



DISTRIBUTION AGREEMENT **FOR THE SONGSELECT DISTRIBUTION SERVICE**

THIS DISTRIBUTION AGREEMENT IS MADE BETWEEN:

- 1) CCLI, LLC on the one side, located at 17205 SE Mill Plain Blvd., Suite 150, Vancouver, Washington 98683 (an Oregon corporation formed in the United States) ("CCLI") and
- 2) OWNER, as named on the signature page hereof, on the other side ("Owner").

WHEREAS:

- 1) CCLI and Owner are parties to and subject to a General Owner Agreement, which governs this Distribution Agreement and which will be deemed a "Program Agreement" as defined and described in the General Owner Agreement;
- 2) CCLI in accordance with the terms of the General Owner Agreement and this Distribution Agreement is engaged in the music print business and has certain facilities available to it for the distribution of printed products in digital format containing Musical Compositions; and
- 3) Owner desires to appoint CCLI to act as the non-exclusive distributor of mutually agreed upon digital format print products containing Musical Compositions during the Term in the Territory, and CCLI is willing to accept such appointment.

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS NOT IN GENERAL OWNER AGREEMENT

- 1.1 "Chord Sheet" means the typographical embodiment of the lyrics, chords and fret chord fingering of Musical Compositions.
- 1.2 "Digital Fixations" means the typographical embodiments of Musical Compositions that are downloaded by Subscribers in a Lyric Sheet, Lead Sheet, Chord Sheet or Vocal Sheet format.
- 1.3 "Lead Sheet" means the typographical embodiment of the lyrics, melody line, meter, chords and fret chord fingering of Musical Compositions.
- 1.4 "Lyric Sheet" means the typographical embodiment of the lyrics of Musical Compositions.
- 1.5 "SongSelect" means CCLI's digital distribution system and website through which CCLI delivers Digital Fixations to consumers who are Subscribers.
- 1.6 "SSDS" means a subscription issued to a Subscriber under this Distribution Agreement under which the Subscriber is provided access to Digital Fixations of Musical Compositions in exchange for a fee.
- 1.7 "Subscriber" means a Church, School or individual that enters into an agreement with CCLI for an SSDS.
- 1.8 "Vocal Sheet" means the typographical embodiment of the lyrics, vocal lines, meter and chords of Musical Compositions in a hymn format.

2. GRANT OF RIGHTS

- 2.1 In consideration of the undertakings, representations and warranties of CCLI contained in this Distribution Agreement and subject to the terms of this Distribution Agreement, Owner hereby grants to CCLI the right to be the non-exclusive distributor of Digital Fixations mutually approved by Owner and CCLI, during the Term in the Territory, to Subscribers via SongSelect, subject to the restrictions contained herein. Such Rights include the right for CCLI to:
 - 2.1.1 Engrave and distribute Digital Fixations in its proprietary format to Subscribers as permitted in this Distribution Agreement.
 - 2.1.2 Display, reproduce and archive digital files of Musical Compositions on CCLI's on-premises systems and off-site systems operated by third party Internet service providers.
- 2.2 CCLI will issue SSDSs to Subscribers inclusive of the following Rights in this Clause 2.2, and as restricted in Clause 2.3 below for each applicable Country:
 - 2.2.1 To access and download Digital Fixations from CCLI's designated global web sites hosted only in countries that honor data and intellectual property rights.
- 2.3 The rights granted to CCLI in this Distribution Agreement shall exclude the Reserved Rights, including, without limitation, the Reserved Rights set forth as follows:
 - 2.3.1 CCLI is not permitted to sub-license or sell the Owner's digital files, or any portions thereof, in the Program, except as otherwise permitted in this Agreement.
 - 2.3.2 The use of Digital Fixations is limited solely to Subscriber's internal activities and Subscriber may not, without the written consent of Owner, make available Digital Fixations or copies thereof to any party, by any means, for any form of direct or indirect compensation, or free of charge.
 - 2.3.3 Musical Compositions and Digital Fixations shall at all times remain the property of the Owner.

2.3.4 Subscribers may not translate the Musical Compositions into a secondary language.

3. INCOME

In respect of each Country or aggregation of Countries as CCLI determines, and for each Report Period:

3.1 CCLI shall allocate seventy-five percent (75%) of the Program Revenue for this Program for the benefit of participating Owners.

3.1.1 The balance of the foregoing Program Revenue for this Program that equals one-hundred percent (100%) shall be retained by CCLI as its distribution fee in accordance with this Distribution Agreement.

3.2 Each Digital Fixation download shall be weighted according to its format type, as follows:

Lyric Sheet	1
Lead Sheet	3
Chord Sheet	3
Vocal Sheet	3

3.2.1 Each Musical Composition may earn a maximum of ten (10) payable Credits by way of an individual Subscriber's download activity (the sum of Credits from one (1) unique download of each Digital Fixation format type).

3.3 CCLI will determine the aggregate number of payable Credits from all download activity.

3.4 Participating Owners' percentage of total Program Revenue as referenced in Clause 3.1 will be divided by the aggregate number of Credits to arrive at the Credit Value.

3.5 CCLI will calculate the earned income for each Musical Composition by multiplying the applicable Credit Value by the total number of attributed Credits.

3.6 CCLI will calculate the total amount of Program Revenue earned by Owner, subject to Clauses 3.1 – 3.5.

4. ACCOUNTS

To the extent that income is earned and payable for a Musical Composition that is jointly owned by Owner and a third party that is not a participant in the Program, but whose ownership percentage has been licensed by Owner for use in the Program, such income shall be subject to Clause 5.5 of the General Owner Agreement.

[SIGNATURES ON NEXT PAGE]

DISTRIBUTION AGREEMENT
FOR THE SONGSELECT DISTRIBUTION SERVICE

SIGNATURE PAGE

Persons signing hereby attest and affirm that they are authorized to enter into this Distribution Agreement

OWNER

By

Name (please print)

Title (please print)

Signature

for and on behalf of

Owner (Legal Name of Company)

Address

Date

Tax ID (as registered with CCLI)

CCLI (OFFICE USE ONLY)

By

Name (please print)

Title (please print)

Signature

for and on behalf of

CCLI, LLC

Commencement Date

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