

DIRECT MARKETING - LICENSE AGREEMENT

Agreement between American Society of Composers, Authors and Publishers ("ASCAP"), located at One Lincoln Plaza, New York, New York 10023 and

_____, ("LICENSEE"), located at

as follows:

1. Grant and Term of License

(a) ASCAP grants and LICENSEE accepts to perform publicly or cause to be performed publicly by LICENSEE and "LICENSED Members" at "events and functions" at LICENSED Members' "business locations", all as hereinafter defined, and not elsewhere, non-dramatic renditions of the separate musical compositions in the "ASCAP repertory", as hereinafter defined. For purposes of this Agreement,

(i) "LICENSED Members" means those individuals or firms who are authorized distributors of LICENSEE Corporation products or otherwise affiliated with LICENSEE.

(ii) "Events and functions" means all LICENSEE-related events and functions conducted, sponsored or presented by or under the auspices of LICENSED Members.

(iii) "Business Locations" means any location at which LICENSED Members conduct their LICENSEE-related events and functions.

(iv) "ASCAP repertory" means all copyrighted musical compositions written or published by ASCAP members or members of affiliated foreign performing rights societies, including compositions written or published during the term of this Agreement and of which ASCAP has the right to license non-dramatic public performances.

(b) This licensee shall be for an initial year term commencing _____ and ending December 31, _____ and shall continue thereafter for additional terms of one year each unless either party terminates it by giving the other party notice by December 1 of any year. If such notice is given, the licensee shall terminate on December 31 of the year in which notice is given.

2. Limitations on License

(a) This license is not assignable or transferable by operation of law or otherwise, and is limited strictly to LICENSED Members.

(b) This license does not authorize performances which are rendered as part of non-LICENSEE related activities of LICENSED Members.

(c) This license does not authorize any performances in or as part of a concert or other activity for which a separate admission fee, cover, donation, minimum or similar charge is made and which is open to members of the public.

(d) This license does not authorize the broadcasting, telecasting or transmission by wire or otherwise of renditions of musical compositions in the ASCAP repertory to persons outside of the Business Locations, other than by means of music-on-hold telephone systems operated by LICENSED Members solely in connection with their LICENSEE-related activities.

(e) This license is limited to non-dramatic performances, and does not authorize any dramatic performances. For purposes of this Agreement, a dramatic performance shall include, but not be limited to, the following:

- (i) performance of a "dramatico-musical work" (as hereinafter defined) in its entirety;
- (ii) performance of one or more musical compositions from a "dramatico-musical work" accompanied by dialogue, pantomime, dance, stage action, or visual representation of the work from which the music is taken;
- (iii) performance of one or more musical compositions as part of a story or plot, whether accompanied or unaccompanied by dialogue, pantomime, dance, stage action, or visual representation;
- (iv) performance of a concert version of a "dramatico-musical work".

The term "dramatico-musical work" includes, but is not limited to, a musical comedy, oratorio, choral work, opera, play with music, revue, or ballet.

(f) This license does not authorize any performance by means of a coin-operated phonorecord player (jukebox) for which a license is otherwise available from the Jukebox License Office.

- (g) This license is limited to the United States, its territories and possessions, and the Commonwealth of Puerto Rico.

3. License Fees

(a) In consideration of the license granted herein, LICENSEE agrees to pay ASCAP the applicable license fee for each LICENSED Member based on the Rate Schedule attached to and made a part of this Agreement. License fees for each subsequent calendar year of this Agreement shall be the license fee for the prior year adjusted in accordance with the increase in the Consumer Price Index -- All Urban Consumers - (CPI-U) between the preceding October and the next preceding October, rounded to the nearest dollar.

(b) LICENSEE shall pay a finance charge of 1.5% per month from the due date on any required payment that it is not made within thirty days of its due date.

4. Reports and Payments

(a) The license fee for the first calendar year of this Agreement shall be due upon the execution of this Agreement. License fees for each subsequent calendar year of this Agreement shall be payable on or before January 31 of each calendar year.

(b) Upon ASCAP's request, LICENSEE shall promptly advise ASCAP whether individuals or firms are members of LICENSEE.

5. Breach or Default

Upon any breach or default by LICENSEE of any term or condition herein contained, ASCAP may terminate this license by giving LICENSEE thirty days notice to cure such breach or default, and in the event that such breach or default has not been cured within said thirty days, this license shall terminate on the expiration of such thirty-day period without further notice from ASCAP. In the event of such termination, ASCAP shall refund to LICENSEE any unearned license fees paid in advance.

6. Interference in Operations

ASCAP shall have the right to terminate this license upon thirty days written notice if there is any major interference with, or substantial increase in the cost of ASCAP's operations as the result of any law in the state, territory, dependency, possession or political subdivision in which LICENSEE is located which is applicable to the licensing of performing rights. In the event of such termination, ASCAP shall refund to LICENSEE any unearned license fees paid in advance.

7. Notices

ASCAP or LICENSEE may give any notice required by this Agreement by sending it by certified United States Mail, by generally recognized same-day or overnight delivery service, or by transmitting the notice electronically to the other party's last known facsimile number or e-mail (or similar electronic transmission) address, provided that a copy is also mailed. Each party agrees to notify the other of any change of address.

8. Applicable Law

The meaning of the provisions of this Agreement shall be construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, this Agreement has been duly executed by ASCAP and LICENSEE on _____, 20 ____.

**AMERICAN SOCIETY OF COMPOSERS,
AUTHORS AND PUBLISHERS**

By _____
Signature

Please print Signature Name.

Title _____

LICENSEE _____

By _____

Signature

Please print Signature Name.

Title _____

(Fill in capacity in which signed:

(a) If corporation, state corporate office held; (b) If partnership, write word "partner" under signature of signing partner; (c) If individual owner, write "individual owner" under signature.)



DIRECT MARKETING DISTRIBUTORS

2016 Rate Schedule

A. Fee for Calendar Year 2016

The annual fee for calendar year 2016 shall be the total number of Licensed Members (as defined in the license agreement) multiplied by \$0.133.

The minimum annual fee payable shall be \$253.30.

B. Fee for Calendar Year 2017 and Beyond

The license fee for calendar year 2017 and each subsequent year shall be the license fee for the preceding year adjusted in accordance with the increase in the Consumer Price Index - All Urban Consumers (CPI-U) between the preceding October and the next preceding October, rounded to the nearest ten cents.

ASCAP

Toll Free: 1-800-505-4052 Fax: 615-691-7795

Epayment Websites: <http://www.ascap.com/mylicense> or <http://www.ascap.com>