**MUSIC SYNCHRONIZATION LICENSE AGREEMENT**

made this day [date]

**BETWEEN**

[Ari Arason], kt. [xxxx], [address] (to be known as the “Rightholder” in this Agreement).

**AND**

[Fyrirtæki ehf.], kt. [xxx], [address] (to be known as the “Company” in this Agreement).

**For good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:**

**1.0**

The Rightholder and the Company have agreed to the Company’s use of a musical composition *Music* (hereinafter “the Composition”) to which the Rightholder holds publishing rights, as well as performance and mechanical rights, in a film presently entitled *Movie* (hereinafter “the Film”).

**2.0**

The Company intends to use the Composition in a full length feature film presently entitled *Movie* a synopsis of which is attached to this agreement and for synchronizing the Composition with the action in the Film for distribution within the territory, defined in article 4.0.

**3.0**

The Composition licensed under this Agreement is entitled *Music*. The Rightholder holds the copyright, publishing rights, performance rights and all other necessary rights to both lyrics and music of the Composition. The Composition was performed by the band *Orchestra* on the album XXX, published 2014*.*

**4.0 Term and Territory**

In this Agreement the term “Territory” shall mean [the world]. All rights granted under this Agreement shall endure for the period of the full period of copyright.

**5.0 Grant of Rights**

**5.1**

In consideration of the License Fee the Rightholder hereby grants to the Company the *non-exclusive* license for copyright, performance rights and all other necessary rights and permissions to record the Composition in synchronization or timed relation with the Film and any audio-visual works whether in existence now or created in the future and publicly perform, broadcast, and exploit the Film in all audio-visual media (as hereinafter defined).

**5.2**

The above defined license of rights includes, all manners of audio-visual media and exploitation of the Composition and Film, whether now known or in the future created, by way of example but not limited to: theatrical (cinema), non-theatrical, all television rights, satellite, cable television and satellite/cable retransmission rights, home video, CD, CDI, CD-ROM, DVD (and any and all other disc formats, including hard drives and discs), all forms of computer type transmission and media (e.g. the Internet) , online rights, streaming rights, download rights, rental and lending, pay per view, video on demand, (near video on demand, real video on demand), synchronisation rights, and promotional and advertising rights in respect of the Film only (in all audio-visual media). Notwithstanding the foregoing, the Company *shall not exploit* or sub-license any (interactive or not) computer games, remake, spin-off (live or animated) and prequel, sequel, serial, series (merchandising rights, publication rights with the Composition without the Rightholder’s prior written consent and subject further to agreement on additional payment to the Rightholder for such exploitation or sub-license.

**5.3**

For the avoidance of doubt, the Rightholder expressly retains all rights in the Composition as regards exploitation of audio only record releases and other audio only exploitation of the Composition.

All rights of reproduction or use of the Composition on audio only records, audio tapes and any other types of sound reproduction, whether now or hereafter known or in existence, are specifically reserved to the Rightholder for Rightholder’s own use and may not be exercised by the Company. The Company shall not have the right to include or authorize the use of the Composition or any portion thereof in any phonograph record or audio only soundtrack of the Film.

Furthermore, the Rightholder (or any third party who obtains a license from the Rightholder) shall be entitled, free of charge, to use the Composition in respect of documentary films and/or promotional or biographical videos on Rightholder or Rightholder’s work. The Rightholder shall be entitled to license the Composition for use in other films or any other audio-visual works.

**5.4 Master Rights**

For the avoidance of doubt, the grant of rights according to this Agreement does *not include* any masters of the Composition other than those attached to and in synchronisation with the audio-visual masters.

*[ATH: Næsta grein á einungis við ef lagahöfundur á einnig upptökurétt af viðkomandi lagi sem framleiðandi.]*

As the Rightholder holds all master recording rights of the Composition, the assignment of such rights shall be specifically negotiated between the parties with an Addendum to this Agreement, should the Company require the assignment of master recording rights. Master recording rights will only be granted upon the payment of a specific license fee, at least of the same amount as the license fee in article 7.1. Such license fee for the assignment of master recording rights should be payable upon the signature of such an Addendum.

**5.5**

As between the Rightholder and the Company, all audio-visual recordings, films, tapes, prints and copies thereof made in respect of the Film, and all rights therein, shall be the sole property of the Company. For the avoidance of doubt, the aforementioned does not include any masters of the Composition other than those attached to and in synchronisation with the audio-visual masters, as further stated in article 5.4.

**5.6 Moral Rights**

The Rightholder retains his moral rights in and to the Composition. This license does not authorize or permit the Company to alter the fundamental character of the music of the Composition, in any other manner than to adapt the Composition to the style and character of the Film, such as make cuts of the Composition and/or use parts of the Composition as to fit the Film. This license does not authorize or permit the Company to use the title or subtitle of the Composition as the title of a motion picture, or to use the story of the Composition.

The Company undertakes that the Film will not contain any obscene, offensive, blasphemous or defamatory material and will not expose the Rightholder to any civil or criminal proceedings.

**5.7**

The Rightholder hereby grants to the Company the right at all times hereafter to use and authorize others to use the Rightholder’s name, photographs, films and other reproduction of the Rightholder’s physical likeness and recordings of the Rightholder’s voice (i.e., recordings made in relation to the Film) and the autograph and biography of the Rightholder in whole or in part in connection with the advertisement, publicity, exhibition and commercial exploitation of the Film in all audio-visual media.

**5.8**

All rights granted hereunder *do not include* such rights for screen, video, television and Internet trailers and advertisements for the advertising and exploitation of the Film.

**6.0 Obligations of the Rightholder**

**6.1**

The Rightholder represents and warrants that the Composition is his original creation, that he is the sole owner of or controls all copyright, performance rights and any other rights in the Composition, which are granted under this Agreement. The Rightholder represents and warrants that he is entitled to grant the above defined rights to the Company.

**6.2**

The Rightholder has not and will not enter into any agreements or activities which will adversely affect this Agreement.

**6.3**

The Rightholder represents and warrants that the Composition does not and shall not infringe the copyright or any other rights of any third party in respect of the rights granted under this Agreement. The Rightholder has no knowledge of any claim or potential claim by any third party which might in any way affect the Company’s right herein.

**7.0 Obligations of the Company**

**7.1 The License Fee**

For and in consideration of the rights granted by the Rightholder the Company shall pay to the Rightholder the License Fee of ISK [XXX] + VAT, as a full and final remuneration, against a proper invoice upon signature of this Agreement.

No exploitation of the Composition is allowed and no license is granted under this Agreement until full payment according to this article has been made to the Rightholder. This Agreement shall not enter into force until the full payment according to this article has been made to the Rightholder.

**7.2 Publishing/performance royalties**

The Rightholder retains all composer revenues derived from all use of the Composition such as music publishing and performance royalties and mechanical royalties herein, collected through the respective collection societies such as STEF (or publishing companies), including with regard to all audio-visual use of the Composition which generates such revenues.

**8.0 Credits**

**8.1**

The Company agrees to accord the following on-screen credit to the Rightholder in the Film and in all publicity, promotional and associated material:

 *Composition*

Music and lyrics: [Ari Arason]

 Performed by: [the Ari Orchestra], from the Album [XXX] 2014.

or the respective translation thereof. The Company shall in good faith, grant to the Rightholder such credit of the same prominence as the credits granted for other music used in the Film, if any.

**8.2**

As to the Rightholder’s credit on any other form of audio-visual work or genre than film, the Company undertakes to accord the Rightholder such credit as may be customary by bona fide Industry Standard in each respective field.

**8.3**

Subject to the foregoing, the presentation of such credits shall be determined by the Company. Any casual or inadvertent failure by any third party, to comply with the provisions of this paragraph shall not be deemed to be a breach of this Agreement. In the event of a breach of the Company’s obligations under this paragraph, it is expressly agreed that the Rightholder’s sole remedy shall be to seek damages in a court of competent jurisdiction, and that in no such event shall the Rightholder be entitled to obtain any injunctive or other equitable relief.

**9.0 VAT**

All sums payable under this agreement are exclusive of any value added tax that may be payable by either party.

**10.0 Music Cue Sheets**

The Company agrees to furnish the Rightholder a cue sheet of the Film within thirty (30) days from the first public exhibition of the Film at which admission is charged (except so-called “sneak previews”).

**11.0 Third Party Transfers – Further Assignment**

The Company shall be entitled to assign this Agreement and the rights granted to the Company hereunder in whole or in part to any third party e.g. by production agreements or distribution agreements. In any event of any such assignment the Rightholder undertakes that he will fulfill his obligations hereunder pursuant thereto and the Company will remain liable for its obligations hereunder, together with the party this Agreement has been assigned to.

**12.0 Amendments and Alterations**

This Agreement supersedes all previous Agreements, representations or promises and sets out all the terms agree between the parties. Any amendment or alteration to this Agreement must be in writing and signed by an authorized signatory of each party.

Without prejudice to the right to serve notices by any other means any notice served under this Agreement shall be in writing. Any notice which has been sent by first class pre-paid post shall be deemed to be received 48 hours thereafter (excluding Saturdays, Sundays and public holidays).

**13.0 No Injunction Available for breach of Agreement**

The Rightholder’s remedies against the Company in connection with the Company’s breach of this Agreement shall be limited to the right to recover damages, if any, in an action at law, and the Rightholder hereby waives any right or remedy, including any right to rescind the Company’s right, license and interest in and to the Rightholder’s Composition or to enjoin, restrain (e.g. by way of injunction) or otherwise impair in any manner the production, distribution, advertising or other exploitation of the Composition, or any parts or elements thereof in accordance with this Agreement, cf. subject to Art 7.1.

**14.0 Mutual Indemnity**

The Rightholder and the Company mutually undertake to indemnify the other against all liabilities, claims, demands, actions, costs, damages and loss arising out of any breach by either party of any of the terms of this Agreement. In the event of any such claim, dispute, action, writ or summons the Rightholder and the Company agree to provide full details to the other party at the earliest opportunity and shall not settle any such matter without first consulting the other party.

**15.0 Confidentiality**

The Rightholder shall not disclose to any third party any confidential information of the Company at any time acquired and no reference is to be made to the terms of this Agreement by either party in any advertising, publicity or promotional material without the prior consent of the other. The Rightholder shall handle the synopsis of the Film, attached according to article 2 of this Agreement, and all other material such as but not limited to draft screenplays as a confidential matter and is not allowed to submit or lend it to others. The Rightholder is not allowed to make any statements to the media as regards the script or the production of the Film, unless specifically entrusted to do so or under license from the Company. However, at any time the Rightholder shall be entitled to comment on the Composition being his contribution to the Film, as long as no terms of this Agreement are made public by doing so.

**16.0 Severability**

If any provision hereof is determined by a tribunal of competent jurisdiction to be illegal or unenforceable, it shall automatically be deemed conformed to the minimum requirements of law and, along with all other provisions hereof, shall thereupon be given full force and effect.

**17.0 No Partnership or Employment**

This Agreement shall not be deemed to create any partnership or employment relationship between the parties. The Rightholder further covenants and warrants that he will not do any act or deed that will change his status as an independent contractor in the engagement period or before his fees become due whichever date comes first.

**18.0 Force Majeure**

In the event that this Agreement cannot be performed or its obligations fulfilled for any reason beyond the reasonable control of either party including war, industrial action, floods, Acts of God then such non-performance or failure to fulfill its obligations shall be deemed not to be a breach of this Agreement. In the event that this Agreement cannot be performed or its obligations fulfilled for any reason beyond either party’s reasonable control for a continuous period of 2 months then either party may, at its discretion, terminate this Agreement by notice in writing at the end of that period.

**19.0 Termination**

In addition to any other rights and remedies at law either party may, by giving written notice to the other party, terminate this Agreement where either party has committed a serious breach of its obligations under this Agreement and has not rectified the position, as far as reasonably possible, within 14 days. u

**20.0 Governing Law**

This Agreement shall be subject to the laws and procedures of Iceland and the District Court of Reykjavík (Héraðsdómur Reykjavíkur) shall be the Court of Jurisdiction.

**AS WITNESS** the hands of the parties hereto the day and year first above written.

Signed by:

Ari Arason

for and on behalf of the Rightholder

Signed by:

Fyrirtæki ehf CEO

for and on behalf of the Company.

Witnessed by:

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