good faith to use best efforts to provide notice to one another in the event that any of the contact information listed on SCHEDULE "B" changes (i.e. relocation, number changes, email changes, website changes) in this agreement.
- (m) Licensee agrees that in the event Licensee is unable to reach Owner by contact methods listed on SCHEDULE "B" that Licensee is required to send any notices to Owner by traditional mail (i.e. U.S. Post office or courier service) to the address(s) listed on SCHEDULE "B" of this agreement. Any and all notices, including payments, reports, accounting, and the like sent to Owner by Licensee will not be deemed as actually given to Licensee until licensee confirms any and all notices were in fact received, and any receipt of delivery by Owner will be communicated to Licensee using any one of the contact methods listed for Licensee on SCHEDULE "B".

- (n) Licensee agrees to account for, and report to Licensee's affiliated Performance Rights Organization (or Licensor in the event of direct one-to-one licensing taking place) for any and all transactions with any proper documentation (i.e. song title, usage details, date and time of usage) as stated in the terms and conditions herein this agreement.
- (o) This Agreement may be executed in multiple counterparts. If so executed, all of such counterparts shall constitute but one agreement, and, in proving this Agreement, it shall not be necessary to produce or account for more than one such counterpart. To facilitate execution of this Agreement, the parties may execute and exchange by electronic mail PDF copies of counterparts of the signature pages. A true, correct, and legible version of this Agreement that contains scanned, faxed, photocopied, or electronic signatures shall be deemed as binding and enforceable as the original version. Regardless of the foregoing, in the event you do not sign this Agreement, your acknowledgement that you have reviewed the terms and conditions of this Agreement and/or your use of the Owner/Licensor's service and/or your transaction/payment of the License Fee shall serve as your signature and acceptance of the terms and conditions of this Agreement. For clarity, any transaction that has a \$0.00 fee or is offered as a free service or product by Owner/Licensor serves as your signature and acceptance of the terms and conditions as a free service or product by Owner/Licensor serves as your signature and acceptance of the terms and conditions of the terms and conditions of this Agreement as well.
- (p) Licensee acknowledges and agrees that Licensee has read and understood this agreement and had the recommended option and opportunity before signing to obtain advice from an independent attorney or have an independent attorney review this agreement on Licensee's behalf. In the event licensee decides not to obtain legal advice or have this agreement reviewed by an independent attorney before signing, Licensee agrees to not use this decision as an excuse as a basis to avoid any obligations under this agreement, or to invalidate this agreement or to render this agreement or any part thereof unenforceable.
- (q) This Agreement is not valid and vested until: (1) it has been signed by the Licensor and the Licensee. By Licensee engaging in a transaction and/or making any payment of the License Fee to Licensor and Licensee's electronic acceptance of Owner/Licensor's terms and conditions at the time Licensee performed the transaction and/or made the payment, Licensee shall be deemed to have signed, affirmed and endorsed its acceptance of the terms of this Agreement.

This Agreement shall be effective as of the defined "date of agreement" set forth herein. All parties have the authority or have been granted the authority to bind this agreement. By purchasing and/or checking out and/or making the transaction using Owner's/Licensor's services you have acknowledged and agreed to the terms of this agreement and understand this is binding and holds true and is admissible by law to the equivalent of this agreement being signed electronically, digitally, or hand written.

Owner Signature (Licensor): Brian G. Williams, CEO of SKYBELLIS LLC

Owner/Licensor (Professional known as): SKYBELLIS

By: (Printed Full Name) <u>Brian Gilbert Williams</u> (Printed Title) <u>CEO of SKYBELLIS LLC</u> Contact info (Phone/email/Address/Website): Phone: <u>762-499-3658</u> Email: <u>skybellisbeats@gmail.com</u> Address: <u>Contact us via our website</u> Website: www.skybellis.com

Owner Copyright Registration # and Year registered (if registered and known): Registration #: <u>Contact us via our website if needed</u> Year Registered: <u>Contact us via our website if needed</u>

Licensee Signature: By checking out, making a transaction using Owner/Licensor's service, or purchasing you have agreed and signed this agreement, see terms in agreement and/or from service provider for more info.

Licensee (Professional known as): By checking out, making a transaction using Owner/Licensor's service, or purchasing you have agreed and signed this agreement, see terms in agreement and/or from service provider for more info.

By: (Printed Full Name) By checking out, making a transaction using Owner/Licensor's service, or purchasing you have agreed and signed this agreement, see terms in agreement and/or from service provider for more info.

(Printed Title) By checking out, making a transaction using Owner/Licensor's service, or purchasing you have agreed and signed this agreement, see terms in agreement and/or from service provider for more info.

Contact info (Phone/Email/Address/Website):

Phone: By checking out, making a transaction using Owner/Licensor's service, or purchasing you have agreed and signed this agreement, see terms in agreement and/or from service provider for more info.

Email: By checking out, making a transaction using Owner/Licensor's service, or purchasing you have agreed and signed this agreement, see terms in agreement and/or from service provider for more info.

Address: By checking out, making a transaction using Owner/Licensor's service, or purchasing you have agreed and signed this agreement, see terms in agreement and/or from service provider for more info.

Website: By checking out, making a transaction using Owner/Licensor's service, or purchasing you have agreed and signed this agreement, see terms in agreement and/or from service provider for more info.

SCHEDULE "A"

LICENSED MASTER(S)

Musical Composition (name): SKY-MOTOR-CLUB-1000

Composition Publisher(s) Full Name(s): <u>SKYBELLIS LLC</u>

Composition Copyright owner(s) Full Name(s): SKYBELLIS LLC

Composition Writer(s) Full Name(s): <u>Brian Gilbert Williams</u> (professionally known as: <u>Strokefranco</u>)

Composition Producer(s) Full Name(s): <u>Brian Gilbert Williams</u> (professionally known as: <u>SKYBELLIS</u>)

Sound Recording (name):

SKY-MOTOR-CLUB-1000

Sound Recording Copyright Owner(s) Full Name(s): SKYBELLIS LLC

Sound Recording Producer(s) Full Name(s): Brian Gilbert Williams (professionally known as: <u>SKYBELLIS</u>)

SCHEDULE "B"

SONGWRITER'S COLLABORATION SPLITS AGREEMENT

This agreement ("Agreement") has been made and entered between, and among the parties indicated herein. This split sheet was created as proof to explain, settle, and demonstrate how any future works that use the underlying musical composition of the Licensed Master(s) will need to be registered to properly identify and grant to Owner, the Owner's share in any derivative works created. For any works or derivative works created that use the Licensed Master(s) in part or in whole, the Owner will own 50% of the publishers share and 50% of Writer's (songwriter's) share of the underlying musical composition. The sole right to issue any third-party licenses for any derivative works created by Licensee or release any derivative works is only granted to the Licensee or Licensee's designees, so in summary this means the Owner is restricted from releasing any of Licensee's derivative works created or entering into any third-party agreements involving Licensee's derivative works under this agreement. Each party acknowledges, agrees and understands that they will own the following copyright interest, including writer's credit, songwriter and publishing income, in any future musical compositions tentatively created subject under this agreement:

WRITER'S SHARE & INFORMATION	PUBLISHER'S SHARE & INFORMATION
Producer's Full Name: Brian Gilbert Williams	Publisher's Full Name & Administrator: SKYBELLIS LLC
Producer's Writer Share (composer) %: 50	Publisher's Share %: <u>50</u>
Contact Info. (include address, email, and phone):	Contact Information (include address, email, and phone)
Address: <u>Contact us at www.skybellis.com</u> Email: <u>skybellisbeats@gmail.com</u> Phone: 762-499-3658	Address: <u>Contact us at www.skybellis.com</u> Email: <u>skybellisbeats@gmail.com</u> Phone: <u>762-499-3658</u>
PRO (Circle or Underline): <u>ASCAP</u> BMI SESAC	PRO (Circle or Underline): <u>ASCAP</u> BMI SESAC
IPI/CAE NAME and #: <u>466887590</u>	IPI/CAE NAME and #: <u>369970303</u>
Signature: Brian G. Williams, CEO of SKYBELLIS LLC	Signature: Brian G. Williams, CEO of SKYBELLIS LLC
Writer #1's Full Name: You fill this in upon release	Publisher's Full Name & Administrator: You fill this in upon release
Writer #1's Writer Share (lyrics) %: You fill this in upon release	Publisher's Share %: You fill this in upon release
Contact Info. (include address, email, phone)	Contact Information (include address, email, and phone)
Address: You fill this in upon release Email: You fill this in upon release Phone: You fill this in upon release	Address: <u>You fill this in upon release</u> Email: <u>You fill this in upon release</u> Phone: <u>You fill this in upon release</u>
PRO (Circle or Underline): ASCAP BMI SESAC	PRO (Circle or Underline): ASCAP BMI SESAC
IPI/CAE NAME and #: You fill this in upon release	IPI/CAE NAME and #: You fill this in upon release
Signature: You fill this in upon release	Signature: You fill this in upon release

SCHEDULE "B" (continued)

SOUND RECORDING COLLABORATION SPLITS AGREEMENT

This is the agreement ("Agreement") made and entered between, and among the parties indicated herein. Each party agrees no samples, which require permission/clearance were used to create said Sound Recording. The Sound Recording is also known as the "Master Recording" and these terms can be used interchangeably. This split sheet was created as proof to explain, settle, and demonstrate how any future works that use the Sound Recording of the Licensed Master(s) will need to be registered to properly identify and grant to Owner, the Owner's share in any derivative works created. For any works or derivative works created that use the Licensed Master(s) in part or in whole, the Owner will own 50% of the Sound Recording. The sole right to issue any third-party licenses for any derivative works created by Licensee or release any derivative works is only granted to the Licensee's designees, so in summary this means the Owner is restricted from releasing any of Licensee's derivative works created or entering into any third-party agreements involving Licensee's derivative works under this agreement. Each party acknowledges, agrees and understands that they will own the following copyright interest in any future Sound Recordings tentatively created subject under this agreement:

MASTER RECORDING OWNER CLAIM & INFORMATION	FEATURED ARTIST/PERFORMER INFORMATION
Claimant #1 Full Name: SKYBELLIS LLC	Featured Artist/Performer Full Name #1: You fill this in upon release
Claimant #1 %: 50	Featured Artist/Performer #1 Royalty Claim %: <u>You fill this in upon</u> release
Contact Info. (include address, email, and phone):	Contact Information (include address, email, and phone)
Address: <u>Contact us at www.skybellis.com</u> Email: <u>skybellisbeats@gmail.com</u> Phone: <u>762-499-3658</u>	Address: Y <u>ou fill this in upon release</u> Email: You fill this in upon release Phone: You fill this in upon release
Publisher (for informational purposes): <u>SKYBELLIS LLC</u>	Publisher (for informational purposes): You fill this in upon release
Marketing Label: <u>SKYBELLIS</u>	Marketing Label: You fill this in upon release
Signature: Brian G. Williams, CEO of SKYBELLIS LLC	Signature: You fill this in upon release
Claimant #2 Full Name: You fill this in upon release	Featured Artist/Performer Full Name #2: You fill this in upon release
Claimant #2 %: You fill this in upon release	Featured Artist/Performer #2 Royalty Claim %: <u>You fill this in upon</u> release
Contact Info. (include address, email, and phone):	Contact Information (include address, email, and phone)
Address: You fill this in upon release Email: You fill this in upon release Phone: You fill this in upon release	Address: You fill this in upon release Email: You fill this in upon release Phone: You fill this in upon release
	e Publisher (for informational purposes): You fill this in upon release
Marketing Label: <u>You fill this in upon release</u> Signature: You fill this in upon release	Marketing Label: You fill this in upon release
	Signature: You fill this in upon release