This Agreement is made on [Date]

BETWEEN [Contractor / Artist / Label] and [Sample Rights Holder]

1. [**Contractor**] of [Address]; and
2. [**Sample Rights Holder**] of[Address] ("Licensee").

Licensor owns or controls the copyright in Sampled Recording and Licensee wishes to incorporate the Sample on New Recording on the terms and conditions set out below. Capitalised terms shall have the meaning given them to in the Schedule below or as defined hereunder.

# NOW IT IS HEREBY AGREED AS FOLLOWS:

|  |  |
| --- | --- |
| **“Credit”** means | *New Recording features a sample of [Sampled Song Name] licensed courtesy of* [*Artist*]*, Address Needed* |
| **“New Recording”** means | [Track Title] |
| **“Royalty”** means | [00%] PPD |
| **“Advance”** means | [£0,00] ([00%] recoupable against Your Royalty) |
| **“Sample”** means | the extract of the Sampled Recording embodied in New Recording |
| **“Sampled Artist”** means | [Sampled Artist] |
| **“Sampling Artist”** means | [Sampling Artist] |
| **“Sampled Recording”** means | [Sampled Track Title] |
| **“Term”** means | [Perpetuity] |
| **“Territory”** means | [World] |

1. **GRANT OF RIGHTS**
   1. Licensor hereby irrevocably grants to Licensee a non-exclusive licence during the Term throughout the Territory of all rights in and to the Sample (but excluding the rights in the underlying song or musical work) for the purpose of Licensee embodying the Sample in the New Recording (and in any edited or remixed version(s) thereof) and exploiting the New Recording by any and all means and media whether now known or hereafter developed (including without limitation to manufacture, sell, distribute by physical, digital and mobile means any products embodying the New Recording including compilations, broadcast, publicly performance, incorporate within any audio-visual work and authorise others to do any of the same).
   2. Notwithstanding the foregoing, the following uses require Licensor's further prior written consent, not to be unreasonably withheld or delayed, and deemed given if no response received within 5 working days:
      1. the grant by Licensee of any synchronisation licence in respect of motion pictures, video games or advertising of third party goods (but for the avoidance of doubt excluding any catalogue-wide licences or so-called “blanket” licensing arrangements);
      2. the grant by Licensee of any licence to sample the Recording on any third-party recording;
      3. the promotion and release by Licensee (including without limitation the promotion or plugging to radio and/or the release date thereof) of the Recording as the so called “A” side or lead track of a single.

1.3 It is acknowledged that the Sample is a demo recording that has not been commercially released by Licensor as at the date of this agreement. Licensor agrees that in the event that it intends to commercially release the Sample during a period of 18 months following Licensee’s initial release of the New Recording, Licensor shall notify Licensee in advance as a courtesy and Licensor and Licensee shall consult in good faith with respect to Licensor’s proposed release plans.

1. **ADVANCE**

2.1 the Advance as a 100% (or as otherwise stated above) recoupable advance in respect of sample referred to in this Agreement, which shall be paid in accordance with the terms (or in the absence thereof, payable on the later of signature of this Agreement (and Inducement Letter, if you are a Lender).

1. **ROYALTIES**
   1. Licensee shall pay Licensor the Royalty calculated on the net royalty base price in respect of net sales of records and accruing from electronic music distribution (including without limitation streaming, digital download and mobile) (“EMD”) embodying the New Recording, calculated on the same basis, and subject to the same reductions, reserves, deductions and diminutions (territorial, format reductions, zero rated royalties or otherwise but excluding any royalty escalations) as the royalty payable to the Sampling Artist pursuant to Licensee’s agreement with the Sampling Artist;
   2. In respect of any record embodying both the New Recording and other recordings, the net royalty base price shall for the purposes of calculating the Royalty be a fraction of the royalty base price, the numerator of which shall be one (1) and the denominator of which shall be the total number of recordings on such record.
   3. Licensee shall pay Licensor a share of so-called "flat-fee" income that Licensee pays to the Sampling Artist which is directly and solely identifiably attributable to the exploitation of the New Recording which shall be calculated on a ‘flat fee percentage rate’ being a fraction the numerator of which is the Royalty, and the dominator of which is the Sampling Artist’s full rate contractual royalty.
2. **ACCOUNTING**
   1. Licensee shall account to Licensor in respect of the Royalty and any other monies due to Licensor at 30th day of June and 31st day of December in each year and Licensee shall pay the sums due to Licensor at its above address within 90 (ninety) days of the appropriate account date, accompanied by the relevant statement of account setting out how such sums have been calculated.
   2. Licensor may, at its own expense, appoint a firm of accountants (but no later than 2 years after a royalty statement is rendered to Licensor) to examine Licensee’s books insofar as they relate to the sale of records embodying the New Recording or to EMD during normal business hours and subject to reasonable notice thereof.
3. **CREDIT**
   1. Licensee shall credit Licensor with the Credit on labelling and packaging and metadata of any releases by the Licensee that exclusively embody the Sampling Artist save that inadvertent failure thereof shall not be a breach of this Agreement.
4. **WARRANTIES**
   1. Licensor warrants and represents (on its own behalf and on behalf of the Sampled Artist and any other third parties whose performances are embodied thereon) that it has the full right, power, and authority to enter into this agreement and to grant the rights herein granted to Licensee.
   2. Licensor warrants that it shall pay and be responsible for all master use royalties and any other payments due to Sampled Artist and the producers of Sampled Recording.
   3. Licensor shall fully indemnify the Licensee and keep the Licensee fully and effectively indemnified without limitation against any and all costs (including but not limited to legal fees) losses, damages or expenses incurred by Licensee resulting from or by reason of any breach by Licensor of Licensor’s representations, warranties, agreements and undertakings hereunder.
   4. Licensee warrants that it shall be responsible for obtaining all necessary licences from the owners of the copyright in the composition embodied in the Sample.
5. **MISCELLANEOUS**
   1. Licensee shall be free to assign, sub-license or otherwise deal with the whole or any part of Licensee’s rights under this agreement.
   2. This agreement constitutes the entire agreement of the parties hereto and supersedes any representations written or otherwise made prior to the date hereof and may only be amended by written instrument signed by the parties hereto.
   3. This agreement shall be governed by the laws of England and Wales to the exclusive jurisdiction of whose courts the parties submit.
   4. Save as expressly set out herein, no provision of this agreement shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 or otherwise by any person who is not a party to this agreement.

Read, Agreed & Accepted by:

**For and on behalf of:**

[Sample Rights Holder Name], [Company Name needed if applicable]

**For and on behalf of:**

[Contractor / Artist / Label], [Address]