PARAMUSICAL USER AGREEMENT

This agreement (the “Agreement”) effective on the date written below (the “Effective Date”) shall be made entered into by and between Paramusical, Inc. (hereinafter referred to as “Company”) and the Subscriber, as defined below.

RECITALS

A. WHEREAS, Company owns or controls certain musical compositions, sound recordings, musical cues, tracks and/or other audio materials as contained, individually and collectively referred to herein as the “Library”;

B. WHEREAS Subscriber seeks to license certain musical compositions, sound recordings, musical cues, tracks and/or other audio materials (individually and collectively, a “Work(s)”) in connection with Subscriber’s motion pictures, television shows, commercials, home videos, video games and various other types of projects throughout the entertainment and advertising industries (a “Project or Projects”).

C. WHEREAS Subscriber hereby licenses on a non-exclusive basis certain musical compositions, sound recordings, musical cues, tracks and/or other audio materials as contained in the Library, subject to the terms and limitations hereinafter set forth, and as more specifically detailed in the “Statement of Work,” attached as set forth in Schedule A, attached hereto and made a part hereof.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, Company and Subscriber, each a “Party” and collectively, the “Parties,” hereto agree as follows:

1. LICENSE. In consideration of the Subscription Fee(s), as set forth in the Statement of Work, Company hereby grants to Subscriber the non-exclusive right to record, re-record and to reproduce the Works in synchronization and/or timed relation in a Project, but not otherwise, and to make copies of such project containing the Works, and to exhibit, re-produce, distribute and perform the project, subject to the restrictions herein, throughout the Territory during the Term, and to exhibit, distribute, broadcast, perform and otherwise exploit the Works in a project in any and all media now known or hereafter devised and in any and all languages and any manners and formats now known or hereafter devised. Additionally, Subscriber shall be permitted to shorten the length of the Works and/or remix the Works, or any part thereof, and create edits, lifts and tags as necessary for the use of the Works in a Project, solely in connection with the exercise of the rights granted herein (each resulting Work being an “Edited Work”).

2. RESERVATION OF RIGHTS. Subscriber acknowledges and agrees that all rights in and to the Works, whether now known or hereafter in existence, that are not licensed hereunder, including but not limited to licensing and use of the Works in audio-only compilations, are otherwise reserved to Company and may, at Company’s sole discretion, be licensed under separate agreement. Subscriber shall acquire no copyright interest in the Works, the Library and/or any Edited Work, with all right, title and interest remaining the property of Company and any use of the Edited Work shall be reported through to performing rights organizations and to Company as if the original Work was used.
3. **THIRD PARTIES.** Company shall have no responsibility or liability whatsoever with respect to the payment of any monies to which any artist, performer or any writer(s) or any other third parties in connection with Subscriber’s licensing, exploitation, solicitation or any other use of any portion of the Works, it being agreed and understood that all payments, obligations, responsibility and/or liability with respect to any third parties in connection with the Works shall be solely Subscriber’s, and Subscriber hereby agrees to indemnify Company and hold Company fully harmless by reason of the foregoing.

4. **OWNERSHIP.** All rights, title and interest in and to the copyrights in the Works shall remain the sole property of Company, and nothing contained hereunder shall be construed to constitute any transfer of ownership to Subscriber of the Works or any portion thereof. As between Company and Subscriber, Company shall retain all right, title and interest in and to the Library as a whole (subject to Subscriber’s rights to the Works as detailed herein), and Company shall maintain ownership and control of all of Company’s websites, services and intellectual property, including without limitation, any and all copyrights, trademarks, service marks or other properties embodied in or related to any websites created by Company hereunder and any marketing materials, business plans and/or other printed or written materials created by Company hereunder.

5. **SUBSCRIBER’S REPRESENTATIONS AND WARRANTIES.**
   
a. **Limited Use of Works and Works.** Subscriber shall only use the Works as permitted herein and shall not use, exploit or in any way attempt to obtain any benefit there from, except in strict accordance with the terms of this Agreement. Subscriber shall not sublicense, grant or permit any third party the right to use or access the Works except as part of a Production. For clarity, Subscriber may license and/or transfer ownership of any Production, but not of any Work(s) contained therein.

   b. **Safeguards for Use of Works.** Subscriber shall maintain strict controls and safeguards in connection with the Works to prevent any unauthorized use or distribution thereof, and Subscriber shall use its best efforts to ensure that any transmission thereof is undertaken in a safe manner so as to prevent unauthorized copying or retransmission by any third party.

   c. **Cue Sheets.** Copies of all cue sheets submitted to performing rights organizations (“PRO(s)”, which detail the use of Works must be sent to Company (via email, fax, or regular mail acceptable) directly within thirty (30) days after the release of the first public exhibition or airing of a Project (or each episode of a Project, where applicable) (except for so-called "sneak-previews"), and in concurrent quarterly schedule with the requirements of the PRO and otherwise upon request of the Company. Exhibition of a Project by broadcasters/exhibitors not licensed by a PRO is subject to clearance of the performing rights either from Subscriber directly or from any other licensing agent acting for or on behalf of Subscriber and in return for payment of additional performance rights fees therefore. Clearance by performing rights societies outside of North America shall be in accordance with their customary practices and the payment of their customary fees.

   d. **No Duplication/Audio-Only Use.** Subscriber shall not make copies of or duplicate unsynchronized Works in any format, with the sole exception of internal copying solely for the purpose of assisting Subscriber in its use of the Library, nor shall Subscriber allow the Works to be provided as a separate, downloadable or alterable audio-only file, and no rights to use the Works in an audio-only format or in any way not embodied in or connected with a
Project are granted in this license.

e. **Suits/Actions.** Subscriber shall not institute or defend any suit, proceeding or cause of action relating to the Works without the prior consent of Company in each instance.

f. **Ownership.** Subscriber shall not claim authorship or ownership of any Works or Edited Works.

g. **Accuracy of Information.** All information provided by Subscriber herein and during the Term shall be accurate, complete and not misleading in any material respect.

6. **COMPANY WARRANTIES AND LIMITATIONS.**

   a. **Company Warranty.** Company warrants it has all rights necessary to grant this License, that it owns or controls the Works, that the Works are not subject to any liens or encumbrances that might interfere with the use thereof by the License as permitted herein, and such use of the Works as provided herein will not infringe upon the rights of any third parties.

   b. **Company Limitation on Liability.** Company shall not be liable to Subscriber for any indirect, special or consequential damages including but not limited to loss of anticipated profits, in connection with or arising from this Agreement and shall not be liable for any loss, damage, claim or liability arising from or related to any software program, data errors, digital transmission errors, failures, interruptions or delays, regardless of cause. In no event shall Company's total liability exceed the amounts received by Subscriber hereunder. Company disclaims in connection with any Works(s) any merchantability or fitness for any purpose, application or condition of whatsoever nature without limitation.

   c. **Availability of Service.** While Company makes every effort to ensure the website works properly and the library is available, Company makes no warranty that the Library will be available at all times, and Company reserves the right to shut down the website for maintenance, updates and for other purposes in Company’s sole discretion.

   d. **Copyright Infringement Claims.** In the event Company is notified or becomes aware that a Work is subject to a copyright infringement or other claim, Company will notify Subscriber and Subscriber will use commercially practicable means to cease and desist the use of such Work. Additionally, Subscriber shall promptly irretrievably destroy and delete such Work from all retrieval systems and databases upon the written request by Company.

7. **NON-EXCLUSIVITY.** All rights granted hereunder are granted on a non-exclusive basis and Company shall have the right to grant licenses for the use of the Works to other licensees. Upon the expiration of the Synch Term or any renewals thereof, the respective rights granted to Subscriber herein shall automatically revert to Company and any further use of the Works, as aforesaid, shall be unauthorized.

8. **AUTHORITY.** Subscriber shall have no authority to act for or on behalf of Company or to bind Company without Company’s express written consent in each instance.

9. **FURTHER DOCUMENTS.** Subscriber agrees to execute and deliver to Company any other documents consistent herewith that are reasonably necessary or desirable to evidence, effectuate or enforce this Agreement or any of the terms and conditions hereof. Company is authorized (but not
obligated) to register the copyrights and protect Company’s interest in the Works in the Territory, and for such purpose Company is irrevocably appointed as Subscriber’s attorney-in-fact, such appointment herein being coupled with an interest, to execute any and all documents consistent herewith which Subscriber fails to execute (after being afforded reasonable opportunity to review and negotiate same).

10. NO OBLIGATION. It is understood and agreed that Subscriber shall have no obligation to license, use, place or otherwise exploit the Works.

11. CONFIDENTIALITY. Subscriber hereby acknowledges that Subscriber will be furnished with or may otherwise receive or have access to highly confidential or proprietary information and/or materials which relates to Company, this Agreement and/or Company’s business or financial information, and Subscriber shall not use or disclose any such information for any purpose whatsoever without Company’s prior written approval in each instance. This Paragraph ___ shall survive the termination of the Term.

12. NOTICES. All notices to be given by either Party hereunder shall be in writing and shall be sent by mail (postage prepaid), facsimile or personal delivery (and if sent by facsimile, such notice shall be concurrently sent by mail). The earlier of (i) actual receipt; (ii) three (3) days after the date of mailing; or (iii) the date of personal delivery (or the date of personal delivery is refused) shall be deemed to be the date of service. All notices to Company shall be sent to Paramusical, Inc., 633 North Central Avenue #419, Glendale, CA 91203, with copies to Lynn Elliot, Esq., 1507 7th Street #445, Santa Monica, CA 90401. All notices to Subscriber shall be sent to the address noted in the Statement of Work.

13. REPRESENTATIONS AND WARRANTIES. Each Party represents and warrants to the other that (i) it has the full right, power, legal capacity, and authority to enter into, deliver and fully perform under this Agreement and to grant the rights hereunder; (ii) none of the execution, delivery, or performance of or activity under this Agreement will result in a violation or breach of any contract, agreement, order, judgment, decree, rule, regulation or law by which such Party is bound and failure with which to comply would result in a material adverse effect; (iii) the person executing this Agreement on behalf of the Party is fully empowered to so execute the Agreement; and (iv) each Party acknowledges that the other Party makes no representations, warranties, or agreements related to the subject matter hereof that are not set forth in this Agreement.

14. INDEMNIFICATION. Subscriber agrees to indemnify and hold harmless Company and its principals, employees, contractors, agents, partners, affiliated entities and representatives (collectively, the “Company Indemnified Parties”) from and against any and all claims, liabilities, suits, demands, costs, damages and expenses (including reasonable outside attorneys’ fees), imposed upon, sustained or incurred by Company by reason of Subscriber’s breach of this Agreement, arising out of the development, production, distribution, and exploitation of a Project or any element thereof, and/or any of Subscriber’s acts, omissions, warranties, representations and obligations made herein.

15. LIMITATION OF LIABILITY. IN NO EVENT SHALL COMPANY BE LIABLE TO SUBSCRIBER FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, LOSS OF DATA, LOSS OF BUSINESS OR OTHER LOSS ARISING OUT OR RESULTING FROM THIS AGREEMENT EVEN IF SUBSCRIBER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

16. TERMINATION. Company shall have the right, but not the obligation, to terminate this Agreement
at any time during the Term.

17. **INDEPENDENT LEGAL COUNSEL.** Subscriber has had the opportunity to obtain the advice of legal counsel in connection with the execution of this Agreement prior to executing, and Subscriber acknowledges and agrees that Subscriber’s failure to seek independent counsel in connection with this Agreement shall be at Subscriber’s sole risk, and such failure shall not give rise to a claim that this Agreement or any provision thereof should be null and void for lack of proper representation.

18. **MISCELLANEOUS.** Nothing contained in this Agreement shall be construed to create a partnership or joint venture between the Parties, or to make either the agent of the other, each Party hereto being an independent contractor. This Agreement constitutes the entire agreement between the Parties with reference to the subject matter of the Agreement, and supersedes all prior agreements, written or oral. This Agreement cannot be amended or modified except by written instrument signed by the Parties. A waiver by either Party of a breach of provisions of this Agreement shall not constitute a general waiver, or prejudice the other Party’s right otherwise to demand strict compliance with that provision or any other provisions in this Agreement. In the event of a breach by Company, the sole remedy of Subscriber shall be an action for money damages, and Subscriber shall have no right to terminate or rescind this Agreement, or to enjoin, restrict or otherwise interfere with Company’s rights or the exploitation of any Project, the Library or any Works already embodied and/or obligated in a Project, as detailed herein. This Agreement is made in and shall be construed in accordance with the laws of California applicable to contract wholly to be performed therein. Each Party agrees that all disputes between the Parties, if litigated, are to be litigated in the courts, state and federal, of the county of Los Angeles, California and the Parties hereby consent to jurisdiction before such courts. If any provision of this Agreement shall be found invalid or unenforceable, then such provision shall not invalidate or in any way affect the enforceability of the remainder of this Agreement. This Agreement may be executed simultaneously in two (2) or more counterparts and via facsimile or emailed scans, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Facsimile signature shall have the same force as original signatures.

Please indicate your acceptance to the foregoing terms, along with the Terms of Use and Privacy Policy, [HYPERLINK] by signing in the space provided below.

**SUBSCRIBER**

By: _______________________________
    Subscriber

**PARAMUSICAL, INC.**

By: _______________________________
    An Authorized Signatory
SCHEDULE A
STATEMENT OF WORK

Date: ____________________

Subscriber Name:

Subscriber Address:

Subscriber Email:

Subscriber Phone Number(s):

Contact Person:

Works: All musical compositions and sound recordings contained within the production music catalogues within the Paramusical Library / Music Database and made available at www.____________.com

Term: The Works as synchronized within a Projects pursuant to the terms herein may be used in perpetuity.

Territory: The Universe.

Subscriptions (VAT will be added where applicable.): ___Annual ($119.00) ___ Monthly (13.99)

Number of Downloads: The monthly Subscriptions shall entail a plan allocating 30 downloads credits per month. However, at the end of each month all unused credits will rollover to the next month as long as the subscription remain active. If you would like to purchase additional credits mid cycle you are able via the “add credit “ button.

The Yearly subscription entail a 40 download a day ( to avoid misuse).

Refund Policy: If you haven’t downloaded any music, you can get a full refund within fourteen (14) days of payment/purchase. Just contact us here: ____________

Auto Renewal: We'll automatically renew your subscription. You can choose to turn auto-renewal off before you're automatically billed for your next term.

Credit: Where appropriate, Subscriber will provide the following credit: Written by: (Composer Name), Courtesy of Paramusical INC.