

SmoothBeatsOnly.com - Non-Exclusive Beat Agreement

By downloading non-exclusive beats, you accept these terms and conditions and this shall serve as a contract between AI Fraser trading as SmoothBeatsOnly.com (hereafter "Licensor") and you (hereafter "You") which may be legally enforced against both parties.

Definitions and background information:

- A) "Beat" (or plural "Beats") means any musical material that is downloaded from Smoothbeatsonly.com.
- B) "New Work" as used here refers to a Beat that has been transformed into a derivative work by the addition of a vocal performance (song.)
- C) This Non-Exclusive License grants You these 2 uses:
- 1) *"Distribution": To distribute the New Work via physical means (CDs, Vinyl, etc. . .) and digitally (i.e. through iTunes®, eMusic, MySpace, etc. . .) for commercial use and profit.*
 - 2) *"Synchronization": You may synchronize the Beat in time-relation with images in a motion picture, video, film or any other visual media.*
- D) For clarification, a Beat licensed for Distribution must be transformed into a derivative New Work before Distribution. A Beat licensed for Synchronization does not need to be turned into a New Work.

When downloading Non-Exclusive Beats from SmoothBeatsOnly.Com for Distribution or Synchronization, you agree to the following:

- 1) Non-Exclusive License: You are being granted a non-exclusive license (permission) to distribute and synchronize such Beat pursuant to the guidelines below. The Licensor has the right to license the Beat to others. The worldwide copyright of the composition and recording of such Beat remains 100% the property of the Licensor.

Your license grants you the following rights:

- a) Modification of the Beat: You may make unlimited derivatives of the beat (e.g. by adding vocals and harmonies), referred to as the "New Work." You may not assign, transfer, or sub-license your rights in the Beat to any other person or entity, but you may sub-license the distribution rights to the New Work to music distributors as further described in subparagraph (c) below.

- b) **Ownership of the New Work:** You will own solely your contributions to the New Work. The Licensor retains ownership of the underlying Beat. Your contribution to the New Work must be original and sufficiently distinctive.
- c) **Commercial Exploitation of the New Work:** Conditioned upon your obligation to give the Licensor mandatory credit described in paragraph 2 below, you shall have the worldwide right to (i) reproduce (copy), and (ii) distribute an unlimited number of physical and digital units combined of the New Work, as well as the right to sub license the foregoing (i.e. to a distributor).
- d) **Synchronization:** Conditioned upon your obligation to give the Licensor mandatory credit described in paragraph 2 below, you shall have the worldwide right to (i) synchronize the Beat in time-relation with images in a motion picture, television show, student film, short film, slide show, video game, or any other visual media (hereafter the "Video") i.e. as background music for a scene, commercial, etc. . and to (ii) reproduce (copy) and distribute unlimited number of physical and digital units of such Video in any format (i.e. VHS, DVD, flash memory), as well as the right to sub license the foregoing (i.e. to a distributor).
- e) **Public Performance of the New Work:** You shall have the worldwide right to publicly perform the New Work.

2) **Mandatory Credit:** You must provide clear and legible credit on the packaging and in the metadata fields of downloadable copies of the New Work, and in the case of Synchronization, the Beat, and in any place where credit otherwise appears as follows:

"Production by AI Fraser for Smooth Beats Only.com"

Where possible, you must also provide a hyperlink (<http://www.smoothbeatsonly.com>) to the SmoothBeatsOnly.com homepage.

Royalties

3) Licensor will not receive any Royalty payments for distribution, commercial exploitation, performance or synchronization of the New Work.

4) **Our Warranties and Representations:** Licensor Warrants and Represents that the Beat will be (i) 100% original and will not infringe the rights of any other person or entity, (ii) non-defamatory and not legally obscene, and (iii) in a technically satisfactory condition in keeping with normal digital delivery standards.