

## C. Exclusive Licence and Custom Made Beats

An exclusive, transferable, right to reproduce, manufacture, sell and distribute the Aleks Zen Beat, which shall consist of a 320 kbps MP3 file with a vocal tag at the beginning, an untagged 16 bit WAV file and all the beat's "tracked out" WAV files, for use in all media throughout the world, in perpetuity, in all audio and audio visual formats, e.g. by way of synchronisation licences.

The Exclusive Licence and Custom Made Beats shall be subject to the following restrictions:

- i. You must not sell, give away or otherwise distribute more than thirty thousand (30,000) units (digital or physical) of the New Recording and if you wish to exceed this number you must contact us for permission and agree to a new licence. For the avoidance of doubt, 100 stream equals 1 unit for the purposes of this cap;
- ii. You are not entitled to re-sell the Aleks Zen Beat or any part thereof other than as part of a New Recording and New Composition and not for example looped in isolation;
- iii. We shall be entitled to collect 50% of all broadcast income and you hereby agree that from the date of creation of the New Composition (i.e. after you have used the Aleks Zen Beat) you hereby irrevocably assign to us a 50% (fifty per cent) unencumbered copyright ownership interest in and to the New Composition and any and all versions thereof (including but not limited to all remixes and edits) and all rights therein, throughout the universe and in perpetuity (including but not limited to all copyright renewals, extensions and reversionary interests). You must promptly register our 50% share of broadcast and public performance income with PPL (or its overseas equivalent) and our 50% share of the New Composition with PRS (or its overseas equivalent);
- iv. You acknowledge that we hereby reserve the right to licence and be paid mechanical royalties at the standard industry rate or the full statutory rate, as applicable. Subject to your full compliance with the terms of this licence we hereby grant you a mechanical licence in respect of our interest in the New Composition in each territory of the world at the standard industry rate or the full statutory rate, as applicable;
- v. You acknowledge that prior to the grant of this licence we may have previously granted either an MP3 or WAV licence to other licensees and your exclusivity is subject to these other licences. We confirm that we will not extend any of these licences once you have been granted an Exclusive Licence or continue to make them available for download.
- vi. You must credit the use of the Aleks Zen Beats as follow: - "Sample licenced from "Aleks Zen" and if possible we would like you to credit us as follows: "Produced by Aleks Zen".