

1. In exchange for your payment of the license fee ("**License Fee**") associated with the applicable sound recording and/or sample provided via this website (each, a "**Sample**"), we grant you a non-exclusive, non-transferable, perpetual right to publicly perform, distribute, or transmit the Sample in combination with other sounds in music productions to create new recordings ("**Recording(s)**"), each of which shall be considered a "derivative work," as such term is used in the United States Copyright Act of 1976, as amended. This license permits you to modify, reproduce, use the Sample as incorporated in your Recording solely pursuant to the following terms and conditions:

(a) You may use any Sample solely for Recordings on your own personal projects which are distributed solely by you independently (i.e., beat tapes or mixtapes) without any additional obligation to us or the Sample owner other than the License Fee as provided above, provided that in the event that any Recording exceeds One Million (1,000,000) streams across Apple Music, Spotify and YouTube, you shall be required to immediately obtain formal clearance of the Sample for use in the Recording pursuant to procedure outlined in paragraph 1(d) below.

(b) You may not use or sublicense any Sample in isolation as sound effects, loops, or as source material for any other form of sample, regardless of whether or not the Sample is modified by you pursuant to the terms herein;

(c) You may not: (i) use or sublicense any Sample in a manner which is competitive to us or the Sample owner; (ii) redistribute any Sample in new sample packs; (iii) sublicense, sell, loan, share, lend, broadcast, rent, lease, assign, distribute, or transfer any Sample to a third-party except as incorporated into a Recording; or (iv) use the name, image, likeness or other indicia of identity of the artist, producer and/or writer associated with a Sample in any way without such artist, producer, and/or writer's express written consent.

(d) With respect to commercial exploitations of Recording(s) containing any Sample, you shall not sell, license, or otherwise commercially exploit any Recording(s) containing any Sample via a third-party "Major Record Label" (as defined below) or "Qualifying Independent Label" (as defined below) without: (A) contacting us so that we can connect you with the

Sample owner to obtain formal clearance of the Sample for use in the Recording(s); (B) allocating no less than fifty percent (50%) of any advances, royalties, and/or publishing ownership received by you from the Major Record Label or Qualifying Independent Label (as applicable) in connection with the Recording(s); and (C) ensuring that the Sample owner is credited as a co-producer in connection with all commercial exploitations of the Recording(s) on the liner notes of any singles or albums (in any configuration) embodied the Recording(s), including meta-data where applicable, as well as any advertisements in connection with the Recording(s).

(e) As used herein:

(i) **“Major Record Label”** shall mean a record label or company: (i) which is a parent or subsidiary of, and/or is affiliated with (i.e., shares common ownership with), one of the “major” distributors in the United States (which distributors are presently Sony, Universal and the Warner Music Group/WEA), (ii) which is a parent or subsidiary of, and/or is affiliated with, one of the so-called “indie” distributors which provide national distribution (which “indie” distributors presently include, without limitation, Ryko, Caroline, InGrooves, The Orchard, Rounder, Kobalt/AWAL, BMG, ADA and E1), and/or (iii) whose records are distributed by any such “major” or “indie” record label, company or distributor including without limitation, Company’s own record label.

(ii) **“Qualifying Independent Label”** shall mean any record label or company not included in the definition of Major Record Label as provided in paragraph 1(e)(i) above which has distributed any album and/or master which has exceeded an aggregate of One Hundred Thousand (100,000) streams on Apple Music, Spotify and YouTube in any given calendar month, or greater than an aggregate of One Million (1,000,000) streams on Apple Music, Spotify and YouTube in total.

FORMAL CLEARANCE CONTACT: J.L. Hodges:
jlhodes@gmail.com