

MERCHANDISE LICENSING AGREEMENT

THIS AGREEMENT made effective as of the ____ day of _____, _____.

BETWEEN:

[NAME OF LICENSOR]
(the "Licensor")

- and -

[NAME OF LICENSEE]
(the "Licensee")

WHEREAS Licensor is a body corporate [incorporated / organized] under the laws of *[insert name of jurisdiction]* and is in the business of the creation and production of compact discs ("CD's"), cassette tapes, videos, sheet music, and other digital, electronic and printed reproductions of musical works (hereinafter referred to as "Music Products");

AND WHEREAS Licensee is in a position, either directly or indirectly, to provide manufacturing, marketing and distribution facilities for Music Products in the Licensed Territory hereinafter set out;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements contained in this Agreement, the parties hereby agree as follows:

1. Licensor hereby grants to Licensee, for a period of ## years from the date of this Agreement, the exclusive and non-assignable right to manufacture, sell and distribute Music Products, without limitation or restriction except as specifically set forth herein, with respect to the music recordings and sheet music masters (herein sometimes called "Masters") set forth in Exhibit A, attached hereto and made a part hereof, anywhere within the territory of *[set out the territory]* and covering the mail order market (hereinafter called the "Licensed Territory").
2. Except as provided for in this Agreement, all other rights of any nature whatsoever in all of the Music Products are reserved by and shall reside solely in Licensor.
3. If Licensee fails to account and make payments as set out herein, and such failure is not cured within thirty (30) days after written notice thereof to Licensee, or if Licensee fails to perform any other obligation required of it hereunder and such failure is not cured within thirty (30) days after written notice thereof to Licensee, or in the event that Licensee shall go into compulsory liquidation, or shall go into bankruptcy or make an assignment for the benefit of creditors or make any compositions with creditors, or any insolvency or composition proceeding shall be commenced by or against Licensee, then and in any of such events, Licensor, in addition to such other rights or remedies which it may have at law or otherwise under this Agreement, may elect to cancel or terminate this Agreement without prejudice to any rights or claims it may have, and all rights hereunder shall forthwith revert to Licensor and Licensee shall no longer have the right to manufacture Music Products from Masters furnished under this Agreement by Licensor, or sell such Music Products. Upon any such cancellation or termination, Licensee shall return to Licensor all Music Products in its possession and all then existing tapes and manuscripts previously received from Licensor, or any derivatives of same.