

Music Synchronization and Videogram License Agreement

Music Synchronization and Videogram License Agreement (the "Agreement") is made between:

_____ ("Publisher") and _____

_____ ("Producer"). Publisher is the owner of rights for the compositions listed

below: _____

_____ (the "Compositions").

Producer is the owner of rights for the Motion Picture tentatively entitled _____

_____ (the "Motion Picture").

Producer desires to license the Compositions for use in the Motion Picture and in audiovisual devices for home use such as videotapes and DVDs ("Videograms"). The parties agree as follows:

Grant

(Select one or more Grant provisions)

☐ **Grant of Audiovisual License.** Publisher grants to Producer and Producer's successors and assigns the nonexclusive right to record the Compositions solely in synchronization with the Motion Picture (in any medium, now known or later created) within the Territory. Publisher grants to Producer the right to publicly perform the Compositions solely in synchronization with the Motion Picture within the Territory. These public performance rights include public exhibitions of the Motion Picture in theaters and other public places where motion pictures are customarily exhibited, provided that performances outside the United States are cleared by performing rights organizations in accordance with customary practice and customary fees. The public performance rights also include television exhibition of the Motion Picture within the Territory, including all methods of television reproduction and transmissions, provided that the entities broadcasting those performances have licenses from the appropriate performing rights organizations. Any television performance not licensed by performing rights organizations must be cleared directly by the Publisher.

☐ **Grant of Videogram License.** Publisher grants to Producer and his successors and assigns the nonexclusive right to record, copy, and synchronize the Composition, solely as part of the Motion Picture, on audiovisual devices including, but not limited to, DVDs, and similar compact audiovisual devices that reproduce the entire Motion Picture in substantially its original form ("Videogram"). This Videogram license is solely for the distribution of Videograms intended primarily for home use in the Territory.

☐ **Use in Trailers.** Publisher grants to Producer and his successors and assigns the nonexclusive right to record, copy, synchronize, and perform the Composition in connection

with trailers used for the advertising and exploitation of the Motion Picture.

Reservation of Rights

Publisher reserves all rights not granted in this Agreement.

Modifications to Composition

Producer shall not make any change in the original lyrics, if any, or in the fundamental character of the music of the Composition or use the title or any portion of the lyrics of the Composition as the title or subtitle of the Motion Picture without written prior authorization from Publisher.

Territory

The rights granted in this Agreement are for the following:

_____ (the "Territory").

Audiovisual License Payments

As payment for the rights granted for the Audiovisual License, Producer shall pay Publisher as follows:

(Select payment option and fill in blanks)

- ☐ **One-Time Payment.** Producer shall pay Publisher a one-time payment of \$_____ upon first public performance of the Motion Picture or within nine (9) months of signing this agreement, whichever is earlier.
- ☐ **Advance and Royalties.** Producer shall pay Publisher a nonrefundable advance ("Motion Picture Advance") in the sum of \$_____ recoupable against royalties derived from the Audiovisual License ("Audiovisual Royalties"). Producer shall pay Publisher Audiovisual Royalties of _____% of net profits from the public exhibition and public performance of the Motion Picture.
- ☐ **Royalties.** Producer shall pay Publisher _____% of the net profits from the public exhibition and public performance of the Motion Picture.

Videogram License Payments

As payment for the rights granted for the Videogram License, Producer shall pay Publisher as follows: *(Select payment option and fill in blanks)*

- ☐ **One-Time Payment.** Producer shall pay Publisher a one-time payment of \$_____ within nine (9) months of signing this agreement.
- ☐ **Advance and Royalties.** Producer shall pay Publisher a nonrefundable advance ("Videogram Advance") in the sum of \$_____ recoupable against royalties derived from the

Videogram License ("Videogram Royalties"). Videogram Royalties for Videogram copies of the Motion Picture shall be paid as follows:

- ☐ **Net Profits.** Producer shall pay Publisher ____% of the Producer's net profits for all Videogram revenues, including all sales, licenses, or other sources of revenue for Videogram distribution (not including shipping charges or taxes).
- ☐ **Pro Rata Option.** Producer shall pay Publisher ____% ("Publisher's Pro Rata Portion") of ____% of the net revenue for all Videogram income including all sales, licenses, or other sources of revenue for Videogram distribution. Publisher's Pro Rata Portion represents the proportion the Composition bears to the total number of Royalty-bearing compositions contained in the Motion Picture.

Payments & Statements

Within forty-five (45) days after the end of each calendar quarter (the "Royalty Period"), Producer shall furnish an accurate statement of net revenues derived from the licenses granted in this agreement along with any royalty payments. Producer may withhold a reasonable reserve for anticipated returns, refunds, and exchanges of Videograms, and this reserve shall be liquidated no later than twelve (12) months after the respective accounting statement.

Favorable Rates

If a higher royalty rate than set forth in this Agreement becomes payable by operation of law with respect to Videograms sold in a particular country within the Territory, Producer shall either pay the higher royalty to Publisher with respect to that country or delete the Compositions from the Motion Picture with respect to this country. In the event that a musical composition is licensed for a substantially similar use in connection with the Videogram exploitation of the Motion Picture on a more favorable rate, Producer agrees that such favorable rate shall also be granted to Publisher for the licensing of the Composition.

Audit

Producer shall keep accurate books of account and records covering all transactions relating to the licenses granted in this Agreement, and Publisher or its duly authorized representatives shall have the right upon five (5) days prior written notice, and during normal business hours, to inspect and audit these accounts and records.

Warranty

Publisher warrants that it has the power and authority to grant the rights in this Agreement and that the Compositions do not infringe any third-party rights. In no event shall Publisher's liability for a

breach of this Warranty exceed the amount of payments received under this Agreement.

Credits

Publisher shall receive credit in the following form: _____

This credit shall be provided as follows:

(Select all that apply)

- ☐ [] similar to all other musical compositions used in the Motion Picture.
- ☐ [] a single card in the main titles on all prints of the Motion Picture and Videograms.
- ☐ [] in all paid advertising similar to all other musical compositions used in the Motion Picture.

Samples

Producer shall promptly furnish Publisher with _____ copies of each format of Videogram release.

Cue Sheets

Producer agrees to furnish Publisher a cue sheet of the Motion Picture within thirty (30) days after the first public exhibition of the Motion Picture.

Term

The term of this Agreement is for the term of United States copyright in the Composition including renewal terms, if any.

Termination & Breach

In the event that Producer (or Producer's assigns or licensees) breaches this Agreement and fails to cure such breach within thirty (30) days after notice by Publisher to Producer, this license will automatically terminate and all rights granted under this Agreement shall revert to Publisher. Failure to make timely payments or to provide credit as provided in this Agreement shall be considered a material breach of this Agreement.

Miscellaneous

This Agreement may not be amended except in a writing signed by both parties. If a court finds any provision of this Agreement invalid or unenforceable, the remainder of this Agreement shall be interpreted so as best to effect the intent of the parties. This Agreement shall be governed by and interpreted in accordance with the laws of the State of _____.

This Agreement expresses the complete understanding of the parties with respect to the subject matter and supersedes all prior representations and understandings. Any controversy or claim

arising out of or relating to this Agreement shall be settled by binding arbitration in accordance with the rules of the American Arbitration Association, or the rules of _____, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. All notices provided for under this Agreement must be in writing and mailed to the addresses provided in the signature portion of this Agreement.

PUBLISHER: _____

ADDRESS: _____

PRODUCER: _____

ADDRESS: _____
