

License Agreement

This agreement (“**Agreement**”) dated as of January 1, 2022, is between SOUND BROKERS MUSIC LLC d/b/a AMBIANCE SOUND (“**Licensor**”); and You (“**Licensee**”), sets forth the terms and conditions of the Licensee's use, and the rights granted in the instrumental music files (“**Instrumentals**”).

WHEREAS, Licensor is the copyright holder of all proprietary interest in the Instrumentals.

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

- 1. LICENSE FEE:** Licensee shall pay the License Fee to the Licensor. The License Fee is a one-time payment for the rights granted to the Licensee and this Agreement is not valid until the License Fee has been paid.
- 2. DELIVERY:** Licensor agrees to deliver the Instrumentals as a high-quality MP3 or WAV, as such terms are understood in the music industry. Licensor shall use commercially reasonable efforts to deliver the Instrumentals to the Licensee immediately after payment of the License Fee. Licensee will receive the Instrumentals via email, to the email address the Licensee provided to Licensor.
- 3. TERM:** The term of this Agreement shall begin on the Effective Date and continue in full force unless terminated earlier by the Licensor.
- 4. USE:** In consideration for the Licensee's payment of the License Fee, the Licensor hereby grants the Licensee a limited non-exclusive, non-transferable license to use the Instrumentals solely for the purpose of creating new musical works by sampling, editing, and manipulating the Instrumentals. Licensee may create new instrumental music by incorporating portions/samples of the Instrumentals. The derivative work or piece of new instrumental music created by the Licensee which incorporates some or all of the Instrumentals shall be referred to as the "**New Instrumental**" and must be original. Permission is granted to the Licensee to modify the arrangement, length, tempo, or pitch of the Instrumentals in preparation for the **New Instrumental** for public release. Licensor grants the Licensee a worldwide, non-exclusive license to use the Instrumentals as incorporated in the **New Instrumental** in the manners and for the purposes expressly provided for herein, subject to the sale restrictions, limitations, and prohibited uses stated in this Agreement. Licensee acknowledges and agrees that all rights granted to the Licensee in the Instrumentals pursuant to this Agreement are on a NON-EXCLUSIVE basis and the Licensor shall continue to license the Instrumentals upon the same or similar terms and conditions as this Agreement to other potential third-party licensees.
 - The **New Instrumental** may be used for promotional purposes, including but not limited to, a release in a single format, for inclusion in a mixtape or free compilation of music bundled together (EP or album), and/or promotional, non-monetized digital streaming;
 - Licensee may perform the **New Instrumental** publicly for non-profit performances and for-profit performances, limited to, on the internet via third-party streaming services (Spotify, Apple Music, Tidal, excluding YouTube, etc.) and social media (Instagram, Twitter, TikTok, etc.). Licensee does not have to pay a royalty for the **New Instrumental** performances.
 - Licensee may use the **New Instrumental** in synchronization with One (1) audiovisual work no longer than one (1) minute in length ("Video"). The Video may be uploaded to the internet limited to a personal website

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5. RESTRICTIONS ON THE USE: Licensee hereby agrees and acknowledges that it is expressly prohibited from taking any action(s) and from engaging in any use of the Instrumentals or **New Instrumental** in the manners, or for the purposes, set forth below:

- A. The rights granted to the Licensee are non-transferable and the Licensee may not transfer or assign any of its rights hereunder to any third-party without permission;
- B. Licensee shall not synchronize, or permit third parties to synchronize, the Instrumentals or **New Instrumental** with any audiovisual works EXCEPT as expressly provided for and pursuant to Paragraph 4 of this Agreement for use in one (1) Video. This restriction includes but is not limited to, the use of the Instrumentals and/or **New Instrumental** in television, commercials, film/movies, theatrical works, video games, and in any other form on the Internet which is not expressly permitted herein.
- C. Licensee shall not have the right to license or sublicense any use of the Instrumentals, in whole or in part, for any so-called "samples." Licensee is required to contact the Licensor before licensing the **New Instrumental**.
- D. Licensee shall not engage in any unlawful copying, streaming, duplicating, selling, lending, renting, hiring, broadcasting, uploading, or downloading to any database, servers, computers, peer-to-peer sharing, or other file-sharing services, posting on websites, or distribution of the Instrumentals in the form, or a substantially similar form, as delivered to Licensee. Licensee may send the Instrumental files to any individual musician, engineer, studio manager, or other people who are working on the **New Instrumental**.
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- F. As applicable to both the underlying compositions in the Instrumentals and to the sound recordings of the Instrumentals: (i) The parties acknowledge and agree that the **New Instrumental** is a "derivative work", as that term is used in the United States Copyright Act of 1976; (ii) As applicable to the Instrumentals and/or the **New Instrumental**, there is no intention by the parties to create a joint work; and (iii) There is no intention by the Licensor to grant any rights in and/or to any other derivative works that may have been created by other third-party licensees.

6. OWNERSHIP: Licensor shall remain the holder of all rights in the Instrumentals, including all copyrights to and in the sound recordings and the underlying musical compositions. Nothing contained herein shall constitute an assignment by the Licensor to the Licensee of any of the foregoing rights. Licensee may not, under any circumstances, register or attempt to register the **New Instrumental** with the U.S. Copyright Office without permission. For the avoidance of doubt, the Licensee does not own the musical composition, master, or sound recording rights in the Instrumentals. You have been licensed the right to use the Instrumentals and to commercially exploit the **New Instrumental** based on the terms and conditions of this Agreement. Notwithstanding the above, you do own the original musical components of the **New Instrumental** that were written or composed solely by you. With respect to the publishing rights and ownership of the underlying composition embodied in the **New Instrumental**, the Licensee cannot register it with a publisher or Performance Rights Organization (PRO) without permission. With respect to the master recording rights and ownership of the sound recording embodied in the **New Instrumental**, the Licensee cannot register it with SoundExchange without permission. The Licensee shall be deemed to have signed, affirmed, and ratified its acceptance of the terms of this Agreement by virtue of its payment of the License Fee to the Licensor.

7. CREDIT: Licensee shall accord the music creator credit on the **New Instrumental** as a “composer”, including all **New Instrumental** files, DSPs (Apple, Spotify, Tidal, etc.), and social media platforms. Licensee’s inadvertent, non-repetitive failure to comply with the foregoing shall not be deemed a material breach hereof. Upon written notice from the Licensor that the music creator has not been accorded appropriate credit as set forth herein, Licensee shall use all reasonable efforts to have such failure promptly corrected on a prospective basis. Please contact the Licensor for information on the music creator.

8. LICENSOR’S OPTION: Licensor shall have the option, at the Licensor's sole discretion, to terminate this License at any time by providing an email or public notice. Upon the Licensor's exercise of the option, Licensee will have thirty (30) business days to remove the **New Instrumental** from all digital channels and must cease access to any streams and/or downloads of the **New Instrumental** by the general public.

9. BREACH BY LICENSEE: Licensee shall have five (5) business days from its receipt of written notice by the Licensor and/or the Licensor's authorized representative to cure any alleged breach of this Agreement by the Licensee. Licensee's failure to cure the alleged breach within five (5) business days shall result in the Licensee's default of its obligations, its breach of this Agreement, and at the Licensor's sole discretion, the termination of the Licensee's rights hereunder. If the Licensee engages in the commercial exploitation and/or sale of the Instrumentals or **New Instrumental** outside of the manner and amount expressly provided for in this Agreement, Licensee shall be liable for monetary damages in an amount equal to 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 Instrumentals and/or **New Instrumental**.

10. WARRANTIES/REPRESENTATIONS/INDEMNIFICATION:

(a) Licensor warrants and represents that they have the full right and ability to enter into this agreement, and is not under any disability, restriction, or prohibition with respect to the grant of rights hereunder. (b) Licensor warrants that the manufacture, sale, distribution, or other exploitation of the **New Instrumental** 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. Licensee warrants that the manufacture, sale, distribution, or other exploitation of the **New Instrumental** 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. The foregoing notwithstanding, Licensor undertakes no responsibility whatsoever as to any elements

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11. GOVERNING LAW: This agreement shall be governed by and interpreted in accordance with the laws of Virginia without regard to any conflict of law 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 Virginia.

12. 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 the Licensor hereto to perform any of its obligations hereunder shall be deemed a material breach of this agreement until the Licensee gives the Licensor 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, Licensor does not commence to cure such breach within the said time period, and proceed with reasonable diligence to complete the curing of such breach thereafter. YOU ACKNOWLEDGE AND AGREE THAT YOU HAVE READ THIS AGREEMENT AND HAVE BEEN ADVISED BY US OF THE SIGNIFICANT IMPORTANCE OF RETAINING AN INDEPENDENT ATTORNEY OF YOUR CHOICE TO REVIEW THIS AGREEMENT ON YOUR BEHALF. YOU ACKNOWLEDGE AND AGREE THAT YOU HAVE HAD THE UNRESTRICTED OPPORTUNITY TO BE REPRESENTED BY AN INDEPENDENT ATTORNEY. IN THE EVENT OF YOUR FAILURE TO OBTAIN AN INDEPENDENT ATTORNEY OR WAIVER THEREOF, YOU HEREBY WARRANT AND REPRESENT THAT YOU WILL NOT ATTEMPT TO USE SUCH FAILURE AND/OR WAIVER AS A BASIS TO AVOID ANY OBLIGATIONS UNDER THIS AGREEMENT, OR INVALIDATE THIS AGREEMENT OR TO RENDER THIS AGREEMENT OR ANY PART THEREOF UNENFORCEABLE. 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.