

**SESAC PERFORMANCE LICENSEE
FOR RESTAURANTS, NIGHTCLUBS AND TAVERNS**

This agreement, including any attached and referenced schedules (the "Agreement"), is made by and between SESAC LLC ("SESAC") a Delaware limited liability company, with offices at 55 Music Square East, Nashville, TN 37203 and _____ ("LICENSEE")

(Name of corporation, partnership, sole proprietorship, etc.)

(Address) _____

(City, State, ZIP) _____

A Corporation Limited Liability Company Partnership Sole Proprietorship (check one)

State of Incorporation (if applicable) _____

Taxpayer ID# _____

Phone _____ Fax _____ Email _____

(Billing Address) _____

(If different than the Address set forth above and the Premises Address set forth below)

SESAC and LICENSEE hereby mutually agree as follows:

1. GRANT OF RIGHTS:

Effective as of _____, ("the Effective Date") and subject to the terms and conditions set forth herein, SESAC grants to LICENSEE the non-exclusive right and license to publicly perform non-dramatic renditions of the musical compositions, the performance rights to which SESAC controls and/or is empowered to license (the "Compositions") solely on and in connection with the operation of:

NAME: _____

LOCATION: _____ (the "Premises").

2. LIMITATIONS OF RIGHTS:

The rights granted pursuant to Paragraph 1 above (the "Rights") shall specifically exclude:

- a. The right to perform, broadcast, televise or otherwise transmit the Compositions to any location other than the Premises (unless and to the extent otherwise expressly permitted in Schedule A);
- b. the right to grant the Rights to any third party;
- c. "Grand Rights" in and to the Compositions ("Grand Rights" include, but are not limited to, the right to perform, in whole or in part, dramatico-musical and dramatic works in a dramatic setting);
- d. performance of the Compositions (i) which are part of a background music service originating from any location including the Premises, for which SESAC performance fees are otherwise paid, regardless of the means by which such performances are transmitted on or to the Premises, and/or (ii) by coin-operated phonorecord players (unless and to the extent otherwise expressly permitted in Schedule A).

3. TERMS OF LICENSE:

- a. The term of this Agreement shall be for an initial period that commences upon the Effective Date and continues for a period of one (1) year (the "Initial Period"). Thereafter, this Agreement shall automatically continue in full force and effect for successive additional periods of one (1) year ("Renewal Period(s)"). SESAC and/or LICENSEE shall have the right to terminate this Agreement as of the last day of the Initial Period or as the last day of any Renewal Period(s) upon giving written notice to the other party by certified mail, at least thirty (30) days prior to the commencement of the upcoming Renewal Period(s). The Initial Period and Renewal Period(s) are sometimes collectively referred herein as the "Term."
- b. Notwithstanding anything to the contrary contained herein, SESAC shall have the right to terminate this Agreement: (i) at any time upon written notice to LICENSEE in the event LICENSEE is adjudicated bankrupt, or a petition in bankruptcy is filed with respect to LICENSEE, or LICENSEE is declared or becomes insolvent; or (ii) upon thirty (30) days written notice by reason of any law, rule, decree, or other enactment having the force of law, by any authority, whether federal, state, local, territorial or otherwise, which shall result in substantial interference in SESAC's operation or any substantial increase in the cost of conducting its business.

4. LICENSE FEE:

- a. In consideration of the Rights granted herein, LICENSEE shall pay to SESAC license fees (the "License Fees") then in effect in accordance with Schedule A attached hereto and incorporated herein by this reference (the "Fee Schedule").
- b. Effective July 1 of each calendar year following the Effective Date, the amounts set forth on the License Fee Schedule will be increased by an amount (rounded to the nearest dollar) equivalent to the percentage increase in the Consumer Price Index—All Urban Consumers (CPI-U) as published by the Bureau of Labor Statistics, U.S. Department of Labor, between the most recent April and the preceding April or five percent (5%), whichever amount is greater.
- c. In the event that SESAC is determined by the taxing authority or courts of any state, territory or possession in which LICENSEE conducts its operations to be liable for the payment of a gross receipts, sales, use, business use or other tax which is based on the amount of SESAC's receipts from LICENSEE, then LICENSEE shall reimburse SESAC, within thirty (30) days of notification therefor, for LICENSEE's pro rata share of any such tax derived from receipts received from LICENSEE.
- d. SESAC shall have the right to impose a late payment charge of one and one-half percent (1.5%) per month for any License Fee payment that is more than thirty (30) days past due. SESAC shall have the right to impose any additional charge of \$35.00 for each dishonored check or other form of payment. In the event that SESAC incurs any expenses in connection with the collection of any amounts past due to SESAC hereunder, including but not limited to reasonable attorney's fees and outside collection agency costs, then LICENSEE shall be responsible for reimbursing SESAC for such expenses.

5. MISCELLANEOUS:

- a. In the event LICENSEE fails to pay the License Fee when due or is otherwise in breach or default of any other provision of this Agreement, SESAC shall have the right to terminate this Agreement in addition to pursuing any and all other rights and/or remedies available if LICENSEE has not cured such breach or default within thirty (30) days following SESAC's written notice of such breach or default.
- b. SESAC shall have the right to withdraw from the scope of this License, upon written notice, the right to perform any Composition as to which any action has been threatened, instituted, or a claim made that SESAC does not have the right to license the performance rights in such composition.
- c. This Agreement shall be binding upon and inure to the benefit of SESAC's and LICENSEE's legal representatives, successors, and assigns, but no assignment shall relieve SESAC or LICENSEE of its obligations under this Agreement. LICENSEE shall notify SESAC in writing within thirty (30) days of any change of ownership or control of LICENSEE's operations.
- d. This Agreement shall be governed by and subject to the laws of the State of New York, applicable to agreements made and to be wholly performed in New York. This Agreement supersedes and cancels all prior negotiations and understandings between SESAC and LICENSEE in connection with the Premises, provided that this Agreement shall not relieve LICENSEE of the obligation under previous license agreements to pay any license fees due and payable to SESAC for periods prior to the Effective Date. No modifications of this Agreement shall be valid or binding unless in writing and executed by SESAC and LICENSEE. If any part of this Agreement shall be determined invalid or unenforceable by a court of competent jurisdiction or by any other legally constituted body having the jurisdiction to make such determination, the remainder of this Agreement shall remain in full force and effect. No waiver of any breach of this Agreement shall be deemed a waiver of any preceding, continuing or succeeding breach of the same, or any other provision of this Agreement.

IN WITNESS THEREOF, the parties have caused this Agreement to be duly signed as of _____ .
(please insert today's date)

LICENSEE

SESAC LLC

BY: _____ BY: _____
(please sign here)

_____ TITLE: _____
(type or print name)

TITLE: _____