

This Agreement is made as of the 5th day of May, 2014 by and between SESAC, LLC ("SESAC"), a Delaware corporation, with offices at 55 Music Square East, Nashville, TN 37203 and .

Idaho Licensed Beverage Association (ILBA) 5208 W. Irving St. Boise, ID 83706

SESAC and Idaho Licensed Beverage Association (ILBA) mutually agree as follows:

- A. SESAC will offer current members of Idaho Licensed Beverage Association (ILBA) who operate restaurants, taverns & nightclubs and similar type establishments a 10% discount off license fees for the SESAC Restaurant, Tavern & Nightclub agreements.
- B. To receive this discount, the members must (i) be a member in good standing of the Idaho Licensed Beverage Association (ILBA), (ii) complete and sign the appropriate SESAC license agreement, (iii) complete the Idaho Licensed Beverage Association (ILBA) Discount Fee Calculation Page (iv) attach it to the license agreement, and (v) return both documents together with appropriate payment to SESAC.
- C. Idaho Licensed Beverage Association (ILBA) will confirm the membership status of potential restaurant, tavern & nightclub participants.
- D. The term of this Agreement shall be for an initial period from May 5, 2014 through May 4, 2015 (the "Initial Period"). Thereafter, the Agreement shall automatically continue in full force and effect for successive additional periods of one (1) year ("Renewal Period(s)"). SESAC and /or Idaho Licensed Beverage Association (ILBA) shall have the right to terminate this Agreement as of the last day of the Initial Period or as of the last day of any Renewal Period(s) upon giving written notice to the other party by certified mail, return receipt requested, at least thirty (30) days prior to the commencement of any Renewal Period(s).

SESAC PERFORMANCE LICENSE 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 (Name of corporation, partnership, sole proprietorship, etc.) (Address) (City, State, ZIP) A Corporation/Limited Liability Company/Partnership/Sole Proprietorship (circle one) State of Incorporation (if applicable) Taxpayer ID #: Telephone: ______ Fax: _____ E-mail: _____ (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: , (the "Effective Date") and subject to 1. GRANT OF RIGHTS: Effective as of 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. performances of the Compositions (i) which are part of a background music service originating from any location including the Premises, for which SESAC performance license 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. TERM 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 of 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 to 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 the 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 an 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:

TITLE: _____

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 modification 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 to be 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.

V0710PDC

SCHEDULE "A" Fee Schedule for RESTAURANTS, NIGHTCLUBS and TAVERNS

| | eference is made to the SESAC Performance License effectiveedule "A" is attached. | _(the "Agreement") to which this |
|-----|---|----------------------------------|
| II. | RATE SCHEDULE / LICENSE FEE | |
| Mus | License Fee Calculation: The License Fee shall be determined by applying the rate factors sic," "Live Music," "Coin-Operated Phonorecord Player," and "Web Site," as applicable, based the live of the literature of the control of the literature of | l on actual music usage ("Music |

A. License Fee Calculation: The License Fee shall be determined by applying the rate factors "Capacity," "Mechanical Music," "Live Music," "Coin-Operated Phonorecord Player," and "Web Site," as applicable, based on actual music usage ("Music Usage"). The Initial License Fee shall be determined based upon Music Usage as measured by actual average music usage during the twelve (12) month period prior to and including the date that LICENSEE completes/verifies its Music Usage on this document. If the Premises has not been in operation for such entire twelve (12) month period, then such Initial License Fee shall be based on Music Usage as measured by actual average music usage during the actual months of operation prior to and including the date that LICENSEE completes/verifies its Music Usage on this document ("Initial Reporting Period"). Please complete/verify the following information regarding Music Usage during the Initial Reporting Period ("Initial Music Usage"):

| "Capacity" See definition below | Days of Live Music See definition below | | | | |
|---|---|--|--|--|--|
| "Mechanical Music" Yes See definition below | No If yes to "Mechanical Music", is it "Enhanced?" Yes No Admission/cover charge or dancing? – see definition below | | | | |
| If ALL mechanical music is provided by | y a background music company, please complete: | | | | |
| Name of Background Music Company: | | | | | |
| Address: | Phone Number: | | | | |
| "Coin-Operated Phonorecord Play See definition below | rer (Jukebox)?* Yes No | | | | |
| If Coin-Operated Phonorecord Player i | s provided by an operator licensed through the Jukebox License Office, please complete: | | | | |
| Name of Jukebox Operator. | | | | | |
| Address: | JLO Certificate No: | | | | |
| Music used on "Web Site?" Yes | See definition below | | | | |
| If yes to "Web Site " list URI : | • | | | | |

Fee Schedule for July 1, 2012 - June 30, 2013

| | | | | | | 1544 4 501 | "Coin-Operated |
|--|----------|------------|---------------------|--------|----------|-----------------|--------------------------------|
| "Mechanical Music" | | | <u>"Live Music"</u> | | | <u>"Web Sit</u> | e" Phonorecord Player" |
| "Capacity" | Standard | "Enhanced" | 1-2 Days | 3-4 | 5-7 Days | | |
| | | | 1 | Days | | | |
| 1-100 | \$ 244 | \$ 306 | \$ 350 | \$ 575 | \$ 894 | \$74 | |
| 101-200 | 279 | 365 | 459 | 718 | 1,246 | 103 | \$202 per *Coin-Operated |
| 201-300 | 317 | 427 | 596 | 933 | 1,673 | 148 | Phonorecord Player* (fee |
| 301-400 | 391 | 546 | 751 | 1,151 | 2,169 | 208 | payable only for devices |
| 401-500 | 536 | 729 | 894 | 1,413 | 2,651 | 281 | meeting the definition below). |
| 501-600 | 719 | 1,034 | 1,192 | 1,792 | 3,259 | 373 | |
| 601-750 | 900 | 1,338 | 1,490 | 2,189 | 3,856 | 479 | |
| 751 & over | 1,107 | 1,823 | 1,792 | 2,637 | 4,495 | 597 | · |
| Members of trade associations may be eligible for discounted license fees. Please contact your association for more information. | | | | | | | |

As used herein, "Capacity" shall mean the maximum capacity of the Premises as permitted by local ordinance.

Payment of the "Mechanical Music" License Fee authorizes public performances on the Premises by radio; by records, tapes, compact discs, iPODs or similar devices, jukeboxes not meeting the definition of "Coin-Operated Phonorecord Player," and other phonorecords; by karaoke or similar systems; by audio-visual devices including televisions, DVD and video tape players; and by music-on-hold telephone systems; for which SESAC performance license fees are not otherwise paid.

As used herein, "Enhanced" shall mean an admission fee or similar charge, or if a dance floor/space is available for use by patrons, performers, or employees.

Please sign the last page of the license and return with payment V0710pd

Payment of the "Coin-Operated Phonorecord Player" License Fee authorizes public performances on the Premises by a machine of device that (a) is employed solely for the performance of nondramatic musical works by means of phonorecords upon being activated by insertion of coins, currency, tokens, or other monetary units or their equivalent; (b) during the time when there is no direct or indirect charge for admission to the Premises; (c) is accompanied by a list of the titles of all of the musical works available for performance on it, which list is affixed to the phonorecord player or posted in the Premises in a prominent position where it can be readily examined by the public; (d) affords a choice of works available for performance and permits the choice to be made by the patrons of the Premises, and (e) for which SESAC performance license fees are not otherwise paid, e.g., through the Jukebox License Office (JLO).

Payment of the "Live Music" License Fee authorizes live musical performances at the Premises. The "Live Music" License Fee to be effective upon the Effective Date of the Agreement shall be calculated based on the average number of live music performances per calendar week at the Premises during the Initial Reporting Period. If live music was most commonly performed more than 5 days during the Initial Reporting Period but less than 1 day per week, then the weekly music policy of the Premises shall be calculated at the appropriate rate for 1-2 Days.

Payment of the "Web Site" License Fee authorizes transmissions through the web site with the primary Universal Resource Locator of _______ for which primary purpose is to promote business at the Premises. This license shall not provide authorization for (a) any product, service or feature that enables users to access all or substantially all of particular movie(s). TV program(s), and/or live, concert-type performance(s) not occurring on the Premises or (b) any site(s) where a subscription or other user fee is charged to access streamed entertainment content. This authorization is only available to LICENSEE for periods for which LICENSEE also pays License Fee(s) hereunder that are separate and additional to the "Web Site" License Fee.

If your music use is in effect for five or fewer consecutive months, you may be eligible for a seasonal rate. Please contact SESAC for additional information.

B. License Fee Payment: LICENSEE shall pay the Initial License Fee to SESAC upon execution of the Agreement. The Initial License Fee payment shall be a pro-rated amount calculated using the then current License Fee rate(s) for the period from the Effective Date through the following June 30. Subsequent payments shall be made in advance and in accordance with either (i) or (ii) below (select one):

| (i) annually in one payment, on or before the first day of July, for the billing period of July 1 through the following |
|---|
| June 30; or |
| (ii) semiannually in two (2) equal installments on or before the first day of July; for the billing period of July 1 |
| through December 31; and on or before the first day of January, for the billing period of January 1 through June 30. |

If no selection is made, the License Fee shall be due annually. In the event that LICENSEE opts to pay the License Fee annually, subsequent to the Initial License Fee, LICENSEE shall receive a five percent (5%) discount on each payment in full of the annual License Fee received by SESAC on or before July 31of the relevant billing period.

- C. Music Usage Change: LICENSEE shall provide SESAC written notice of any change in Music Usage ("Music Usage Update Notice"). A change in Music Usage will be deemed to have occurred when Music Usage differs from the Initial Music Usage (or, alternatively, from the Music Usage set forth in the most recent Music Usage Update Notice) for more than thirty (30) consecutive days, with Live Music to be measured based upon the average number of days of live music per week during such period. LICENSEE shall provide SESAC the Music Usage Update Notice within thirty (30) days of the effective date of any change in Music Usage, and SESAC shall adjust the License Fee effective the first day of the month following receipt by SESAC of the Music Usage Update Notice. If LICENSEE fails to submit a timely Music Usage Update Notice or if SESAC should verify that any Music Usage Update Notice is inaccurate or incomplete, then SESAC will have the right to determine such information by independent means and adjust the License Fee effective the date of the change in Music Usage. No more than three (3) License Fee adjustments under this Paragraph II.C shall be made per calendar year.
- D. Miscellaneous: Notwithstanding anything to the contrary contained in the Agreement, upon sending of written notice to LICENSEE by certified mail, SESAC shall have the right to adjust the rates set forth in the Fee Schedule. In the event that LICENSEE's License Fee increases as a result of such adjustment to the Fee Schedule, LICENSEE shall have the right to terminate the Agreement as of the date such increase is to take effect, provided that LICENSEE gives SESAC written notice of such termination by certified mail, not later than thirty (30) days after SESAC sends written notice of such increase to LICENSEE's termination right addressed in this Paragraph shall not apply to rate increases made pursuant to Paragraph 4.B of the Agreement. This Schedule is incorporated and made part of the Agreement. Unless otherwise indicated, all capitalized terms in this Schedule "A" shall have the same meaning as set forth in the Agreement.

III. This Schedule is incorporated and made part of the Agreement. Unless otherwise indicated, all capitalized terms in this Schedule "A" shall have the same meaning as set forth in the Agreement.



Discount Fee Calculation Page

This form is to be used by Restaurants, Nightclubs and Taverns who are members of an association licensed with SESAC.

To be eligible for these discounts, you must (i) be a member in good standing of an association that has entered into an agreement with SESAC, (ii) complete and sign the appropriate SESAC Performance License for Restaurants, Nightclubs and Taverns agreement, (iii) complete this Discount Fee Calculation Page (iv) attach it to the license agreement, and (v) return with appropriate payment to SESAC.

| LICENSEE: (Name of Owner – corporation, partnership, sole proprietorship, etc.) | Premises: (Name of restaurant, nightclub or tavern) |
|---|---|
| Address: | · · · · · · · · · · · · · · · · · · · |
| City, State, ZIP: | |
| Signature of owner: | |
| Association Name: | ID Number: |
| Discount Fee Calculation: A. Annual License Fee From Schedule A | |
| B. Association 10% Discount | X 0.9 |
| (multiply line A by 0.9) | |
| Line B. is the payment due. | |

Remit License, Schedule "A" and this form to: SESAC 55 Music Square East, Nashville, TN 37203 615-320-0055 615-321-6292 (fax)