

ILLnique Music, LLC 15015 Westheimer Rd Ste I2-732 Houston, TX 77082 www.illniquemusic.com

# Diamond License Agreement

This contract allows the music producer of a musical composition to entrust the manufacturing and commercial exploitation of a musical composition to a recording artist called a "licensee." The recording artist shall, in general, be granted the Diamond License non-exclusive leasing rights for the duration agreed upon in this contract. This contract creates rules guaranteeing the remuneration of the music producer and ensures the greatest chance of success for the musical composition.

"musical composition" means an aural fixation of sounds of a performance or of other sounds.

ILLNIQUE MUSIC LLC (hereinafter referred to as the LICENSOR)

You the RECORDING ARTIST (hereinafter referred to as the LICENSEE)

This Agreement (the "Agreement") is a legal contract between you (hereinafter "Licensee") and ILLnique Music, LLC, a Texas limited liability company with its principal office located in Houston, Texas (hereinafter "Licensor"). By downloading musical compositions from our website, you agree to be bound by the terms of this Agreement in respect to those Recordings.

## 1. General

Licensor owns 100% of the copyright of the musical composition.

The Licensee desires to acquire from the Licensor, and the Licensor is willing to grant to the Licensee, certain rights in and to the musical composition. The Licensor's grant to the Licensee of a platinum lease to distribute and sell the musical composition worldwide on the terms and subject to conditions of the Agreement.

In consideration of the mutual promises, covenants, and agreements made below, the parties, intending to be legally bound, agree as follows:

- 2. Grant of License
- 2.1 Master Use. The Licensor hereby grants to the Licensee a Diamond lease to record vocal synchronization to the musical composition partly or in its entirety and substantially in its original form. The Diamond License is valid for 36 months from the purchase date. The licensee has the right to use Licensor's musical composition as long as it is used in conjunction with the licensee's recorded audio lyrics worldwide. The Licensee will receive a high-quality MP3 file and a high quality 24 bit Way file. The licensor's musical composition can be leased to more than one person simultaneously until the exclusive rights of the beat are purchased. Once the exclusive rights of a beat have been purchased, the beat will no longer be available for any leasing. Previous leasing rights sold before an exclusive rights purchase date are not affected and are still valid until leasing term has expired. Licensee expressly agrees to remove his song from any marketplaces, online stores, audio streaming websites, etc. once licensing term has expired. If the licensee wants to continue to use the licensor's musical composition after the licensing terms has expired, the licensee must purchase another Gold, Platinum, Diamond or Exclusive License agreement. 2.2 Mechanical Rights (Album-Equivalent Units). The Licensor hereby grants to Licensee a lease to use the final sound recording in the duplication and distribution of phonograph records, cassette tapes, compact disk, digital downloads, other miscellaneous audio and digital recordings, and any lifts and versions thereof (collectively, the "Recordings", and individually, a "Recordings") worldwide with condition upon the payment to the Licensor, receipt of which is confirmed. The licensee is allowed the pressing or selling of unlimited equivalent units during the 36-month term. Additionally, the licensor shall be permitted to distribute {FREE\_DOWNLOADS} free internet downloads or streams for non-profit and non-commercial use.
- 2.3 Online Streaming Monetization. The licensee is allowed to monetize online streams on Spotify, Tidal, Soundcloud, Amazon Music, Audiomack etc. The licensee is not allowed to monetize YouTube audio streams. The licensee must obtain an exclusive license to have YouTube audio monetization rights. The licensee is allowed unlimited online streams during the 36-month term.
- 2.4 Performance Rights. The Licensee is allowed to use the licensor's musical composition for unlimited live performances for profit.
- 2.5 Broadcast Rights. The licensee is allowed to have broadcasting rights for unlimited radio stations.
- 2.6 SOUNDEXCHANGE DIGITAL ROYALTIES

Licensee must pay digital royalties to Licensor.

A contingent stipulation to the Licensee gaining the rights to the musical composition licensed by the Licensor shall be that the Licensee must first sign the LETTER OF DIRECTION (LOD) which stipulates to "SOUNDEXCHANGE that the licensee designates 50% of all the royalties earned from the final sound recording to the Licensor. Said LOD shall be submitted to SoundExchange as soon as the licensee final sound recording is made available to the public online and offline.

Licensee must register and become a member of SoundExchange. The Licensee must register the final sound recording with SoundExchange.

LICENSEE and LICENSOR agree that all digital royalties earned from the final sound recording received from SoundExchange will be split in the following way:

LICENSEE shall own: 50% LICENSOR shall own: 50%

"Final Sound Recording" means the sound recording consisting of the Licensor's musical composition and the Licensee's recorded audio lyrics.

"Royalties" means remuneration proportionate to revenue received from the exploitation of a musical composition, sound recording or final sound recording.

#### 3. PERFORMANCE ROYALTIES

LICENSEE and LICENSOR agree that all performance royalties earned from the final sound recording received from ASCAP, BMI, SESAC or any (PRO) will be split in the following way:

LICENSEE shall own: 50% of the publishing share LICENSOR shall own: 50% of the publishing share LICENSEE shall own: 50% of the writers share LICENSOR shall own: 50% of the writers share

The Licensee must register the final sound recording that uses Licensors musical composition with his or her Performing Rights Organization (PRO) and provides the (PRO) information and writer information that the Licensee is affiliated with to the Licensor so that the Licensor can collect performance royalties (ex ASCAP, BMI, SESAC etc.). Licensee must provide the Licensor with the correct song title and all artist's names that will be used on the final sound recording. The Licensee must provide the publishing company's name IPI# and writer's IPI# to the Licensor that will be used to collect and distribute performance royalties.

The Licensee must use Licensor's (PRO) publisher and composer information to register the final sound recording so that the Licensor can collect the performance royalties from licensee's final sound recording:

Original Publisher: Fourth Density Music (ASCAP) IPI# 628422548

Writer: ILLNIQUE (ASCAP) IPI# 628550929

## 4. MECHANICAL ROYALTIES

LICENSEE and LICENSOR agree that all the mechanical royalties that are generated from the final sound recording will be split in the following way:

LICENSEE shall own: 50% LICENSOR shall own: 50%

#### 5. Termination.

This Agreement may be terminated by the Licensor:

Upon any material breach of this Agreement by the Licensee that is not remedied within 30 days after the Licensee's receipt of notice of such breach.

#### 6. SYNCHRONIZATION RIGHTS

The Licensor grants limited synchronization rights for One (1) music video streamed online (Youtube, Vimeo, etc..) for unlimited non-monetized video streams on all total sites. The licensee must obtain an Exclusive Rights License to use a music video for monetized video streams. The licensee is not allowed to use the final sound recording for Television Broadcast, Video Games, YouTube, Vimeo, On-hold & in house background music, movies, radio jingles, film soundtracks, pay per view television, CATV, cable transmission or other synchronous projects. The licensee must obtain a separate sync license to have synchronization rights for TV, video games and film.

## 7. LICENSOR LABEL RIGHTS.

LICENSEE shall list on all record labels the name of LICENSOR followed by LICENSOR'S performance rights society affiliation (ASCAP), for each song the LICENSOR produces. LICENSOR to provide and approve LICENSOR logo.

## 8. SAMPLE CLEARANCE

3rd party sample clearance is the responsibility of the licensee. The Licensor cannot and will not be held liable for the misuse of any sampled material that the Licensee uses in conjunction with the musical composition that is being licensed in this agreement.

### 9. REPRODUCTION RIGHTS

LICENSOR does not grant LICENSEE, under any circumstances, the legal right to reproduce, or alter the musical compositions produced by LICENSOR in any way, unless LICENSOR gives his written consent. The License expressly FORBIDS resale or other distribution of ILLNIQUE MUSIC LLC compositions, either as they exist or any modification thereof. The Licensee CANNOT sell, loan, rent,

lease, assign, remix, rearrange, re-master, remove any melodies, instruments, drum programming or transfer all OR any of the products sold or their rights under ILLNIQUE MUSIC LLC to another user (example - Record Label, another production company, another producer), or for use in any competitive product without written consent and or another license agreement. The Licensee understands that the Licensor maintains 100% copyright and ownership of the musical composition that is being licensed in this agreement. The Licensee must give the Licensor the credit of being the music producer or music composer when the Licensee register the copyright of the final sound recording. The Licensee may only register the copyright the audio lyrics of the final sound recording.

#### 10. LICENSOR'S CREDITS

In all projects in which Licensor's music is used Licensee shall give credit.

Music production credits must be shown in all distribution of the final sound recording online and offline including but not limited to the cd insert, cd sleeve, online streaming platforms, MP3, MP3 encoded info, wav file encoded info. If permitted, Licensee must show the credit in the licensee's song title.

Licensee shall give credit in the following formats:

Artist name- song title (Produced by ILLnique)

Artist name- song title (Prod. by ILLnique)

Produced by ILLnique

Any displayed or downloadable MP3 files must include 'produced by ILLnique' within the file name. The Producer name "ILLnique" must be spelled with the first three letters of the name capitalized and the remainder of the letters lowercased in the name as shown: ILLnique Licensee must supply Licensor with at least 1 copy of the final sound

recording made using ILLnique Music's musical composition. Licensee must send an email to the licensor the final sound recording with the artist name and song title at this email address: info@illniquemusic.com

## 11. PURCHASING FEE

Licensee agrees to pay Licensor the purchasing fee

#### 12. NON-TRANSFERABLE AND SPECIFICALLY DEFINED RIGHTS.

License grants the LICENSEE, and no other persons, or entity the right to use the subject matter musical composition for the Works identified or contemplated herein. LICENSEE shall have no right of any kind to sell or transfer rights granted under this license as defined above and herein. Further, LICENSOR acknowledges that the narrowly defined and rights of this Agreement, does not impair, prevent, prohibit or in any way encumber LICENSOR from marketing or using the Musical Composition, the final sound recording, or the Works of LICENSEE for any other purposes LICENSOR deems appropriate or beneficial to LICENSOR'S business. The Licensor agrees to refrain from entering into other licensing contracts for the exploitation of the musical composition.

- 13. Force Majeure. Neither party will be deemed in default of this Agreement to the extent that performance of its obligations, or attempts to cure any breach, are delayed or prevented by reason of circumstance beyond its reasonable control, including without limitation fire, natural disaster, earthquake, accident or other acts of God ("Force Majeure"), provided that the party seeking to delay its performance gives the other written notice of any such Force Majeure within 15 days after the discovery of the Force Majeure, and further provided that such party uses its good faith efforts to cure the Force Majeure. If there is a Force Majeure, the time for performance or cure will be extended for a period equal to the duration of the Force Majeure. This Article shall not be applicable to any payment obligations of either party.
- Copyright Infringement. The Licensee and the Licensor agree to promptly notify each other of any suspected infringement of their respective interests in and to the final sound recording by any third party. In the event that any legal action against any third party is deemed necessary by either the Licensee or the Licensor for the protection of their respective interests in and to the final sound recording, the Licensee and the Licensor shall cooperate with each other and render all reasonably necessary assistance in connection with any such legal action; provided, however, that neither party shall settle any such action without the prior written consent of the other, which shall not be unreasonably withheld. Within 30 days after notice from the Licensee of a suspected infringement, the Licensor shall advise the Licensee of whether or not it shall prosecute a suit for infringement. If the Licensor elects to prosecute such a suit, it may select legal counsel and shall bear all legal fees and other costs and expenses incurred in connection therewith. Any money recovered after such costs and expenses are reimbursed shall be shared as follows: 50% to the Licensor; and 50% to the Licensee. If the Licensor chooses not to prosecute any such suit for infringement, then the Licensee may do so after notice to the Licensor, and the Licensee may select legal counsel and shall bear all legal fees and other costs and expenses incurred in connection therewith. Any money recovered after such costs and expenses are reimbursed shall be shared as follows: 50% to the Licensor; and 50% to the Licensee.
- 15. Governing Law. This Agreement shall be governed by the laws of the State of TEXAS. Any disputes will be heard in the appropriate federal or state courts located in Harris County, (Texas).

The parties shall inform each other of any change of email address.

We have carefully reviewed this contract and agree to and accept its terms and conditions. By purchasing and downloading music from this website, you agree to the terms and conditions in this license agreement. Any issued license agreement from ILLnique Music LLC automatically becomes valid once a music license has been downloaded and purchased from www.illniquemusic.com. All music licenses on www.illniquemusic.com are non-refundable and non-transferable.