SOUND RECORDING LABOR AGREEMENT

with the

Sound Recording
Special Payments Fund Agreement (SPF)

and

Sound Recording Trust Agreement (MPTF)

February 1, 2006 through January 12, 2015

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1SOUND RECORDING LABOR AGREEMENT

February 1, 2006 – January 12, 2015

Dated: New York, NY

PREAMBLE

In consideration of the mutual covenants herein contained, of the promise of the undersigned company (herein called the “Company”) fully and faithfully to perform each and every term, condition, and covenant on its part to be performed pursuant to the Sound Recording Trust Agreement (February 2006) and to the Sound Recording Special Payments Fund Agreement (February 2006) and of other good and valuable considerations, the American Federation of Musicians of the United States and Canada (herein called the “Federation”) has entered into this agreement with the Company setting forth the terms and conditions, including those set forth in all exhibits and sideletters hereto attached, pursuant to which persons covered by this agreement may be employed by the Company in the recording of phonograph records.

1. Scope

For the purposes of this Agreement, the terms “phonograph record and “record” shall mean any phonograph record, digital audio file, compact disc, tape recording or any other device reproducing sound, whether now in existence or which may come into existence. For the purposes of this Agreement, the term “master record” shall include any matrix, “mother”, stamper, or other device from which another such master record or phonograph record is produced, reproduced, pressed or otherwise processed.

2. Covered Individuals

This agreement shall cover and relate to members of the Federation wherever they shall perform, as employees, services for the Company as instrumental musicians or as leaders, contractors, copyists, orchestrators and arrangers of instrumental music

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1 The Sound Recording Labor Agreement, Sound Recording Special Payments Fund Agreement and Sound Recording Trust Agreement were previously known as the Phonograph Record Labor Agreement, Phonograph Record Manufacturers' Special Payments Fund Agreement and Phonograph Record Trust Agreement, respectively. All references in this Agreement to the Sound Recording Labor Agreement, Sound Recording Special Payments Fund Agreement and Sound Recording Trust Agreement will be deemed to include references to the Phonograph Record Labor Agreement, the Phonograph Record Manufacturers' Special Payments Fund Agreement and the Phonograph Record Trust Agreement, respectively, where appropriate.

2 The February 1, 2002 – January 31, 2005 Sound Recording Labor Agreement, Sound Recording Special Payment Fund Agreement and Sound Recording Trust Agreement were (1) extended for a one year period from February 1, 2005 – January 31, 2006, with a 2% increase in all Sound Recording Labor Agreement wage scales; (2) modified as set forth herein and extended to January 31, 2009 by the December 2006 Memorandum of Understanding; (3) further modified as set forth herein and extended to January 31, 2010 by the Memorandum of Understanding dated January 14, 2009; and (4) further modified as set forth herein and extended to January 12, 2015 by the Memorandum of Agreement dated October 27, 2011.
(all of whom are collectively referred to as “musicians”3) in the recording of phonograph records or Covered Concert DVDs (as defined in Exhibit A(I)(J)), and side musicians engaged in “on-camera sideline” work in Traditional Music Videos (as defined in Exhibit B), and to any other person employed as a Musician in the recording of phonograph records, Covered Concert DVDs within the United States or Canada or a present territory or possession of either (herein called “Domestic Area”). This agreement shall also cover and relate to any resident of the Domestic Area engaged within the Domestic Area to perform such services outside the Domestic Area. It is further agreed that if a resident of the Domestic Area is engaged outside the Domestic Area to perform such services for the Company outside the Domestic Area, he shall, as a condition of employment, be and remain a member in good standing of the Federation. The Federation shall exercise full authority in order that its locals and members engaged in such activities shall do nothing in derogation of the terms and intent of this agreement.

3. **Waivers Prohibited**

The Company shall not require, request, induce, or in any manner attempt to require a waiver or otherwise influence any person covered by this agreement to play, or perform for recordings, or render services pertaining thereto, except as permitted by this Agreement.

4. **Company’s Obligations**

For the services rendered by the persons covered by this Agreement in the making of recordings, the Company shall pay at least Federation scale as provided in Exhibit A or Exhibit D, as applicable. The Company shall fully and faithfully perform the terms and conditions, of its individual agreements with such persons. In addition, the persons covered by this Agreement in the making of recordings shall be entitled to payments from the Sound Recording Special Payments Fund as described in this Agreement and in the Sound Recording Special Payments Fund Agreement.

5. **Catalogs/Schedule of Manufacturer’s Suggested Retail Prices**

Following the execution of this Agreement, the Company shall promptly furnish to the Federation, upon request, a copy of all of the Company’s record catalogs, and a schedule of its manufacturer’s suggested retail prices for each record in its catalogs, and thereafter from time to time, a schedule listing all amendments and additions thereto, as and when established. The Company shall provide a copy of each new CD and Covered Concert DVD in its packaging to the Federation or the Federation’s designee.

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3 Anyone who causes a computer or sequencing device, synthesizer or other musical instrument to play or produce music or sound (hereinafter referred to as a “Performance”) for a phonograph recording, including formats yet to be developed, is an instrumental musician within the meaning of this Agreement, whether the performance is caused or created by any input device such as a “qwerty” KBD, mouse, standard piano keyboard or any alternate controller (drum, wind synthesizer, etc.) or outside midi data (an orchestrator/arranger or composer’s computer or controller).
6. **Monthly Report of Releases**

At the end of each month the Company shall advise the Federation of all recordings and Covered Concert DVDs released by the Company during such month, of the serial or other number thereof, and of any additional information in connection with any such recording which the Federation may reasonably require. Upon request by the Federation, the Company shall promptly furnish to it a copy of any such recording. The Company shall respond promptly to reasonable requests by the Federation for information relating to the Company’s performance of the terms and conditions of this Agreement and of any and all individual agreements with persons covered by this Agreement.

7. **Unauthorized Productions/Unauthorized Uses**

Persons covered by this agreement shall not make or be required to make phonograph records containing commercial advertisements, or any phonograph records to be used by or for the performers as accompaniment for or in connection with their live performances. The Company shall not furnish orchestra tracks without vocals to artists or any other person without prior approval of the Federation.

8. **A Session May Only Be Called To Make A Phonograph Record, Covered Concert DVD or Traditional Music Video**

The Company shall only call or authorize a recording session in order to make a phonograph record, a Covered Concert DVD or a Traditional Music Video.

9. **No Recordings of Radio/TV Programs Without AFM Consent**

The Company agrees not to make recordings of any radio or television programs, containing the services of persons covered by the Sound Recording Labor Agreement (February, 2006), off-the-line or off-the-air, without first obtaining written permission from the Office of the President of the Federation, except that no such permission shall be necessary in instances where such recordings are (a) for reference or file purposes, or (b) for the purpose of making delayed broadcast transcriptions which have been authorized in writing by the Federation.

The Federation agrees that in all cases it will not unreasonably withhold permission to make such off-the-air or off-the-line recordings, and that in such other instances where granted, permission shall be given on payment of the phonograph record scale, and of any and all additional payments applicable to such new use. This agreement shall not in any way modify any obligation independent of this agreement which the Company may be under to obtain other individual approvals as may be necessary in connection with such off-the line or off-the-air recordings.

10. **Recognition**

The Company hereby recognizes the Federation as the exclusive bargaining representative of persons covered by paragraph 2 of this agreement.

11. **Union Security—Canada**

The following provisions contained in this paragraph 11 shall apply only to recording services to be rendered hereunder in Canada where not prohibited by applicable law.

(a) Only the services of members in good standing of the American Federation of Musicians of the United States and Canada shall be used for the performance
of all instrumental music, and in the copying, orchestrating or arranging of such music, in recording phonograph records, and, in the employment of persons who are eligible for membership in the Federation, only such persons as shall be members thereof in good standing shall be so employed.

(b) As the musicians referred to or engaged under the stipulations of this contract are members of the American Federation of Musicians of the United States and Canada, nothing in this contract shall ever be construed so as to interfere with any obligation which they may owe to the American Federation of Musicians of the United States and Canada as members thereof.

(c)(1) Any employee(s) covered by this agreement whose services hereunder are prevented, suspended, or stopped by reason of any lawful primary strike, ban, or unfair list of the Federation, shall, for the duration of such lawful primary strike, ban or unfair list, and for no longer than the duration thereof: (A) be free to suspend the performances of services hereunder; and (B) be free to perform services in other employment of the same or similar character, or otherwise, for other employers, or persons, firms, or corporations, without any restraint, hindrance, penalty, obligation, or liability, whatever, any other provision of this agreement to the contrary notwithstanding; provided, however, that upon the cessation of such lawful primary strike, ban, or unfair list, any and all such contractual obligations owed by employees covered by this agreement to the Company, which were suspended by reason of such strike, ban, or unfair list, shall immediately be revived and shall be in full force and effect.

(2) It shall not be a violation of this agreement, nor cause for disciplinary action, if a musician covered by this agreement refuses to cross or to work behind a lawful primary picket line of the Federation which has been posted by the Federation in connection with a dispute arising under this agreement, including a lawful primary picket line of the Federation at the Employer's place of business or at a place of business to which a musician(s) covered by this agreement is sent by the Employer to perform services hereunder.

12. Union Security—United States

The following provisions of this paragraph 12 shall apply to recording services rendered in the United States, its territories and possessions.

(a) It shall be a condition of employment that all employees of the employer covered by this labor agreement who are members of the union in good standing on the execution date of this union security agreement shall remain members in good standing and those who are not members on the execution date of this union security agreement shall on the 30th day following said execution date become and remain members in good standing in the union. It shall also be a condition of employment that all employees covered by this labor agreement and hired on or after said execution date shall on the 30th day following the beginning of such employment become and remain members in good standing in the Federation.

(b) As to the musicians referred to or engaged under the stipulations of this contract who are members of the American Federation of Musicians of the United States and Canada, and to the extent to which the inclusion and
13. **Bylaws**

Federation’s Right to Disapprove Contracts – All present provisions of the Federation’s Bylaws are made part of this agreement to the extent to which their inclusion and enforcement are not prohibited by any applicable law. No changes therein made during the term of this agreement shall be effective to contravene any of the provisions hereof.

14. **Right of Access**

The duly authorized representatives of the Federation and also of the local (affiliated with the Federation), upon presentation of proper identification to the Company, shall each be granted access to the studio or other place where services are being performed hereunder. Each shall be permitted to visit that place during working hours for the proper conduct of the business of the Federation or such local, respectively.

15. **Right to Audit**

(a) The Company agrees that it shall furnish to the Federation, simultaneously with its delivery thereof to the Trustee and to the Administrator named in the Special Payments Fund Agreement (February 2006) copies of any and all statements submitted to the Trustee and to the Administrator.

(b) The Company agrees that the Federation shall have the right from time to time, without limitation to the duration of this agreement, and at all reasonable times during business hours, to have the Federation’s duty
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February 1, 2006 – January 12, 2015

authorized agents examine and audit the Company’s records and accounts concerning all transactions involving the Company’s sale of phonograph records, Covered Concert DVDs and Traditional Music Videos, which it shall keep pursuant to said Trust Agreements and to said Special Payments Fund Agreements and such other records and accounts as may be necessary; such examination and audit to be made for the purpose of the Federation’s verifying any statements made by the Company pursuant to said agreements, during a period not exceeding four (4) years preceding such examination, and of determining the amount of payments due by it thereunder. It is agreed that the four (4) year period provided herein shall not effect the operation of the applicable statute of limitations. The Company agrees to afford all necessary facilities to such authorized agents to make such examination and audit and to make extracts and excerpts from said records and accounts as may be necessary or proper according to approved and recognized accounting practices. Examinations and audits made pursuant hereto shall be coordinated, to the extent practicable, with examinations and audits made under the aforesaid Trust Agreements and Special Payments Fund Agreements so that inconvenience to the Company may be minimized.

16. Use of Music Previously Recorded under Another AFM Agreement

When music previously recorded under an American Federation of Musicians agreement other than any Sound Recording Labor Agreement is used in a phonograph record and such agreement requires payment for such use, the use payments shall be the minimum session fee set forth in the Sound Recording Labor Agreement in effect at the time of such use.

17. More Favorable Terms—(Most Favored Nations)

If during the term hereof, the Federation shall enter into an agreement with any phonograph record company upon terms more favorable than or different from those contained in this agreement, the Company shall have the right at its option to cause this agreement to be conformed therewith, provided, however, that no such right shall come into being by reason of the compromise of any claim against any recording Company by reason of the insolvency, bankruptcy, or other financial difficulty of such Company.

18. Payment for Music Recorded by Third Party

The Company shall not produce any phonograph record, Covered Concert DVD or Traditional Music Video from recorded music acquired or taken from or licensed by any other person, firm or corporation, in the making of which there was utilized instrumental music recorded within the Domestic Area or by a person who, at the time of the recording, resided within the Domestic Area, unless the total cost to the person, firm or corporation which produced the recorded music with respect to the scale of wages and fringe benefits paid to the musicians was at least equal to what the cost would have been under the Sound Recording Labor Agreement of the Federation which was in effect at the time the recorded music was produced; provided, however, that if such music was recorded outside the Domestic Area, no payment need be made pursuant to this paragraph if the music was acquired, taken or licensed before January 1, 1964.

The Company may satisfy its obligation under this paragraph by incorporating in an
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agreement under which it acquires the right to use recorded music, a representation and warranty by the seller or licensor (which the Company shall guarantee if the seller or licensor was not a party to a Sound Recording Labor Agreement with the Federation when the recording was made) that such recorded music does not come within the terms of this paragraph or that the requirements of this paragraph have been satisfied and a statement that such representation and warranty was included for the benefit of the Federation (among others) and may be enforced by the Federation or by such person or persons as it may designate. Upon request, a signed copy of such agreement shall be furnished to the Federation. No rights or privileges existing or accrued between January 1, 1959 and January 31, 2006 shall be deemed waived by reason of the provisions of this paragraph (numbered “17” in some prior agreements).

19. Dubbing

Except as specifically provided in paragraphs 8, 9, 18 and 20, nothing contained in this agreement is intended to or shall be deemed to relate to the rendition of services or to dubbing in connection with the production of devices other than phonograph records, Covered Concert DVDs or Traditional Music Videos as such devices are presently known.

20. Use of a Phonograph Record, Covered Concert DVD or Traditional Music Video in the Same Medium

The Company may use all of the contents of any master record for the production of a new phonograph record, Covered Concert DVD or Traditional Music Video that in its entirety contains only the identical content of the record originally produced from such master record (or contains the identical content except that it (i) is re-mixed, mastered or re-mastered or (ii) includes a translation into a different language) and is intended to be used for the same purposes to which the record originally produced from such master record was principally devoted. In all other circumstances, except as specifically provided in this Agreement, if the Company uses a phonograph record, Covered Concert DVD or Traditional Music Video produced under any Sound Recording Labor Agreement since January 1954 in another phonograph record, the Company shall pay to those musicians who rendered services in the recording of the phonograph record an amount equal to all payments (including, without limitation, pension contributions, but excluding health and welfare contributions) that would be required under the Sound Recording Labor Agreement that would apply if the phonograph record so used were an original recording.

21. Use of a Phonograph Record, Covered Concert DVD or Traditional Music Video in Other Mediums

(a) Except as set forth in Articles 21(b) and 21(c) below, if the Company uses a phonograph record or Traditional Music Video produced under any Sound Recording Labor Agreement since January 1954 or a Covered Concert DVD produced since February 1, 2007 for a purpose not covered by this Agreement, the Company shall pay to those musicians who rendered services in the recording of the phonograph record, Traditional Music Video or Covered Concert DVD an amount equal to all payments (including, without limitation, pension contributions, but excluding health and welfare contributions) that would be required under the AFM agreement that would then be effective if the recording were originally made for the purpose set
forth under that agreement.

In order to effect such a “new use” of a phonograph record, the Company must first provide the Federation’s Sound Recording Labor Agreement Contracts Administrator with the identity of the records involved and the intended use of the product in the form set forth in Exhibit F to this Agreement.

(b) Use in a Video Game

i. If the Company licenses, re-licenses, or extends a license (each a “license” for the purpose of this Agreement) a Phonograph Record that contains a performance of a musician into a Videogame and the Company receives a flat fee payment of less than $30,000, the payment required by Paragraph 21 will be 3% of the license fee received by the Company (2% to the American Federation of Musicians and Employers’ Pension Fund, which will not constitute contributions made on behalf of any particular musician, and 1% to the Music Performance Trust Fund). If the license flat fee payment is $30,000 or above, the Company shall pay to those non-royalty musicians who rendered services in the recording of the Phonograph Record $198 each plus other applicable payments (e.g., leader, overdubs, and doubling) as set forth in the SRLA, and a pension contribution at the rate of 14.17%).

ii. If the Company licenses a Phonograph Record that contains a performance of a musician into a Videogame for which the Company receives a contingent payment of any kind (e.g., a per unit payment or a scaled payment based on sales), the payment required by Paragraph 21 shall be determined as follows:

1. If the payments received by the Company at any point within five quarters of reporting by the licensee after the release of the game equal or exceed $30,000 per unit license, then the Company shall pay to those non-royalty musicians who rendered services in the recording of the Phonograph Record $198 each, plus other applicable payments (e.g., leader, overdubs and doubling) as set forth in the SRLA) and a pension contribution at the rate of 14.17%).

2. If the Company has received less than $30,000 within five quarters of reporting by the licensee after the release of the game, there shall be a one-time payment of 3.25% of the Company’s income from licensing the Phonograph Record (2.25% to the American Federation of Musicians and Employers’ Pension Fund, which will not constitute contributions made on behalf of any particular musician, and 1% to the Music Performance Trust Fund).

iii. In the event that a musician receives the $198 new use payment for a license, no further payments shall be owed for that license or any extension or renewal thereof.
iv. The Company will provide to the AFM and American Federation of Musicians and Employers’ Pension Fund on a quarterly basis, an electronic report in a writeable file format (e.g. Excel) containing a) the title of each licensed Phonograph Record for which the full new use payment under this section has not yet been made; b) the name of the royalty artist; c) the ISRC; d) the name of the licensee and its address, phone, fax or e-mail address; e) the name of the videogame, including the version, into which the Phonograph Record was licensed; f) the type of license (i.e. flat fee or per unit) and its term; g) the gross revenue received by the Company pursuant to the license during the reporting period and cumulatively.

v. If the videogame is for a flat fee payment of $30,000 or more, payment shall be made within 60 days of payment to the Company. All other payments for videogame licenses shall be made on a semi-annual basis in accordance with the schedule for payments to the Special Payments Fund.

(c) Use in Consumer Products and New Media

i. If the Company licenses a Phonograph Record that contains a performance of a musician for use either: (a) in a digital chip (or its equivalent) which is to be used in connection with a consumer product, or (b) for consumer-based internet synch licensing (e.g., JibJab, photo slide shows, flickr, etc.), provided that such use in (a) or (b) above is not otherwise a phonograph record or a video game, the new use payment shall be 3% of the Company’s income, 2% of which shall be payable to the American Federation of Musicians and Employers’ Pension Fund, which will not constitute contributions made on behalf of any particular musician, and 1% of which shall be payable to the Music Performance Trust Fund.

ii. The Company will provide to the AFM and American Federation of Musicians and Employers’ Pension Fund on a quarterly basis, an electronic report in a writeable file format (e.g. Excel) containing a) the title of each licensed Phonograph Record for which the full new use payment under this section has not yet been made; b) the name of the royalty artist; c) the ISRC; d) the name of the licensee and its address, phone, fax or e-mail address; e) the name of the product, including the version, into which the Phonograph Record was licensed; f) the type of license (i.e. flat fee or per unit) and its term; g) the gross revenue received by the Company pursuant to the license during the reporting period and cumulatively.

iii. Payments for such licenses shall be made on a semi-annual basis in accordance with the schedule for payments to the Special Payments Fund.

(d) The payments required for video games, consumer products, and new media by subparagraphs (b) and (c) above shall not be considered in determining the amount of the license. The required payments under subparagraphs (b) and
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(c) shall be made by the Company or by the licensee, except that the reporting requirements of Paragraph 24(b) are replaced by the terms set forth herein.

22. Assignment

(a) This agreement shall be personal to the Company and shall not be transferable or assignable, by operation of law or otherwise, without the written consent of the Federation, which consent shall not unreasonably be withheld.

(b) Without the written consent of the Federation, which consent shall not unreasonably be withheld, the Company shall not transfer or assign any individual contract (or part thereof) for the performance of services by a person(s) covered by this agreement, or give another person control over such contract of such services. Provided, however, that consent by the Federation shall not be required if the person to whom such individual contract (or part thereof) is transferred or assigned or to whom such control is given: (1) is at the time of such transfer, or agrees to become a party to this agreement; or (2) will incur total labor costs (for wages and fringe benefits) with respect to the services covered by such individual contract, which are at least equal to the total labor costs (for wages and fringe benefits) which would be incurred under the scale of wages and fringe benefits provided for under this agreement.

(c) Nevertheless, if the provisions of paragraph (a) or (b) of this Section 22 are violated, and services are thereafter performed by such individual(s), the obligations and duties imposed by this agreement shall be binding upon the transferee or assignee with respect to such individual(s).

(d) The obligations imposed by this agreement upon the Company, shall be binding upon the Company, and to the extent permitted by applicable law, upon such of its subsidiaries as are engaged in the production of phonograph records in the Domestic Area.

(e) To the extent permitted by applicable law, the Federation, at its option, may, upon ninety (90) days written notice to both the transferee and transferor, terminate this agreement at any time after a transfer of any controlling interest in the Company.

23. Sound Recording Special Payments Fund and Sound Recording Trust Agreements

The Company agrees to be bound by the Sound Recording Special Payments Fund Agreement (February 1, 2006 – January 12, 2015) and the Sound Recording Trust Agreement (February 1, 2006 – January 12, 2015) which are incorporated by reference into this Agreement.

24. Transfers of Rights in a Phonograph Record, Covered Concert DVD or Traditional Music Video

(a) If the Company sells, assigns, leases, licenses or otherwise transfers title to or permission to use any phonograph record, Covered Concert DVD or Traditional Music Video produced under any Sound Recording Labor
Agreement since January 1954 for any purpose, the Company may obtain from such party an assumption agreement in the form set forth in (e) below.

(b) Within sixty (60) days of each sale, assignment, lease, license or other transfer of title of any phonograph record, Covered Concert DVD or Traditional Music Video produced under any Sound Recording Labor Agreement since January 1954, the Company shall provide the Federation’s Sound Recording Labor Agreement Contracts Administrator, the Sound Recording Special Payments Fund and, in the case of a phonograph record, the Music Performance Trust Fund (collectively, the “Funds”) with the identity of the recording(s) involved, the intended use of the product, the date of transfer, and the name, address, telephone number and fax number of each such purchaser, assignee, lessee, licensee, or other transferee in the form set forth in Exhibit D to this Agreement (or a redacted licensing agreement to the extent that it includes the information set forth in Exhibit D), and with an executed copy of each assumption agreement entered into by the Company. An inadvertent failure on the part of the Company to comply with any of the provisions of this Article 24 shall in no event constitute a default by the Company hereunder or a breach of this Agreement, provided that such failure is cured promptly after notice thereof from the Federation or either Fund.

(c) This Article 24 does not apply in the case of a transfer of a phonograph record, Covered Concert DVD or Traditional Music Video for the sole purpose of use in another phonograph record, Covered Concert DVD or Traditional Music Video where no payment is due to either Fund because the phonograph record was recorded before 1964 or the applicable payment period has expired.

(d) Upon delivery of such assumption agreement, the Company (or any subsequent party obtaining an assumption agreement) shall not be further liable to the Federation or to either Fund for compliance with the terms of this Agreement with respect to the obligations assumed by the other party to the assumption agreement. In the event that no assumption agreement is delivered, the Company (or the party last obtaining an assumption agreement) shall continue to be liable for compliance with the terms of this Agreement with respect to the applicable phonograph record, Covered Concert DVD or Traditional Music Video unless the purchaser, assignee, lessee, licensee, or other transferee is a signatory to the Federation agreement applicable to the use for which the transferred Sound Recording is intended, in which case the Company shall not have such liability.

(e) The assumption agreement under this Article 24 shall be in the following form (additional provisions may be included so long as they do not alter the terms set forth below):

Assumption Agreement Covering the Transfer of Rights of Product Covered by the Sound Recording Labor Agreement

1. General. The undersigned, [insert name and address of buyer, assignee, lessee, licensee, or other transferee], herein for convenience referred to as the “Licensee”, hereby agrees with [insert name of Company], herein for convenience referred to as the “Company”, that
[identify title, length and identification number of each phonograph record, Covered Concert DVD or Traditional Music Video and album number, if applicable, covered by agreement] ("Covered Product") are produced from master records containing music performed or conducted by musicians covered under one or more Sound Recording Labor Agreements.

2. **Obligations of the Licensee Under this Agreement.** The Licensee hereby assumes all of the Company's obligations under the Sound Recording Labor Agreement with respect to the Covered Product, as follows:

(a) With respect to the use of Covered Product for any purpose set forth in the Sound Recording Labor Agreement, the Licensee will comply with all of the payment, reporting, and audit requirements of the applicable Sound Recording Labor Agreement, the Sound Recording Special Payments Fund Agreement and Sound Recording Trust Agreement.

(b) With respect to the use of Covered Product for a purpose not covered under the Sound Recording Labor Agreement (also known as a "new use"), the Licensee will pay to all musicians who rendered services in the recording of the Covered Product an amount equal to all payments (including, without limitation, pension contributions, but excluding health and welfare contributions) that would be required under the AFM agreement that would then apply if the recording were originally made for the purpose set forth under that agreement.

The rights of the Licensee to use such Covered Product shall be subject to and conditioned upon compliance with the terms and conditions of this paragraph 2, and the Federation (acting on behalf of any affected musician) and the Funds shall be entitled to seek injunctive relief and damages against the Licensee in the event the Licensee does not comply with the terms of this paragraph 2.

3. **Limitation of Licensee's Liability.** The Licensee's obligations with respect to the Covered Product set forth in paragraph 1 are limited to those obligations set forth in paragraph 2, and in no event shall the Licensee be deemed, solely as a result of having executed this assumption agreement, to have any other obligation under any Federation agreement or to be a signatory to any Federation agreement. In addition, the Licensee's obligations with respect to the Covered Product are limited to those rights actually acquired by the Licensee and only for the period it holds such rights (except to the extent that it transfers those rights to another party, in which case it shall retain liability unless it obtains an assumption agreement in substantially the same form as this assumption agreement).

25. **Non-Discrimination**

The parties reaffirm their long established and prevailing policy and practice that
every person shall have an opportunity to obtain employment without discrimination because of race, creed, color, sex, national origin or age. In furtherance of such policy and practice the parties agree that in the hiring of employees for the performance of work under this agreement neither the Company nor the Federation shall discriminate by reason of race, creed, color, sex, national origin, age or union or non-union membership against any person who is qualified and available to perform the work to which the employment relates. Mutual concerns of the parties in this regard are appropriate subjects for the consideration of the joint committee established pursuant to paragraph 27, below.

26. Works–Made–For–Hire

All of the results and proceeds of the services provided under this agreement, whether in writing or recorded, are and shall be deemed “works–made–for–hire” for the Company. Accordingly, the Company shall be deemed the author and/or exclusive owner of all of the rights comprised in the copyright thereof, and the Company shall have the right to exploit any or all of the foregoing in any and all media, whether now known or hereafter invented, as the Company determines.

27. Industry–Federation Committee

A joint cooperative committee of representatives of Industry and the Federation will address problems of mutual concern which may arise under this Agreement including but not limited to a review of the following items: (i) experiences under the payment due dates procedure [Exhibit A.I(L)], (ii) payments to musicians for the new use of previously recorded music in multimedia programs, (iii) Special Payments Fund contributions on unmatched/unprocessed product, (iv) making CD jackets available to Special Payments Fund auditors, and (v) low budget recordings (see p.60 - 64). The joint committee shall meet at least once per year at a convenient time and place and, further, more frequently by mutual agreement.

28. Annual Meeting to Consider Disputes

Representatives of the Federation and the Company will meet once each calendar year on mutually agreeable dates in October to discuss and attempt to resolve any disputes over the application or interpretation of this Agreement. Prior to each such meeting, the Federation will submit a list of pending disputes together with any relevant secondary materials related to the dispute to the Company. Any resulting agreements shall be implemented promptly after the conclusion of the meetings.

29. Term of Agreement

This agreement shall be effective for the period from February 1, 2006 to and including January 12, 2015.
EXHIBIT A: MINIMUM WAGES AND OTHER WORKING CONDITIONS

I. Instrumentalists, Leaders, Contractors

Instrumentalists, leaders and contractors shall be paid not less than the rates set forth below and the conditions set forth shall apply:

A. Phonograph records other than those recorded by symphonic orchestras

   In the case of phonograph records other than those recorded by symphonic orchestras:

   (1) There shall be a minimum call Basic Regular Session of three hours during which there may be recorded not more than 15 minutes of recorded music; provided, however, that in a session where sweetening (i.e., instrumental performances added to music recorded at a previous session) is performed not more than 4 single record sides or 4 segments of long play or extended play records may be sweetened. Subsequent continuous regular sessions may be arranged if the musicians have been notified and consented thereto before the end of the preceding session and if there is a 30 minute rest period between the two sessions.

   (2) There shall be a minimum call Special Session of 1½ hours during which there may be recorded not more than two sides containing not more than 7½ minutes of recorded music. Unless the musicians are notified when they are engaged that the call is for a Special Session, it shall be deemed to be a Regular Session. Overtime in a Special Session can only be used to complete the one or two sides that were the subject of the original Special Session. The first one-half hour of overtime in a Special Session shall be paid in quarter-hour units at the Basic Special Session rate. Overtime beyond the first one-half hour shall be paid in quarter-hour units at double the Basic Regular Session rate.

   (3) Overtime for Regular Sessions shall be paid for in units of one-half hour or final fraction thereof. During the one unit of overtime for Regular Sessions there may be recorded or completed not more than five minutes of recorded music; provided however, that in a unit where sweetening is performed, not more than one single record side or one segment of a long play or extended play record may be sweetened.

   Notwithstanding the above, overtime may be paid for in one (1) quarter hour unit if such time is used only to complete the music recorded within the permissible limits of the foregoing provisions.

   (4) There shall be two 10 minute rest periods during each Basic Regular Session and one 10 minute rest period during each Basic Special Session. No rest period shall commence sooner than 30 minutes following the beginning of any session call provided that all musicians who are scheduled to participate

4 For those full-length phonograph albums that qualify there is a separate Side Letter Agreement for Low Budget Recordings at pp. 60-64.
in the call are present at the commencement of the call. In addition, there shall be one 5 minute rest period during each hour of overtime, it being understood that such a rest period need not be called during the first half-hour of overtime.

(5) The minimum pay, per side musician, shall be as follows:

<table>
<thead>
<tr>
<th></th>
<th>Basic Rate</th>
<th>Overtime Rate  ( \frac{1}{2} ) Hour Unit</th>
<th>Overtime Rate ( \frac{1}{4} ) Hour Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Effective February 1, 2006</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regular Session</td>
<td>$345.98</td>
<td>$115.32</td>
<td>$57.66</td>
</tr>
<tr>
<td>Special Session</td>
<td>$228.34</td>
<td>$ 76.12</td>
<td>$38.06</td>
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<tr>
<td><strong>Effective January 1, 2007</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regular Session</td>
<td>$361.72</td>
<td>$120.58</td>
<td>$60.28</td>
</tr>
<tr>
<td>Special Session</td>
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<td>$ 79.58</td>
<td>$39.79</td>
</tr>
<tr>
<td><strong>Effective February 1, 2008</strong></td>
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<tr>
<td>Regular Session</td>
<td>$372.57</td>
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<td>$62.10</td>
</tr>
<tr>
<td>Special Session</td>
<td>$245.89</td>
<td>$ 81.96</td>
<td>$40.98</td>
</tr>
<tr>
<td><strong>Effective February 9, 2009</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Regular Session</td>
<td>$380.02</td>
<td>$126.68</td>
<td>$63.34</td>
</tr>
<tr>
<td>Special Session</td>
<td>$250.81</td>
<td>$ 83.60</td>
<td>$41.80</td>
</tr>
<tr>
<td><strong>Effective January 16, 2012</strong></td>
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<td></td>
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<tr>
<td>Regular Session</td>
<td>$387.62</td>
<td>$129.20</td>
<td>$64.60</td>
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<tr>
<td>Special Session</td>
<td>$255.83</td>
<td>$ 85.28</td>
<td>$42.64</td>
</tr>
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<td><strong>Effective January 13, 2013</strong></td>
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<td></td>
<td></td>
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<tr>
<td>Regular Session</td>
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<td>$131.14</td>
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<tr>
<td>Special Session</td>
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<td>$ 86.56</td>
<td>$43.28</td>
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<tr>
<td><strong>Effective January 13, 2014</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Regular Session</td>
<td>$397.36</td>
<td>$132.46</td>
<td>$66.23</td>
</tr>
<tr>
<td>Special Session</td>
<td>$262.27</td>
<td>$ 87.42</td>
<td>$43.72</td>
</tr>
</tbody>
</table>

NOTE: See A(2) and (3) for overtime restrictions.
(6) Health and Welfare Fund Contributions (Non-Symphonic)

The Company will contribute to any existing lawful Health and Welfare Fund of any Federation Local (and commencing thirty (30) days after notice in writing to any such lawful Fund as may be established hereafter by any other Federation Local), as follows: effective February 1, 2006, the Company shall contribute $19.00 for each original service and $15.50 for each additional service that day, effective February 1, 2007, the Company shall contribute $22.00 for each original service and $16.50 for each additional service that day, effective February 9, 2009, the Company shall contribute $22.50 for each original service and $17.00 for each additional service that day, and effective January 13, 2012, the Company shall contribute $24.00 for each original service and $19.00 for each additional service that day on non-symphonic records, performed within the jurisdiction of such Federation Local by each musician covered by this agreement (irrespective of where the musician resides).

Health and welfare contributions on overdubs shall be due at the applicable rate for each additional service under this Exhibit A(I)(6).

(a) With respect to those members of any such Local Union who are participants in that Health and Welfare Plan, the plan shall credit each of their accounts with the applicable payment;

(b) With respect to those musicians who are participants in another Local Union’s Health and Welfare Plan, the plan which receives the Company’s contribution shall transmit to the participant’s plan(s) an amount of money equal to the Company’s contributions for all such musicians;

(c) With respect to those musicians who do not participate in any Local Union’s Health and Welfare Plan and who perform original services within the jurisdiction of a Local having such a plan, the Company shall make the appropriate payment directly to each such musician. In the event that payments were inadvertently made to the wrong party, the employer shall not be held liable nor obligated to make additional payments;

(d) With respect to any such original service performed within the jurisdiction of a Local Union where no such Fund is established, and the musicians performing any such original service participate in another Local Union’s Health and Welfare Plan, the Company shall send the Health and Welfare contributions to the Local Union in whose jurisdiction such original service was performed and that Local Union will transmit the contributions and crediting information to the appropriate Local Union’s Health and Welfare Plan.

(e) With respect to any such original service performed within the jurisdiction of a Federation Local where no such Fund is established, and the musicians do not participate in any Local Union’s Health and Welfare Plan, the Company shall pay to each such Musician said aforementioned amounts.
No such Health and Welfare Fund contribution whether paid to any Fund or paid directly to a musician shall be the basis for computing the applicable AFM–EP contribution or any other payments under this agreement such as doubling, overtime, premium time pay, etc.

(7) **Premium Rates (Non-Symphonic):**

(a) One and one-half (1½) times the basic session and overtime rates shall be paid for all hours of recording, (i) between midnight and 8:00 a.m., (ii) after 1:00 p.m. on Saturdays when it is the sixth consecutive day of work for the Company and (iii) on Sundays.

(b) Two times the basic session and overtime rates shall be paid for all hours of recording on any of the following holidays:

**In the United States**

<table>
<thead>
<tr>
<th>New Year's Day</th>
<th>Labor Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>President's Day</td>
<td>Thanksgiving</td>
</tr>
<tr>
<td>Memorial Day</td>
<td>Christmas</td>
</tr>
<tr>
<td>Independence Day</td>
<td></td>
</tr>
</tbody>
</table>

**In Canada**

<table>
<thead>
<tr>
<th>New Year's Day</th>
<th>Dominion Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good Friday</td>
<td>Labor Day</td>
</tr>
<tr>
<td>Easter Monday</td>
<td>Thanksgiving</td>
</tr>
<tr>
<td>Victoria Day</td>
<td>Christmas</td>
</tr>
</tbody>
</table>

Each of these holidays shall be observed on the day on which it is observed by employees of the United States Government or of the government of Canada.

(c) The premium rates provided for in this paragraph numbered 7 shall not apply to show album recordings on Saturdays and Sundays nor to location recordings made on location during public performance, nor to Royalty Artists as defined in I.M(f)(i) unless such an artist is performing in a session scheduled at the express request of the Company.

(8) **Electronic Press Kits (Non-Symphonic)**

The Company may, without any additional payment, videotape/film the musicians performing during an entire session or any portion thereof; provided that in no event shall the Company use either a complete tune or in excess of two minutes from a tune. In the event that the Company fails to comply with the foregoing, the Company shall be required to compensate each musician at the rates provided for under Exhibit B Traditional Music Videos of the applicable Sound Recording Labor Agreement. The Company will deliver to the Federation a copy of the final EPK within fifteen (15) business days after it is released.

In the event that any product made under this provision is ever used by the Company for any purpose other than as a promotional Press Kit, the Company shall execute an assumption agreement pertaining to such use.
SOUND RECORDING LABOR AGREEMENT
February 1, 2006 – January 12, 2015

whereby the Company agrees to comply with all the terms and conditions of the applicable Federation agreement(s).

This provision shall not apply to sessions for symphony, opera, ballet or chamber recordings.

(9) Sampling

Definitions:

(a) For the purposes of this agreement:

(1) “Covered Musician” shall mean any musician represented by the Federation (i) who is covered by, or required to be paid pursuant to, any Sound Recording Labor Agreement, and (ii) whose performed services are contained on or were rendered in connection with any sample of any phonograph record, master record, audio track of a Covered Concert DVD, or audio track of a Traditional Music Video that is produced or licensed by the Company for use in any phonograph record Covered Concert DVD or Traditional Music Video that is commercially released and that contains said sample. Provided, however, that Covered Musician shall not include a royalty artist, a self-contained royalty group or any musician when recording as a symphonic musician; 5

(2) “Covered Use” shall mean the authorized use in any commercially released phonograph record, Covered Concert DVD or Traditional Music Video of any phonograph record or master record, Covered Concert DVD or Traditional Music Video-or any portion thereof that is sampled; provided that the sample(s) so used (i) contains the performance of a Covered Musician or the services of a Covered Musician rendered in connection therewith, and (ii) is produced or licensed by the Company for said use;

(3) “Gross Revenues” shall mean the total fees received by the Company from the licensing of the sample(s) for use in any commercially released phonograph record, Covered Concert DVD or Traditional Music Video-that contains said sample;

(4) Sample shall mean the encoding of a portion of a phonograph record, audio track of a Covered Concert DVD, or audio track of a Traditional Music Video containing the performance of a Covered Musician(s) into a digital sampler, computer, digital hard drive storage unit or any other device for subsequent playback on a digital synthesizer or other play-back device for use in

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5 It is the intention of the parties to negotiate hereafter a separate side letter sampling agreement for symphonic musicians.
another song; however, a re-mix or re-edit of the new song shall not be considered a sample for purposes hereunder.

Provided, however, that the term sample shall not apply in any circumstance in which the material "sampled" constitutes (i) the identical content, in its entirety or substantial entirety, of a master record or phonograph record, audio track of a Covered Concert DVD, or audio track of a Traditional Music Video and/or (ii) any sample used in a master record, which master record is later re-edited, re-dubbed, and/or re-mixed but which still embodied the sample in whole or in part, i.e., "mixer's edits," "re-mix edits" or "edits."

(b) In the event the Company licenses to another entity or a division or department thereof a master record or phonograph record, audio track of a Covered Concert DVD, or audio track of a Traditional Music Video which includes the services rendered by any Covered Musician(s) for any Covered Use(s), the Company shall pay to the Sound Recording Special Payments Fund on behalf of and for distribution to or among the Covered Musicians an amount equal to:

(i) a one-time, lump sum payment of four hundred dollars ($400) for the first sample of a master record or phonograph record, audio track of a Covered Concert DVD, or audio track of a Traditional Music Video regardless of how many times that particular sample is used in the new master record or phonograph record plus, where applicable, a one-time, lump sum payment of two hundred fifty dollars ($250) for the second and any subsequent sample of the same master record or phonograph record, audio track of a Covered Concert DVD, or audio track of a Traditional Music Video regardless of how many times those particular second and subsequent samples are used in the new master record or phonograph record; and

(ii) two percent (2%) of the gross revenue received by the Company for the Covered use if such revenue exceeds twenty-five thousand dollars ($25,000), less the amount to be paid under (i) above.

(c) The Company shall make the applicable lump sum payment to the Sound Recording Special Payments Fund within thirty (30) days of the authorized commercial release of the phonograph record, Covered Concert DVD, or Traditional Music Video containing the sample(s) accompanied by a report identifying each sample and the Covered Musician(s), if known. In connection with the formula set forth in paragraph (b) above, when a Company exacts an up-front licensing fee in-excess of $25,000, the Company shall remit the appropriate payment to the Sound Recording Special Payments Fund within fifteen (15) days of receipt of its licensing fee. In the event that the Company does not receive an up-front payment and the gross revenue received by the Company ultimately exceeds $25,000, the Company promptly shall notify the Sound Recording Special Payments Fund and, on a
semiannual basis, submit to the Sound Recording Special Payments Fund the appropriate payment (in addition to the original lump sum payment) along with accompanying reports documenting the Company’s gross revenues for each phonograph record or master record, Covered Concert DVD, or Traditional Music Video containing sampled material.

(d) In connection with each of the foregoing payment obligations, the Company shall permit the Sound Recording Special Payments Fund to conduct audits of the relevant records.

(e) In the event that the Company itself produces any master record which includes the services rendered by any Covered Musician(s) for any Covered Use(s), the Company shall be responsible for making the applicable payments to the Sound Recording Special Payments Fund and the other provisions of this paragraph (par.9) shall apply.

(f) Any payments made to the Sound Recording Special Payments Fund in compliance with the foregoing payment provisions shall constitute full settlement and discharge of all obligations of the Company to make payment for any sample to Covered Musician(s) and/or the Sound Recording Special Payments Fund-including without limitation, the obligations concerning scale payments, new use fees, residuals payments, pension and welfare payments, payments to the Sound Recording Trust Fund, and the Sound Recording Special Payments Fund.

(g) The Sound Recording Special Payments Fund shall allocate each payment made under this paragraph 9 equally among the identifiable Covered Musicians whose services are contained on or were rendered in connection with the sample with respect to which payment was made, and shall distribute the allocated payments (less all expenses reasonably incurred in the administration of this paragraph 9 and amounts reasonably reserved for contingencies) on an annual basis. The Sound Recording Special Payments Fund shall thereafter indemnify, release and hold harmless the Company in connection with any claim payment that may be made by any musician(s).

(h) In cases where a musician's distribution payment by the Sound Recording Special Payments Fund under this provision is calculated at an amount that is less than twenty-five ($25.00), it shall be regarded as “de minimis” and shall be placed in a reserve fund, to be paid to the musician only if, when added to the musician’s distribution amount in either or both of the two following years, the cumulative amount is twenty-five dollars ($25.00) or greater. Any such cumulative amounts that are under twenty-five ($25.00) and remain undistributed by the end of the Sound Recording Special Payments Fund’s third fiscal year shall be re-deposited into the Sound Recording Special Payments Fund sampling account for distribution to all eligible musicians as part of the next annual distribution.
B. Phonograph records recorded by symphonic orchestras

In the case of phonograph records recorded by symphonic orchestras:

1. There shall be a minimum call Basic Session of 3 hours or 4 hours, determined in accordance with subparagraph (2) below, during which the playing time shall not exceed an average of 40 minutes for each hour with an average rest period of 20 minutes for each hour. The intermission shall be divided by the contractor so as not to interrupt proper recording of symphonic works subject to (4) below.

2. The basic session shall be three hours unless the Company by notice prior to any session elects a four hour basic session, provided that no more than one such four hour session may be called for any day. Unless such notice is given, the session shall be deemed to be a three hour session. No more than an average of seven and one-half minutes of finished recorded music may be made from each one-half hour segment of a recording session (including all overtime periods), and for this purpose multiple sessions devoted to the same composition shall be considered one session, so that the seven and one-half minutes of finished recorded music may be averaged out of each such session.

3. Except as provided in subsection (8), below, overtime shall be paid for in units of one-half hour or final fraction thereof. During one unit of overtime, the playing time shall not exceed 20 minutes.

Notwithstanding the above, overtime may be paid for one one-quarter hour unit if such time is used only to complete the music recorded within the permissible limits of the foregoing provisions; provided that if such additional time is no more than 5 minutes, it may be paid for at 15 minutes straight time.

4. No musician shall be required to work for more than sixty consecutive minutes without a rest period of at least 10 minutes. However, in order to complete a “take” a five minute grace period with regard to the 60 consecutive minutes shall be allowed. This paragraph (4) does not apply to location recordings where the work performed runs longer than 60 consecutive minutes.

5. No additional payment shall be due the orchestra for the rerecording of solo cadenzas outside session time by the original orchestral musician, provided that the cadenza was originally recorded at the full orchestra session or during a live performance for which the cadenzas are to be patched or rerecorded and that the musician(s) performing the solo cadenzas is/are paid.

6(a) All members of the symphony orchestra, whether called to the engagement or not, shall be paid for at least the first two (2) hours of the basic session call ($244.49 effective February 1, 2006, $255.62 effective January 1, 2007, $263.28 effective February 1, 2008, $268.55 effective February 9, 2009, $273.92 effective January 16, 2012, $278.03 effective January 13, 2013 and $280.81 effective January 13, 2014) and shall not be called or required to attend if they are not scheduled to perform.
(b) *Reduced Orchestra Sessions*

A reduced orchestra session is defined as a recording session of orchestral music which, as performed in public by the orchestra, uses at least 25 but not more than 65 players, with a similar number called for the recording session. If the music has not been publicly performed by the orchestra, it must be so scheduled at the time of the recording.

Members of the symphony orchestra shall be paid for these reduced orchestra sessions to which they are called but no member shall be paid for fewer reduced orchestra sessions than two-thirds of an equalization number computed in accordance with the following sentence. The “equalization number” is the greatest number of reduced orchestra sessions played by any string player other than the 8 string players who the Company at its discretion exempts from this analysis.

In order to utilize the equalization rules in any year a Company must satisfy the following conditions:

(i) The Company must call, or commit to, a base number of non-reduced orchestra sessions at least equal to the average number of such sessions called by that Company with all domestic symphony orchestras for the years 1979, 1980 and 1981, but in no event shall this base number be less than 6; and

(ii) The Company must guarantee at least 4 reduced orchestra sessions in that year, or 6 reduced orchestra sessions in 2 years.

(7) The minimum pay, per side musician, for a basic session (Column A or B), for a unit of regular overtime before the completion of six (6) hours of work (seven (7) hours in the case of a four hour session) in any day (Column C or E – 1½ time) and for a unit of premium overtime after the completion of such six (6) or seven (7) hours of work in any day (Column D – double time), shall be as follows:

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
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(8) The recording session will begin at the called time unless all musicians are not on stage, tuned and ready to play, in which case the session will officially begin when they are ready to play. This provision is not meant to delay the beginning of a session because a musician(s) is late to a session and shall not apply to the resumption of a session after a break, which is as always on Company time.

(9) If a session runs over because of a technical problem beyond the producer’s control, such additional time may be paid for at straight time rates for the time actually involved provided that such runover will not be considered for the purpose of increasing the amount of finished recorded music that may be made pursuant to B(2) above.

(10) Rehearsal Session to Rehearse Music Not Performed in Live Concert

The wages and working conditions for symphonic recordings are predicated upon the fact that the orchestra will usually have rehearsed numbers in its repertoire and therefore will need no rehearsals for recordings. The foregoing sentence shall not prohibit the recording in a studio session of material not previously performed in concert, provided that the following conditions shall apply to rehearsal sessions of such material: (1) the first such rehearsal is paid at the applicable locally negotiated rehearsal or service rate plus 50% of such rate, and any subsequent rehearsals are paid at the basic recording session rate; (2) the rehearsal does not take place on a regularly scheduled day off (as defined by local contract or custom); and (3) the length of the rehearsal, the break time, and any other working conditions shall be governed by the local contract.

(11) Microphone Balancing

Except as otherwise provided with respect to location recordings, at the last performance or the last rehearsal for that performance, the balancing of microphones may take place provided that the musical services are not being directed by a recording company or a recording engineer.

(12) Premium Rates (Symphonic):

With respect to sessions (other than location recordings made during public performance) held:

(i) between midnight and 8:00 a.m.

(ii) on Saturdays or Sundays if either day is a regular day off by contract or custom (which shall not be changed during the term of this agreement), or

(iii) on any of the holidays listed below: one and one-half (1½) times the basic session rate shall be paid for the first two hours, one and one-half (1½) times the regular overtime rate shall be paid in respect of the next four hours and one and one-half (1½) times the premium overtime rate shall be paid in respect of all recording time in excess of six (6) hours:
In the United States
New Year's Day Labor Day
President's Day Thanksgiving
Memorial Day Christmas
Independence Day

In Canada
New Year's Day Dominion Day
Good Friday Labor Day
Easter Monday Thanksgiving
Victoria Day Christmas

Each of these holidays shall be observed on the day on which it is observed by employees of the United States Government or of the Government of Canada.

(13) Location Recordings
The following provisions apply to the recording of complete operas, symphonies, and similar works performed by opera and symphonic orchestras during regularly scheduled performances:

(a) General
There is no limit on the number of performances of a work that may be recorded during a season. The orchestra shall be notified of the work to be recorded in advance of the recording and only that work may be recorded. The first recording session shall trigger a guarantee payment for one 3 hour session at the “basic session rate.” Upon release, the complete work shall be paid for at the “basic session rate” on the basis of one session hour for each 10 minutes of finished product (15 minutes in the case of operas) against which the guarantee payment may be credited. (For example, a 45 minute symphonic work equates to 4 1/2 hours, computed at straight time rates; a 25 minute work would be covered by the 3 hour guarantee.)

(b) Inapplicable Symphonic Provisions
The provisions of paragraphs (4) and (12) hereof do not apply to recordings made under this paragraph (13).

(c) Microphone Balancing
Balancing of microphones (without tape) will be permitted during ANY performances and rehearsals provided the rehearsal is not an extra service.

(d) Recording “Patch” Sessions
A recording “patch” session shall be permitted for a location symphonic or operatic recording. Within ten minutes after the Concertmaster has left the stage, the Company shall advise the musicians whether a patch session shall take place and, if so, the proposed length of that patch session. In the event that a patch session is called, the musicians shall be guaranteed a minimum call of one half
hour at overtime pay calculated at the “basic session rate”. If the patch session is called for and extends beyond one half-hour, the musicians shall receive overtime pay calculated at the “basic session rate” in fifteen-minute increments. A patch session shall begin no later than forty-five (45) minutes following the Concertmaster’s exit from the stage and shall not exceed two (2) hours. Any portion of a patch session that takes place after midnight shall be paid at double the “basic session rate” in fifteen-minute increments. A two (2) hour patch session shall be permitted to patch product that has been recorded on a prior date (not to add any new product) provided that the patch session does not take place on any regularly scheduled day off (i.e. a day off established by local contract or custom) and that the patch session takes place within fourteen (14) days of the original location recording.

(e) Discs That Include More Than One Work

For discs with more than one work included on them, the following rules shall apply. These rules govern any currently pending disputes as well as apply to any prospective situations in which more than one work is involved. These rules shall apply irrespective of whether the works are recorded during the same concert program performance(s) or from different programs. It is the understanding and intent of the parties that administration of these provisions will not result in a payment to musicians of more money than is required by the existing provisions of the agreement, i.e., 1 hour of payment for each 10 minutes of finished product (15 minutes in the case of operas).

(1) In advance of the location recording, the record company shall identify in writing the works intended to be recorded and included in the final product. The Company may later change any work that has not been recorded without penalty, and it may also add additional material to the planned disc at a later date without penalty. The Company is responsible for any additional payments if the additional work changes the length of the final product in such a way that an additional payment would be due.

(2) For the first such work recorded musicians shall receive a payment equivalent to 3 hours of session time, as it does in the case when a single work comprises the disc.

(3) For each subsequent work recorded musicians shall receive a payment equivalent to 2 hours of session time, provided however that the maximum amount of the payment shall not exceed the payment that would be due under the location recording provisions of the Sound Recording Labor Agreement as determined by the length of the planned final disc (1 session hour for each 10 minutes of finished product – 15 minutes in the case of operas – with half-hour increments; thus, for example, a 55 minute disc would be equate to 5.5 hours computed at straight time rates). Once the maximum payment has been reached, no further payments are due the musicians for material recorded.
(4) In the case of a recording which also includes material not performed by the orchestra, the musicians will be paid only for that amount of material which constitutes their performance on the disc.

(5) Non-playing Members of the orchestra receive 2/3 of whatever payment is received by playing members. If they play in some pieces but not others, they receive a 3 hour payment for the first piece in which they play, a 2 hour payment for any subsequent piece in which they play, and 2/3 of the appropriate payment for any pieces in which they do not play. However, in no case shall they receive an amount greater than that due a member who played on the entire disc.

(6) Extra players and substitutes who play in only some of the works involved are paid only for those works in which they perform. They are paid 3 hours for the first work in which they perform, and 2 hours for any additional work in which they perform. However, in no case shall they receive an amount greater than that due a member who played on the entire disc.

(14) Opera

The following discounts from symphonic rates apply to the recording of operatic works by opera orchestras other than as provided in (13) above:

(a) 15% if 3, 4 or 5 sessions are called.
(b) 20% if 6 or more sessions are called.

(15) Premiere Recordings

The following terms shall apply for premiere recordings of symphonic and operatic works written specifically for symphony or opera orchestras (but not music written as film soundtrack), by contemporary domestic composers. For the purpose of this provision “premiere” means repertoire previously unreleased on the commercial market at the time the commitment to record is made; and “contemporary” means a composer living in the second half of the 20th Century.

1. A two hour symphonic or operatic recording session may be called if it is coupled with either a three or four hour session on the same day. Payment for such a two hour session shall be pro rata at the regular symphonic hourly rate.

2. After the last performance and before a recording session, a rehearsal or rehearsals may be called, and the rates and terms for such rehearsals shall be governed by the orchestra’s collective bargaining agreement with the Local. No recording will take place at these rehearsals but this does not prohibit the balancing of microphones during the last rehearsal of each work. Requests for waivers on balancing of microphones at other performances and rehearsals will be considered by the Federation and approval will not be unreasonably withheld.
3. A two hour recording "patch" session will be permitted for a location symphonic or operatic recording, with rates pro rata of the three or four hour session.

(16) Health and Welfare Fund Contributions (Symphony Musicians)

Extra musicians, if not covered by an applicable Orchestra Health and Welfare Plan, shall be treated in accordance with the applicable provisions of I.A(6) on page 16 in the case of instrumentalists and librarians, or II.D on page 51 in the case of copyists, orchestrators and arrangers.

The Company shall not be required to make any health and welfare payment on behalf of any musician covered by an applicable Orchestra Health and Welfare Plan.

Any musician not covered by an applicable Orchestra Health and Welfare Plan but who is a member of a Local Union that maintains a lawful Health and Welfare Fund shall be treated in accordance with the applicable provision of I.A(6) on page 16 in the case of instrumentalists and librarians or II.D on page 51 in the case of copyists, orchestrators and arrangers.

The foregoing Health and Welfare Fund contribution provisions shall not apply in Canada.

(17) Electronic Press Kits (Symphonic)

The Company may, without any additional payment, videotape/film the musicians performing during a session; provided that in no event shall the Company include in the finished product either (i) a complete movement, ballet or composition, or (ii) any product in excess of three (3) minutes from a movement, ballet or composition. In the event that the Company fails to comply with the foregoing, the Company shall be required to compensate each musician at the rates provided for under Exhibit B Traditional Music Videos of the applicable Sound Recording Labor Agreement. The Company will provide 24 hours' advance written notice (fax, e.g.) to the Federation and will deliver to the Federation two copies of the final EPK within fifteen (15) business days after it is released.

In the event that any product made under this provision is ever used by the Company for any purpose other than as a promotional Press Kit, the Company shall be obligated to execute an assumption agreement pertaining to such use whereby it agrees to comply with all the terms and conditions of the applicable Federation agreement(s). A Company that fails to comply with the foregoing sentence shall make the payment(s) due and owing under the applicable Federation agreement(s) plus a penalty equal to 50% of such payment(s).

Further, if the Federation believes that any Company is violating the provisions of this article, the Federation may convene a joint Federation-Industry meeting to discuss this matter.

(18) New Use of Symphonic Recording

Notwithstanding the provisions of Article 21, in the event that a symphonic recording is used in a television or theatrical motion picture, the Company
shall pay to all persons who were covered on the original Form B session report an amount equal to 50% of the payments (including, without limitation, pension contributions, but excluding health and welfare contributions) that would be required under the television and theatrical motion picture agreements that would then apply if the recording were originally made for a motion picture, but only if all of the following conditions are satisfied:

(i) The motion picture must be scored entirely under the AFM Television or Theatrical Motion Picture Agreement.

(ii) The symphonic recording must have been recorded two or more years before the first scoring session for the motion picture takes place.

(iii) The material must be of a standard symphonic/opera/ballet nature (e.g., no chamber music, no recording in which the symphony performs non-symphonic repertoire).

C. Chamber Music

In lieu of the Provisions of paragraph B above, the Company may record chamber music under the following terms and conditions:

(a) The producer shall give the Federation 4 weeks advance notice of intent to record under this provision and should the Federation claim that this provision does not apply; it shall inform the producer of that position with its reasons therefore.

(b) There shall be a 4 hour basic session rate of $381.26 effective February 1, 2006, $398.61 effective January 1, 2007, $410.57 effective February 1, 2008, $418.78 effective February 9, 2009, $427.16 effective January 16, 2012, $433.57 effective January 13, 2013 and $437.91 effective January 13, 2014, with overtime at time and one-half, in half hour segments.

(c) 45 minutes of finished music may be taken from a 4 hour session.

(d) One 15 minute rest period per hour.

(e) Non-symphonic conditions and benefits apply unless otherwise provided.

(f) Neither the recording nor its package may claim or imply that the chamber group is associated with a parent symphony orchestra except where the recorded music is performed by no more than 16 players not playing multiple parts. This restriction does not preclude biographical sketches which identify the players as members of a symphony orchestra.

If the name of the parent symphony orchestra is mentioned on the record or its package, the musicians who play shall be compensated in accordance with the symphonic provisions; if the parent name is not mentioned on the record or its package, said musicians shall be compensated in accordance with the chamber provisions.

(g) This provision shall not be used:

(i) To record compositions requiring more than 24 players or compositions of less than 5 minutes duration without prior Federation approval;
(ii) For transferring from one medium to another (i.e., for production of soundtrack albums).

D. Leaders and Contractors

The leader and contractor shall receive not less than double the applicable side musician’s scale, but in any event, the scale for any one person shall not exceed double side musician’s scale.

If twelve or more side musicians are employed for any session, a contractor shall be employed in respect of said session. The contractor shall be in attendance throughout the session for which he/she is employed. The contractor may be one of the side musicians at the session.

At each session one person shall be designated as leader but in the event only one person performs the musical service at a session, only that person can be designated as leader. However, notwithstanding anything herein to the contrary, in the case of a “recognized self-contained group” (as defined in paragraph M(f)(iii), herein) when only such group (or any part thereof) appears on the contract, no leader shall be designated.

E. Dismissal and Overtime

Musicians shall be dismissed upon completion of performances for which they have been engaged whether or not the full session has expired. Musicians may record at any time during the session for which they have been engaged.

No musician shall be required to remain longer than one-half hour overtime unless a longer time requirement was specified at the time he accepted the engagement.

F. Advance Notice of Sessions and Contract Information

When the Company has prior knowledge of a session it will give advance notice to the appropriate Federation Local.

Where the Company employs an independent producer, the Company shall seek to include in the contract with such producer a provision which obligates such producer to notify the appropriate Federation Local in advance of recording sessions called by the producer. The Company will provide to the Federation a list of such producers who do not agree to include such provision in their contracts with the Company.

If a session is called to add to existing musical tracks the Company will, at the request of the Local having jurisdiction in the area where the session is called, provide the Local with dates, places and contract numbers of prior sessions on the basis of Form B contracts in the Company’s files.

The Company will notify the Federation and the appropriate Local of any change in title of a song listed on a Form B contract.

The Company shall submit a listing to the Federation of non-signatory independent producers with their names, addresses and telephone numbers. Standby calls shall be prohibited.

The Company, or its authorized agent, shall announce the name of the signatory employer at the time of the calling of the session.
G. Session Calls and Cancellation

A session, once called, shall not be canceled, postponed, or otherwise rescheduled less than 7 days prior to the date of the session. In the event of an emergency, a session may be canceled, postponed or otherwise rescheduled upon shorter notice with the consent of the Office of the Federation President.

H. Doubling

(1) When a Musician plays one or more doubles during any session or during any unit of overtime or both, he shall be paid an additional 20% of the applicable session rate and the overtime related thereto for the first double and an additional 15% of such rate for each double thereafter.

(2) Instruments within the following respective groups are not construed as doubling:

(a) Piano.
(b) Drummer’s standard outfit consisting of bass drum, snare drum, cymbals, gongs, piatti, small traps, and tom toms when used as part of a standard outfit.
(c) Timpani.
(d) Mallet instruments: xylophone, bells and marimbas.
(e) Latin rhythm instruments: Any Latin instrument when used in less than eight bars in connection with any other instrument or used not in a rhythm pattern shall not in any event be a doubling instrument.

(3) *Fretted instruments:* Performance on more than two instruments within group (a) below or performance on any one instrument in group (a) together with any one instrument in group (b) below shall be treated as doubling. Performance of two or more instruments within group (b) shall be treated as doubling:

(a) 6-String rhythm guitar
   6-String electric guitar
   “Combo” guitar (rhythm and electric combined)
   6-String (steel) round hole guitar
   6-String (nylon) classic guitar
   12-String acoustic guitar
   12-String electric guitar

(b) 6-String bass guitar
   Tenor banjo
   Plectrum
   5-String banjo
   Mandolin
   Ukulele
   Sitar

(4) *Electronic devices:* If an electronic device (e.g. multiplex, divider, maestro, multiplier of octaves) is used to simulate sounds of instruments in addition to the normal sound of the instruments to which such electronic device is
attached or applied, such use of the electronic device shall be treated as a double.

(5) A special fee of $6 shall be paid for each additional instrument requiring a doubling fee which the musician is directed to bring to the engagement if such instrument is not actually used.

I. Location Recordings (Non-Symphonic)

The Company shall give notice to the Office of the Federation President and to the Local of the Federation involved prior to making any recording on location during public performance. Location recording work shall be paid for at the rate of one basic session for each day of recording (from noon to the following noon); provided, however, that an additional session payment is required where the same musicians perform as back-up for more than three acts. During any such day, no more than the length of the actual performance shall be recorded. Each session payment shall permit the release of up to 15 minutes of finished product on a phonograph record for each session payment made. The Company shall make additional payments equal to the regular hourly rate of pay for each additional five minutes of recorded music (or fraction thereof) released for sale. Further, if the finished product is released for sale on two or more albums (excluding a double album, a “best-of” or a boxed set), a separate session payment shall be required for each album. However, if the same performance is used on more than one phonograph record, or if the product is released by the same artist, not exceeding the number of minutes of music already paid for, no additional payment shall be required. The Company agrees to send to the Office of the Federation President at the time of first release a copy of every album resulting from any such location recording.

The Company shall list the musical selections recorded at a location session from the tapes delivered to the Company by the producer and shall furnish to the Federation a copy of such list.

When a recording on location is released, the Company shall notify the orchestrators, arrangers and copyists involved in the tunes released in advance of such release so that they may submit their invoices for payment.

J. Concert DVDs

(1) Concert DVDs produced by the Company on or after February 1, 2007, whether distributed physically or digitally, are within the scope of this Agreement. For the purpose of this provision only, the term “produced” shall include arrangements whereby the Company retains or obtains copyright ownership of, and distribution rights to, the concert DVD (a “Covered Concert DVD”).

(2) Scale payments shall be made pursuant to SRLA Location Recording provisions (Ex. A.I.I.) for recording or releasing soundtrack used in a Covered Concert DVD (whether released with or without video component in physical or digital format). In the event a Covered Concert DVD is released, a payment of $50 ($51 effective February 9, 2009, $52.02 effective January 16, 2012, $52.80 effective January 13, 2013 and $53.33 effective January 13, 2014) will be made to all musicians (excluding Royalty Artists) whose musical services are embodied on the sound track for each 15 minutes of music (or portion
thereof) released with video component to a maximum of five 15 minute segments per musician, plus pension and one Health & Welfare payment as provided for in this Agreement. The payments for the release of the Covered Concert DVD shall be subject to a 15% discount per musician if there are more than 30 musicians receiving such payments.

(3) Exploitation payments of the following amounts for the following periods shall be made to the Sound Recording Special Payments Fund for distribution to the musicians performing on the sound track(s) of the Covered Concert DVD.

- Physical Product –

  .55% of Wholesale Price for 10 years commencing upon the release of a Covered Concert DVD, after combined sales of physical product and digital downloads of entire Concert DVDs exceed 25,000 units.

  The term “Wholesale Price” shall be defined as the per unit wholesale price (without deductions) actually received by the Company in connection with a Covered Concert DVD. In circumstances where there is no per unit wholesale price, “Wholesale Price” shall be defined as the monies actually received by the Company in connection with the sale of the Covered Concert DVD.

- Digital Product (downloads of any kind and streams) –

  .55% of Wholesale Price for 10 years commencing upon the release of a Covered Concert DVD, i) on all streams of the entire Concert DVD and/or individual “tracks;” and ii) on all downloads of the entire Covered Concert DVD (if the Covered Concert DVD is not released as a physical product) and/or individual “tracks” in excess of 10,000 units.

  The term “Wholesale Price” shall be defined as the per unit wholesale price (without deductions) actually received by the Company from a digital service provider in connection with a Covered Concert DVD. In circumstances where there is no per unit wholesale price, “Wholesale Price” shall be defined as the monies actually received by the Company from a digital service provider that are attributable to such Covered Concert DVD. By way of illustration, the parties acknowledge that percentage of gross service revenue payments, percentage of advertising revenue payments, per-subscriber payments and per-use payments will generally be within the types of revenues that would be included within the calculation of “wholesale price.” The parties further acknowledge that content origination fees, digitization fees and advances not offset by actual digital transmissions are not generally within the types of revenues that would be included within the calculation of “wholesale price”.

(4) All payments required to be made to the Sound Recordings Special Payments Fund under subparagraph (J)(3) shall be distributed, net of all administrative costs, to the Musicians whose performances are embodied in the sound track of the Covered Concert DVD, provided that in cases where a musician's distribution payment by the Sound Recording Special Payments Fund under
this provision is calculated at an amount that is less than twenty-five ($25.00), it shall be regarded as “de minimis” and shall be placed in a reserve fund, to be paid to the musician only if, when added to the musician’s distribution amount in either or both of the two following years, the cumulative amount is twenty-five dollars ($25.00) or greater. Any such cumulative amounts that are under twenty-five ($25.00) and remain undistributed by the end of the Sound Recording Special Payments Fund’s third fiscal year shall be re-deposited into the Sound Recording Special Payments Fund Concert DVD account for distribution to all eligible musicians as part of the next annual distribution.

(5) The provisions of paragraph 1(c), 1(d), 1(e), 1(f), 1(g), 2(d), 2(f), 2(g), 2(i), 2(j), 2(k), 3, 4 and 5 of the Sound Recording Special Payments Fund Agreement shall apply to the payments required to be made under this subparagraph (J) in the same manner as they apply to the payments required to be made on phonograph records under Addendum A.

K. Cartage

Whenever the Company requests a musician to bring a heavy instrument to an engagement, the Company shall specify whether the musician shall transport such heavy instrument either by public or private transportation and public transportation shall be used if it is the only practicable manner of transportation. If a public carrier is used, the Company shall have the option of designating the public carrier which shall be qualified to transport musical instruments. The Company will pay cartage bills of the public carrier for such instrument. If private transportation is used, the Company will pay musician cartage fees as follows:

Harp, Timpani, Keyboard, String Bass — $30; Accordion, Tuba, Drums, Marimba, Chimes, Vibraphone, all Amplifiers, Baritone Saxophone, Bass Saxophone, Cello, Contrabassoon, Contra Bass Clarinet — $12 each.

A $12.00 payment shall be required whenever a musician is requested to bring to an engagement three or more instruments in separate cases; provided however that the $12.00 payment requirement shall not apply with respect to groups of harmonicas, flutes (including recorders) and clarinets (other than Bass Clarinet and Contra Bass Clarinets).

L. Payment

(1) Payment to Instrumental Musicians

Within 15 business days after the date of receipt of a completed Form B (typed or legibly printed or written) – regardless of whether the Company receives the completed Form B from the contractor, if any, the leader of the session, or from any other source (e.g., the Local, the member, or the producer) – the Company shall make the payments set forth in Exhibit A to each leader, contractor, and sidemusician employed at a recording session. The leader of the session shall be primarily responsible for preparing and submitting a completed Form B unless a contractor is present, in which case the contractor shall be primarily responsible for performing those functions.

(2) Payment to Arrangers, Orchestrators, and Copyists
Within 15 business days after the date of receipt of a completed Form B (typed or legibly printed or written) – regardless of whether the Company receives the completed Form B from the supervising copyist, if any, the arranger/orchestrator of the session, or from any other source (e.g., the Local, the member, or the producer) – the Company shall make the payments to each arranger, orchestrator, or copyist (including supervising copyist). The arranger/orchestrator shall be primarily responsible for preparing and submitting a completed Form B unless a supervising copyist is present, in which case the supervising copyist shall be primarily responsible for performing those functions.

(3) Health and Welfare Payments

The Company shall make health, welfare and pension fund contributions as set forth in Exhibit A to instrumental musicians at the same time the Company pays the musicians for the sessions.

(4) The contract Form B number shall be on or accompany the payment statements.

(5) (a) A penalty of 5% of the above-mentioned amount due and unpaid if the delinquent payment is made within 5 days (excluding Saturday, Sunday and holidays) after payment was due.

(b) A penalty of 7½% of the above-mentioned amount due and unpaid (excluding the penalty in 5(a) above) if the delinquent payment is made between the 6th and 10th business days (excluding Saturday, Sunday and holidays) after payment was due.

(c) A penalty of 10% of the above-mentioned amount due and unpaid (excluding the penalties in 5(a) and (b) above) if the delinquent payment is made between the 11th and 15th business days (excluding Saturday, Sunday and holidays) after payment was due.

(d) A penalty of 15% of the above-mentioned amount due and unpaid (excluding the penalties in 5(a), (b), and (c) above) if the delinquent payment is made between the 16th and 30th business days (excluding Saturday, Sunday, and holidays) after payment was due.

(e) A penalty of 20% of the above-mentioned amount due and unpaid (excluding the penalties in 5(a), (b), (c), and (d) above) if the delinquent payment is made between the 31st and 50th business day after the payment was due.

(f) Payments made after such 50th business day shall require in lieu of the said additional 20% payment, the payment of an additional amount equal to 50% of the initial amount payable plus an additional 10% payment for each thirty days after the 50th day in which payment is not made. Such 50% and 10% payments shall not be required unless written notice has been given (which may not be given before the 31st day after the date of receipt of their completed billings) that the employer is delinquent and the employer has not made the payment within 15 business days after receipt of such notice.
(g) The above delinquent payment penalties shall not apply to payments which have not been made by the Company by reason of:

(i) A bona fide dispute as to the amount due and payable notice of which shall be filed within five business days following receipt of bills with the local of the Federation in whose jurisdiction the work was performed.

(ii) Emergencies beyond the control of the Company.

(iii) Where the Company inadvertently makes a less than full payment and presentation of the claim for the remainder is deliberately delayed in an attempt to collect a penalty.

(iv) Lack of W-4 or I-9 forms shall not be a defense to the accrual of late payment penalties. However, in the circumstance where the Company needs additional information regarding the W-4 or I-9 forms, the Federation and the applicable Local shall cooperate fully with the Company and provide reasonable assistance to the Company in its efforts to obtain the necessary information.

(6) **Soundtrack Albums**

Except as otherwise specifically provided in this paragraph 6, wage payments for record albums produced from theatrical or television motion picture scores will be made within 15 working days from receipt of completed Form B and W-4 forms but in no event later than 45 working days of release of the album.

(a) With respect to any soundtrack record released in connection with any theatrical motion picture and/or television film subsequent to the effective date of this agreement, the Producer may elect to compensate musicians who rendered services in making the original soundtrack in accordance with the provisions of either (i) or (ii) below:

(i) (1) Upon release of the record an amount equal to fifty percent (50%) of the scale wages (plus AFM-EP contributions, but not including health and welfare contributions) that would have been paid pursuant to the then-effective Sound Recording Labor Agreement;

(2) An amount equal to an additional fifty percent (50%) of the scale wages (plus AFM-EP contributions, but not including health and welfare contributions) that would have been paid pursuant to the then-effective Sound Recording Labor Agreement once the net sales exceed 50,000 records;

(3) For those soundtrack records released under the terms of this subparagraph 6(a), but that do not satisfy the conditions

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6 A chart summarizing various soundtrack record requirements and options of this subparagraph (6) is found at Exhibit H of this Agreement.
described in subparagraph 6(b)(iii) below, an amount equal to an additional twenty percent (20%) of the scale wages (plus AFM-EP contributions, but not including health and welfare contributions) that would have been paid pursuant to the then-effective Sound Recording Labor Agreement once the net sales exceed 100,000 records.

(ii) Effective August 14, 2005, the Company is entitled to a 15% discount from the rates in subparagraph 6(a)(i)(1) (payments due on release) for soundtrack records that (i) use 45 minutes or more of music originally recorded for the motion picture; (ii) utilize 80 or more musicians (excluding orchestrators and music preparation musicians) for whom payment is due under this paragraph 6(a)(i); and (iii) meet the conditions of subparagraph 7(b)(iii) below.

(iii) For the use of up to seven and one-half (7 1/2) minutes of music soundtrack from a motion picture in a phonograph record, Producer shall pay to the musicians who recorded such music soundtrack one hundred percent (100%) of the scale wages calculated using the special session rate (plus AFM Employers' Pension Fund contributions, but not including health and welfare contributions) that would have been paid pursuant to the then-effective Sound Recording Labor Agreement.

(iv) It is understood that the same phonograph record may incorporate motion picture sound track for which musicians are paid pursuant to both subparagraphs (i), (ii) and (iii) above.

(b) Optional Provisions Regarding Soundtrack Records Released in Connection with Theatrical Motion Pictures and/or Television Films

With respect to any soundtrack record released in connection with any theatrical or television motion picture subsequent to August 14, 2005 (except for soundtrack records that include cues from any sessions scored in Canada under the Basic Theatrical Motion Picture Agreement or the Basic Television Film Agreement), the Company may elect to compensate musicians who rendered services in making the original sound track in accordance with the provisions of subparagraph 6(b)(i), provided that the Company also meets the conditions of subparagraph 6(b)(iii):

(i) Payments,

(1) Upon release of the record, an amount equal to twenty-five percent (25%) of the scale wages (plus AFM Employers' Pension Fund contributions but not including health and welfare contributions) that would have been paid pursuant to the then-effective Sound Recording Labor Agreement;

(2) An amount equal to an additional twenty-five percent (25%) of the scale wages (plus AFM Employers' Pension Fund contributions but not including health and welfare contributions) that would have been paid pursuant
to the then-effective Sound Recording Labor Agreement for sales in excess of 25,000 units;

(3) An amount equal to an additional fifty percent (50%) of the scale wages (plus AFM Employers' Pension Fund contributions but not including health and welfare contributions) that would have been paid pursuant to the then-effective Sound Recording Labor Agreement for sales in excess of 50,000 units; and

(4) An amount equal to an additional twenty percent (20%) of the scale wages (plus AFM Employers' Pension Fund contributions but not including health and welfare contributions) that would have been paid pursuant to the then-effective Sound Recording Labor Agreement for sales in excess of 100,000 units.

(ii) 15% Discount for Certain Soundtracks. The Company is entitled to a 15% discount from the rates in (i)(1) above (payments due on release) for soundtrack records that (i) use 40 minutes or more of music originally recorded for the motion picture; and (ii) utilize 75 or more musicians (excluding orchestrators and music preparation musicians) for whom payment is due under this subparagraph 6(b).

(iii) Conditions.

(1) The following logo or credit must be provided on the jacket or other packaging accompanying the record:

(A) The AFM logo or credit to “The American Federation of Musicians.”

(B) The instrumental musicians who performed on the largest recording session from which a cue is extracted for the soundtrack record must be credited by name and instrument (the largest session is the one utilizing the most musicians; if more than one has the identical “largest” number, the Company will identify from which session the credits will be determined). Such musicians may be grouped by instrument categories.

(C) The Leader/Conductor, Orchestra Manager, Orchestrator(s), Librarian, and Music Prep Service/Supervising Copyist must be credited by name and position.

(D) Any inadvertent error or omission with regard to credits required under (ii) and (iii) above will not be deemed a violation of this subparagraph 6(c) provided that the Company has made a reasonable effort to comply with those provisions.

(2) An “organization name credit” that has been approved by the AFM must be placed on the front or back cover in a type size that is no
less than 50% of the type size used for the composer credit unless no applicable organization name credit exists; provided that the entity that owns the organization name has agreed to hold harmless and indemnify the Company from and against any action arising out of the authorized use of such organization names.

(3) The Company must provide the AFM with 75 copies of the commercially released soundtrack record as soon as practicable upon its release.

(4) If a Company fails to satisfy any of the foregoing requirements, the special rates will not apply and the Company will be required to make payment for the soundtrack record in accordance with subparagraph 6(a).

(c) Additional Optional Provisions Regarding Soundtrack Records Released in Connection with Theatrical Motion Pictures

Effective August 14, 2005, with respect to any soundtrack record released in connection with any theatrical or television motion picture subsequent to the effective date of this agreement, the Company may elect to compensate musicians who rendered services in making the original soundtrack in accordance with the provisions of subparagraph 6(c) (1) below, provided that the Company also meets the conditions of subparagraph 6(c)(3) below:

(i) Payments

(1) An amount equal to fifty percent (50%) of the scale wages (plus AFM Employers’ Pension Fund contributions but not including health and welfare contributions) that would have been paid pursuant to the then-effective Sound Recording Labor Agreement when sales reach 15,000 units;

(2) An additional amount equal to fifty percent (50%) of the scale wages (plus AFM Employers’ Pension Fund contributions but not including health and welfare contributions) that would have been paid pursuant to the then-effective Sound Recording Labor Agreement when sales reach 50,000 units;

(3) An additional amount equal to twenty percent (20%) of the scale wages (plus AFM Employers’ Pension Fund contributions but not including health and welfare contributions) that would have been paid pursuant to the then-effective Sound Recording Labor Agreement when sales reach 100,000 units;

(4) Wage payments shall be made within the time periods specified in this subparagraph 6(c). If payment is made more than forty-five (45) days of written notice from the Federation that payment is due, then interest shall be due at the prime rate (as set forth in the Wall Street Journal as of the first business day of that calendar year in which payment is due) plus one percent (1%), compounded
monthly, on the unpaid amounts, effective beginning on the date following the date on which payment became due.

(ii) 15% Discount for Certain Soundtracks. The Company is entitled to a 15% discount from the rates in (i)(1),(2) and (3) above for soundtrack records that (i) use 40 minutes or more of music originally recorded for the motion picture; and (ii) utilize 75 or more musicians (excluding orchestrators and music preparation musicians) for whom payment is due under this subparagraph 6(c).

(iii) Conditions

(1) The Company shall inform the Federation of its election to compensate musicians who rendered services in making the original soundtrack record in accordance with the provisions of this subparagraph 6(c) prior to the release or distribution of such soundtrack record.

(2) Upon release of the original soundtrack record pursuant to this subparagraph 6(c), the Company shall provide the Federation with a B Form which identifies an amount equal to fifty percent (50%) of the scale wages that would have been paid pursuant to the then-effective Sound Recording Labor Agreement. Upon sales of at least 15,000 units of the soundtrack record, the Company shall provide written notice to the Federation of such sales.

(3) The following logo or credit must be provided on the jacket or other packaging accompanying the soundtrack record:

(A) The AFM logo or credit to “American Federation of Musicians.”

(B) The instrumental musicians who performed on the largest recording session from which a cue is extracted for the soundtrack record must be credited by name and instrument (the largest session is the one utilizing the most musicians; if more than one has the identical “largest” number, the Company will identify from which session the credits will be determined). Such musicians may be grouped by instrumental categories.

(C) The Leader/Conductor, Orchestra Manager, Orchestrator(s), Librarian, and Music Prep Service/Supervising Copyist must be credited by name and position.

(D) Any inadvertent error or omission with regard to credits required under subparagraphs (B) and (C) above will not be deemed a violation of this subparagraph 6(c) provided that the Company has made a reasonable effort to comply with those provisions.
(4) An “organization name credit” that has been approved by the AFM must be placed on the front or back cover in a type size that is not less than fifty percent (50%) of the type size used for the composer credit unless no applicable organization name credit exists; provided that the entity that owns the organization name has agreed to hold harmless and indemnify the Company from and against any action arising out of the authorized use of such organization names.

(5) The Company must provide the AFM with 75 copies of the commercially released soundtrack record as soon as practicable upon its release.

(6) If the Company fails to satisfy any of the foregoing requirements, the special rates in this subparagraph 6(c) will not apply and the Company will be required to make payment for the soundtrack record in accordance with subparagraph 6(a).

(iv) Special Rules for Digital Downloads

The following provision shall apply effective April 14, 2010:

(1) When the consumer may purchase either the entire soundtrack album or select recordings therefrom, then, for purposes of computing the number of units sold under subparagraphs (c)(i) and (c)(iii)(2) above, (i) each sale of the complete soundtrack album shall count as one unit sold, and (ii) each sale of an individually-downloaded recording from such album shall count as 1/12th of a unit sold. By way of example, if 150,000 individual recordings from the soundtrack album are downloaded, then such individual sales shall constitute the sale of 12,500 units for purposes of computing the number of units sold under subparagraphs (c)(i) and (c)(iii)(2) above.

(2) When the Company elects to distribute soundtrack albums for sale in non-physical formats (such as via iTunes or other music download services), then the following shall apply:

(i) The Company shall cause the AFM and musician credits (as more fully described in this Article) to be furnished to the consumer by: (A) downloadable text as part of the soundtrack album artwork; (B) posting such credits on the website for the applicable theatrical or television motion picture; or (C) displaying such credits on the retailer's page from which such soundtrack album download is purchased.

(ii) If such soundtrack album is released only in a non-physical format, then the Company shall provide the AFM with 25 “white-label” CD copies of the soundtrack album.
(d) Soundtrack Singles Released in Connection with Theatrical Motion Pictures

With respect to any individual master recording ("single") that is released for sale in connection with any theatrical or television motion picture other than as part of a soundtrack album and that is released subsequent to April 14, 2010, the Company (or buyer, licensee or otherwise authorized transferee ("Licensee")) may elect to pay compensation for music embodied in such single in accordance with the following provisions:

(i) An amount equal to 50% of the scale wages (plus AFM Employers' Pension Fund contributions, but not including health and welfare contributions) that would have been paid pursuant to the then-effective Sound Recording Labor Agreement for sales in excess of 200,000 units;

(ii) An amount equal to 50% of the scale wages (plus AFM Employers' Pension Fund contributions, but not including health and welfare contributions) that would have been paid pursuant to the then-effective Sound Recording Labor Agreement for sales in excess of 380,000 units; and

(iii) An amount equal to 20% of the scale wages (plus AFM Employers' Pension Fund contributions, but not including health and welfare contributions) that would have been paid pursuant to the then-effective Sound Recording Labor Agreement for sales in excess of 450,000 units.

(7) Statute of Limitations

A claim for payment for a service rendered under this Sound Recording Labor Agreement (i.e. February 1, 2006) shall be time barred unless that claim is made in writing to the Company by the Federation within 6 months of the date of the release of the phonograph record containing the product of the service, but in no event later than 18 months from the date of the service.

M. Regulations Relating to Overdubbing, Tracking, Sweetening, Multiple Parts, etc.

(a) Except as is specifically permitted below, nothing contained in this agreement shall be deemed to permit dubbing or tracking. The dubbing or tracking specifically permitted hereunder shall relate only to recordings made under, and during the term of this agreement, subject to paragraph (g) on page 42.

(b) During a session the Company may add live performances to a recording made at the same session without notice and without any additional payment to the musicians employed for the session.

(c) After the completion of an original session the Company may add vocal performances to the recordings made at that original session without any additional payment to the musicians employed at the original session for their services thereat.

(d) At a session subsequent to the completion of the original session at which music was first recorded, the Company may add additional instrumental performances to such recorded music without any additional payment to the musicians employed at the original session for their services thereat.
(e) If, at a session, a musician performs multiple instrument parts (other than doubles), or performs the same part in addition to the part previously recorded in order to create the sound of additional instruments, s/he shall be paid the total of all payments which would otherwise have been payable had separate musicians been used for these parts.

(f) The following special provisions relate solely to “royalty artists” as such term is defined below:

(i) The rates set forth in subdivision (ii), below, shall apply to each musician who is a “royalty artist,” whether such musician plays multiple parts, doubles, overdubs, or “sweetens.” A “royalty artist” is a musician
(a) who records pursuant to a phonograph record contract which provides for a royalty payable to such musician at a basic rate of at least 3% of the suggested retail list price of records sold (less deductions usual and customary in the trade) (for contracts entered into after November 1, 1977) or a substantially equivalent royalty, or (b) who plays as a member of (and not as a sidemusician with) a recognized self-contained group as defined in subdivision (iii).

(ii) For the first session at which such royalty artist performs in respect to each selection he shall receive the basic session rate per song.

(iii) A “recognized self-contained group” is:

(a) Two or more persons who perform together in fields other than phonograph records under a group name (whether fictional or otherwise); and

(b) The members of which are recording pursuant to a phonograph record contract which provides for a royalty payable with respect to the group at a basic rate of at least 3% of the suggested retail list price of records sold (less deductions usual and customary in the trade) or a substantially equivalent royalty; and

(c) All of the musicians of which are or become members of the American Federation of Musicians as provided in this agreement.

Replacements of or additions to members of a recognized self-contained group shall be subject to the provisions of subdivisions (i) and (ii) above, if they qualify under items (a), (b) and (c) of this subdivision (iii).

(iv) This subsection (f) shall not be applicable to any musician who himself is not a “royalty artist” but who nevertheless performs hereunder with such royalty artist or royalty artists.

(v) The provisions of this subparagraph shall not be applicable unless the contract between the royalty artists and the Company and all amendments thereto have been filed with the Office of the President of the Federation.

(g) The tracking permitted by the foregoing provisions of this agreement does not apply to recordings by symphonic orchestras. As to such recordings the Federation agrees to grant waivers which will permit tracking in any case
needed to meet unusual situations subject only to the following procedures:
(i) waiver requests will be made in advance of the intended use when it is
known that tracking will be employed; and (ii) if not so requested, prompt
notice of such use will be given to the Federation after the event. It is the
specific understanding of the parties that tracking will continue to be
permitted in those situations where tracking under prior agreements has
heretofore been practiced.

N. Certain Persons Not To Be Placed On Form B Contract
A producer or any other person who acts in a Company capacity can be placed on the
Form B contract only if he/she actually performs a musical service on that contract
which is covered by this agreement. No contractor shall serve as an engineer,
producer, or in any capacity representing the employer with respect to the session on
which he/she is the contractor.
II. ARRANGERS, ORCHESTRATORS, COPYISTS

Arrangers, orchestrators and copyists shall be paid not less than the rates set forth below and the conditions set forth shall apply:

A. Arrangers

(1) Definition – Arranging is the art of preparing and adapting an already written composition for presentation in other than its original form. An arrangement shall include reharmonization, paraphrasing and/or development of a composition so that it fully represents the melodic, harmonic and rhythmic structure and requires no changes or additions.

(2) Credits – Unless barred by a legal obligation undertaken by an arranger, he shall receive name credit on all seven inch “pop single” records and on all tapes and cartridges in respect of which the number of arrangers used is six or less. Unless the arranger requests he not be given credit and if no legal obligation undertaken by him prevents the use of his name by the Company, the arranger shall receive name credit on all albums. Such credit may appear either on the record label or jacket, or on the tape or cartridge label or package.

(3) Minimum Rates – Since arranging represents highly individual creative skills, the wages paid for arranging are left to the discretion of the person doing the work, provided, however, that the wages shall never be less than provided for in paragraph B(3). Arranging shall be paid for in addition to orchestrating where the same person performs the work of the two classifications. Payment for making and orchestrating an arrangement shall cover both the minimum for arranging and orchestrating.

B. Orchestrators

(1) Definition – Orchestrating is the labor of scoring the various voices and/or instruments of an arrangement without changing or adding to the melodies, counter-melodies, harmonies and rhythms.

(2) Time rates for orchestrators – May be used only on takedowns, adjustments, alterations, additions and in other situations where page rates are impractical. The hourly rates for time work shall be $44.95 effective February 1, 2006, $47.00 effective January 1, 2007, $48.41 effective February 1, 2008, $49.38 effective February 9, 2009, $50.37 effective January 16, 2012, $51.13 effective January 13, 2013 and $51.64 effective January 13, 2014.

(3) Page rates for orchestrators [subject to the rules of paragraph B(4)]

(a) For not more than ten lines per score page:

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(b) For each additional single line in excess of ten lines per score page: $1.24 effective February 1, 2006, $1.30 effective January 1, 2007, $1.34 effective February 1, 2008, $1.37 effective February 9, 2009, $1.40 effective January 16, 2012, $1.42 effective January 13, 2013 and $1.43 effective January 13, 2014.

(c) For adding lines to a score already orchestrated (other than revoicing a score) when performed by the original orchestrator, per score page, per line: $1.36 effective February 1, 2006, $1.42 effective January 1, 2007, $1.46 effective February 1, 2008, $1.49 effective February 9, 2009, $1.52 effective January 16, 2012, $1.54 effective January 13, 2013 and $1.56 effective January 13, 2014. Any other orchestrator will be paid in accordance with (a)(ii), above.

(d) For adding piano part: in accordance with (a)(ii), above.

(e) Orchestrating the parts (without score): the combined rate for orchestrating and copying.


(g) For scoring a two line or three line full piano part from an orchestral score (or parts) or for scoring for solo piano, accordion, harp, etc., for individual performances, per piano page: $52.49 effective February 1, 2006, $54.88 effective January 1, 2007, $56.53 effective February 1, 2008, $57.66 effective February 9, 2009, $58.81 effective January 16, 2012, $59.69 effective January 13, 2013 and $60.29 effective January 13, 2014.


(i) For transcribing a melody from voice, instrument or mechanical device, including chords, symbols and lyrics (1 staff):
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1st page (up to 32 measures).........................: $41.38 effective February 1, 2006, $43.26 effective January 1, 2007, $44.13 effective February 9, 2009, and $45.01 effective January 16, 2012. Each additional page (up to 32 measures)........: $29.56 effective February 1, 2006, $30.90 effective January 1, 2007, $31.52 February 9, 2009, and $32.15 effective January 16, 2012.

(j) Exact transcription of all parts of a composition from a mechanical device, and recreating the orchestration:

Per score page: double orchestration scale.

(4) The following rules shall apply to page rates:

(a) A score page consists of four bars and shall be computed on the basis of a minimum of ten lines.

(b) Piano and other multiple-staff parts.
   (i) “Piano” refers to the pianoforte and to other keyboard instruments commonly written on 2 lines, such as celeste, organ, accordion, etc.
   (ii) Piano parts where all notes are written out count as 4 lines.
   (iii) Piano parts constructed only of guitar and bass parts count as 2 lines.
   (iv) Harp parts, if more than 50% of the measures are fully written out, count as 3 lines; otherwise 2 lines.
   (v) Organ parts written on 3 staves count as 5 lines.

(c) Each line of a divisi part shall count as one line.

(d) A pick-up shall be computed as a full measure.

(e) Come sopras shall be paid for.

(f) Repeats shall not be used within a chorus to reduce the wage paid, (but repeats, del segno, and the like, which appear in the composition are permissible).

(g) The last page may be paid for on a half-page basis.

(h) The page rates do not include proofreading service.

(i) Voice and conductor lines written into a score shall be treated as instrumental lines.

(j) Synthesizers, and other devices
   (i) Patch and controller information for each part shall count as an additional line.
   (ii) Where “layering” of instrumental voices occurs, an extra line per voice shall be charged.
C. Copyists

(1) Time rates for copyists may be used only on pasting, cutting, production lines, and in other situations where page rates are impractical. The hourly rates for time work shall be $23.19 effective February 1, 2006, $24.25 effective January 1, 2007, $24.98 effective February 1, 2008, $25.48 effective February 9, 2009, $25.99 effective January 16, 2012, $26.38 effective January 13, 2013 and $26.64 effective January 13, 2014.

(2) Page rates for copyists shall be as follows [subject to the rules set forth in paragraph C(3)]:

**INSTRUMENTAL PARTS**

<table>
<thead>
<tr>
<th>Effective</th>
<th>2/1/06</th>
<th>1/1/07</th>
<th>2/1/08</th>
<th>2/9/09</th>
<th>1/16/12</th>
<th>1/13/13</th>
<th>1/13/14</th>
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</thead>
<tbody>
<tr>
<td>1. a. Single stave parts: single notation</td>
<td>4.67</td>
<td>4.88</td>
<td>5.03</td>
<td>5.13</td>
<td>5.23</td>
<td>5.31</td>
<td>5.36</td>
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<tr>
<td>b. Single stave parts: chorded and/or divisi (Chorded: guitar, banjo, vibraphone and similar parts) (Divisi: When more than 50% of page)</td>
<td>8.04</td>
<td>8.41</td>
<td>8.66</td>
<td>8.83</td>
<td>9.01</td>
<td>9.15</td>
<td>9.24</td>
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<tr>
<td>2. a. Double stave parts: chorded piano, organ, harp, celeste, etc.</td>
<td>8.04</td>
<td>8.41</td>
<td>8.66</td>
<td>8.83</td>
<td>9.01</td>
<td>9.15</td>
<td>9.24</td>
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<tr>
<td>b. Rhythm piano parts: chord symbols and bass line</td>
<td>6.15</td>
<td>6.43</td>
<td>6.62</td>
<td>6.75</td>
<td>6.89</td>
<td>6.99</td>
<td>7.06</td>
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<tr>
<td>3. a. Piano with vocal melody cued (no lyrics–full chords)</td>
<td>10.50</td>
<td>10.98</td>
<td>11.31</td>
<td>11.54</td>
<td>11.77</td>
<td>11.95</td>
<td>12.07</td>
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<tr>
<td>b. Rhythm piano with vocal melody cued (no lyrics–chord symbols)</td>
<td>8.27</td>
<td>8.65</td>
<td>8.91</td>
<td>9.09</td>
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## Vocal Parts

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<tr>
<td>7. a. Single voice line with lyrics (one set)</td>
<td>6.94</td>
<td>7.26</td>
<td>7.48</td>
<td>7.63</td>
<td>7.78</td>
<td>7.90</td>
<td>7.98</td>
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<tr>
<td>b. Foreign language lyrics, extra per page</td>
<td>1.65</td>
<td>1.73</td>
<td>1.78</td>
<td>1.82</td>
<td>1.86</td>
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## Concert Score Parts

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<td>a. Single voice line with lyrics (one set)</td>
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<td>7.48</td>
<td>7.63</td>
<td>7.78</td>
<td>7.90</td>
<td>7.98</td>
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<tr>
<td>b. Foreign language lyrics, extra per page</td>
<td>1.65</td>
<td>1.73</td>
<td>1.78</td>
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## Lead Sheet: Single Melody Line

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<tr>
<td>b. Rhythm Piano-Vocal: 3 staves with lyrics (one set) and chord symbols</td>
<td>9.91</td>
<td>10.36</td>
<td>10.67</td>
<td>10.88</td>
<td>11.10</td>
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<td>c. Piano Vocal and orchestral cues with lyrics (Piano Conductor)</td>
<td>13.73</td>
<td>14.35</td>
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<tbody>
<tr>
<td>a. Choir parts with lyrics (one set)</td>
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<td>21.78</td>
<td>22.43</td>
<td>22.88</td>
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<td>1.34</td>
<td>1.37</td>
<td>1.40</td>
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CONDUCTOR PARTS
(Piano-Conductor), Production Control, etc. (one or more staves)

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<td>9. a. Lead lines with notated instrumental cues</td>
<td>25.48</td>
<td>26.64</td>
<td>27.44</td>
<td>27.99</td>
<td>28.55</td>
<td>28.98</td>
<td>29.27</td>
</tr>
<tr>
<td>b. (+) Harmonically complete</td>
<td>34.59</td>
<td>36.16</td>
<td>37.24</td>
<td>37.98</td>
<td>38.74</td>
<td>39.32</td>
<td>39.71</td>
</tr>
<tr>
<td>c. (+) NOTE: If 12 stave paper is used in this category, not more than 3 braced systems per page shall be allowed.</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Adding lyrics (or words) per set, per page:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Single stave parts</td>
<td>1.65</td>
<td>1.73</td>
<td>1.78</td>
<td>1.82</td>
<td>1.86</td>
<td>1.89</td>
<td>1.91</td>
</tr>
<tr>
<td>b. Multiple stave parts</td>
<td>1.24</td>
<td>1.30</td>
<td>1.34</td>
<td>1.37</td>
<td>1.40</td>
<td>1.42</td>
<td>1.43</td>
</tr>
<tr>
<td>c. Foreign language</td>
<td>2.58</td>
<td>2.70</td>
<td>2.78</td>
<td>2.84</td>
<td>2.90</td>
<td>2.94</td>
<td>2.97</td>
</tr>
<tr>
<td>11. Numbering bars, per page (no charge for normal use of rehearsal letter)</td>
<td>0.73</td>
<td>0.76</td>
<td>0.78</td>
<td>0.80</td>
<td>0.82</td>
<td>0.83</td>
<td>0.84</td>
</tr>
<tr>
<td>12. Chord symbols (when added, per page):</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Single stave parts</td>
<td>1.65</td>
<td>1.73</td>
<td>1.78</td>
<td>1.82</td>
<td>1.86</td>
<td>1.89</td>
<td>1.91</td>
</tr>
<tr>
<td>b. Multiple stave parts</td>
<td>0.73</td>
<td>0.76</td>
<td>0.78</td>
<td>0.80</td>
<td>0.82</td>
<td>0.83</td>
<td>0.84</td>
</tr>
<tr>
<td>13. a. Single stave part for SOLO PERFORMANCE 50% additional</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Solo piano, classical, concert, symphonic or similar parts</td>
<td>13.73</td>
<td>14.35</td>
<td>14.78</td>
<td>15.08</td>
<td>15.38</td>
<td>15.61</td>
<td>15.77</td>
</tr>
<tr>
<td>14. MASTER COPY FOR REPRODUCTION: Copying or extracting parts to be duplicated by any process</td>
<td>Double all applicable rates (except items 5, 8a and b, 9a and b above which shall be paid at the single rate).</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>15. Adding symbols (other than chord symbols) for Electronic Instruments or Devices:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Single stave parts</td>
<td>2.71</td>
<td>2.83</td>
<td>2.91</td>
<td>2.97</td>
<td>3.03</td>
<td>3.08</td>
<td>3.11</td>
</tr>
<tr>
<td>b. Multiple stave parts</td>
<td>1.35</td>
<td>1.41</td>
<td>1.45</td>
<td>1.48</td>
<td>1.51</td>
<td>1.53</td>
<td>1.55</td>
</tr>
</tbody>
</table>

(3) The following rules shall apply to page rates:
(a) For duplicating orchestra and band scores (note for note), the minimum rate shall be seventy-five (75%) per cent of the orchestrating rate for scoring same.

(b) For remaking a score from regular parts, the minimum rate shall be seventy-five (75%) per cent of the orchestrating rate for scoring same.

(c) Modulations, new introductions, endings and interpolations from piano shall be paid for at orchestrating rates.

(d) Symphony, opera, cantata, oratorio, ballet or any other standard or classical music (copies, transcriptions, extractions) shall be paid for at forty (40%) per cent more than the rates listed.

(e) Special routine work (writing only) where two or more scores or orchestral parts must be used or referred to in constructing overtures, selections, finales, etc., shall be paid for at fifty (50%) per cent more than the rates listed, provided that if such work requires a transposition of parts, for the parts so transposed, there shall be an extra charge of 50% of the listed rates.

(f) When the services of more than one copyist are necessary to complete the work assignment, the contracting copyist shall be designated as a supervisor copyist and shall be paid for such services 25% more than the listed rates for the work which he or she supervises (which will be deemed to include copying done by him or her if the additional copyist(s) perform more than one-third of the copying on such assignment).

(g) When two or more copyists are required to split scores for the convenience of the Company, each copyist shall be paid at page and half-page rates for the section copied by him, but not less than the applicable hourly rate.

(h) Rates for copying do not include any proofreading services. Proofreading, if required by the Company, shall be paid for at the rate of $32.03 effective February 1, 2006, $33.49 effective January 1, 2007, $34.49 effective February 1, 2008, $35.18 effective February 9, 2009, $35.88 effective January 16, 2012, $36.42 effective January 13, 2013 and $36.78 effective January 13, 2014 per hour, with no minimum call to be applicable to such rate.

(i) Editing shall be paid for at the copying rate plus 50%.

(j) Rates shall be computed on the basis of ten stave paper except that parts requiring three or more braced staves shall be written on twelve stave paper, unless impractical.

(k) Rates shall be computed on page and half-page rates except that the first page shall be paid in full rather than prorated.

(l) An average of four bars per stave shall be secured, if possible, and two staves of the first page (or any following pages, if necessary) shall be used for titles or other written items.
SOUND RECORDING LABOR AGREEMENT
February 1, 2006 – January 12, 2015

(m) The copyist who prepared the original part shall be paid the listed rate for any reproductions thereof by any mechanical means whatsoever except where a master copy was previously paid for at the rate listed.

(n) All paper and necessary working material shall be supplied by the Company or furnished by the copyist at cost.

(o) Transposition of all parts shall be paid for at fifty (50%) percent more than the listed rates.

(p) Use of rehearsal letters every two, three or four bars or to circumvent payment for numbering shall not be deemed normal use.

D. Health and Welfare Fund Contributions

For each arranger and orchestrator the Company will contribute to any existing lawful Health and Welfare Fund of any Federation Local and commencing thirty days after notice in writing to any such lawful Fund as may be established hereafter by any other Federation Local, for each original composition as to which services are performed on non-symphonic records performed within the jurisdiction of such Federation Local by each arranger and orchestrator covered by this agreement: effective February 1, 2006, the Company shall contribute $19.00 for the first original service and $15.50 for each additional service that day, effective February 1, 2007, the Company shall contribute $22.00 for each original service and $16.50 for each additional service that day, effective February 9, 2009, the Company shall contribute $22.50 for each original service and $17.00 for each additional service that day, and effective January 13, 2012, the Company shall contribute $24.00 for each original service and $19.00 for each additional service that day. For each copyist the Company will contribute to any existing lawful Health and Welfare Fund of any Federation Local and commencing thirty days after notice in writing to any such lawful Fund as may be established hereafter by any other Federation Local, for work on non-symphonic records performed within the jurisdiction of such Federation Local by each copyist covered by this agreement: effective February 1, 2006 the Company shall contribute $19.00 for the first original service and $15.50 for each additional service that day, effective February 1, 2007, the Company shall contribute $22.00 for each original service and $16.50 for each additional service that day, effective February 9, 2009, the Company shall contribute $22.50 for each original service and $17.00 for each additional service that day, and effective January 13, 2012, the Company shall contribute $24.00 for each original service and $19.00 for each additional service that day.

(a) With respect to those members of any such Local Union who are participants in that Health and Welfare Plan the plan shall credit each of their accounts with the applicable payment;

(b) With respect to those musicians who are participants in another Local Union’s Health and Welfare Plan, the plan which receives the Company’s contribution shall transmit to the participant’s plan(s) an amount of money equal to the Company’s contributions for all such musicians;

(c) With respect to those musicians who do not participate in any Local Union’s Health and Welfare Plan and who perform original services within the jurisdiction of a Local having such a plan, the Company shall make the
appropriate payment directly to each such musician. In the event that payments were inadvertently made to the wrong party, the employer shall not be held liable nor obligated to make additional payments; and

(d) With respect to any such original service performed within the jurisdiction of a Local Union where no such Fund is established, and the musicians performing any such original service participate in another Local Union’s Health and Welfare Plan, the Company shall send the Health and Welfare contributions to the Local Union in whose jurisdiction such original service was performed and that Local Union will transmit the contributions and crediting information to the appropriate Local Union’s Health and Welfare Plan.

(e) With respect to any such original service performed within the jurisdiction of a Federation Local where no such Fund is established, and the musicians do not participate in any Local Union’s Health and Welfare Plan, the Company shall pay to each such musician said aforementioned amounts.

No such Health and Welfare Fund contribution whether paid to any Fund or paid directly to a musician shall be the basis for computing the applicable AFM-EP contribution or any other payments under this agreement such as doubling, overtime, premium time pay, etc.

E. General Rules Applicable to Arrangers, Orchestrators, Copyists and Librarians

(1) The arranger or orchestrator shall deliver to the copyist a full score. A full score is a visual representation of parts to be performed by instruments and/or voice of a musical ensemble systematically placed on a series of staves, one above the other, single staff. Abbreviations by come sopra and/or col indications within the same score may be used.

(2) Arrangements, orchestrations and parts previously made for use other than phonograph records shall be paid for hereunder when first used for phonograph records. Arrangements, orchestrations and parts made initially for phonograph records shall not be used in any other field either by the Company or with its authorization unless the rate applicable to such purposes is paid.

(3) Arrangers, orchestrators and copyists shall stamp the first and last pages of all arrangements and scores and the first page of all parts with their official union stamp. Card number, local and year must be written on deshon master copy.

(4) In cases where an hourly rate is applicable the minimum call shall be four hours.

(5) Orchestrators and copyists shall receive the following premium rates:

(a) For work from 6:00 p.m. to 12 midnight, the listed rate plus one-half.

(b) For work on Saturdays from 9:00 a.m. to 6:00 p.m., the listed rate plus one-half.

(c) For work in excess of eight hours in one day and until midnight, the listed rate plus one-half.
(d) For work from 12 midnight until dismissed, and after 6:00 p.m. on Saturdays, double the listed rates.

(e) For work performed on the same job at anytime following a call-back less than eight hours after prior dismissal during premium pay hours, double the listed rates.


Each of these holidays shall be observed on the day on which it is observed by employees of the United States Government or of the Government of Canada.

(6)(a) If the Company requests an orchestrator or copyist to work in a city other than the one in which he resides, work done out of town or en route shall be paid for at the listed rate plus 25%. In the case of an orchestrator, the Company shall guarantee a minimum of $70.00 per day plus $50.00 for personal expenses. In the case of a copyist, the Company shall guarantee a minimum of $55.00 per day plus $50.00 for personal expenses. In addition, when such orchestrator or copyist is required to remain overnight, the Company will reimburse the musician for the reasonable cost of a hotel room.

(b) Round-trip first class transportation, with sleeper for overnight travel, shall be furnished by the Company.

(7) Pick up and messenger service will be paid for by the Company.

(8) The rates specified herein relate to arranging, orchestrating and copying services of every nature as utilized in connection with phonograph records and no other rates shall be applied for any such services.

(9) Copyists who are required by the Company to attend recording sessions shall be paid at the page rate or at the hourly rate, whichever is higher.

(10) Any covered librarian who is required by the Company to attend a recording session shall be paid at the side musician’s rate.

(11) The Leader or arranger shall collect and return musical parts and scores to the Company representatives at the end of each recording session, provided however, that the Company shall not be liable for the leader’s or arranger’s failure to collect such parts and scores if it did not interfere with his efforts to do so.

F. Electronic Data

If a computer is used to create electronic data, the Company may elect to obtain the disc (or other device hereinafter referred to as “disc”) on which the data is stored for no additional charge. If the Company exercises its right to do so and the disc contains a reproducible musical performance and the disc thereafter is used as an additional musical performance on a phonograph record, an additional payment shall be made to the musician(s) in accordance with the applicable terms and conditions of this agreement.
EXHIBIT B: TRADITIONAL MUSIC VIDEOS

The production, physical product sales, and digital exploitation of Traditional Music Videos shall be governed by the terms and conditions set forth below.

For purposes of this Exhibit, the term “Traditional Music Video” shall be defined as an audio-visual product that includes an audio element produced from a master record, and a visual element of the type or genre traditionally aired on television for promotional purposes, e.g., MTV, VH1, BET, CMT, etc.

For purposes of this Exhibit, Traditional Music Video physical product sales are sales of Traditional Music Video singles and compilations embodied in a physical format.

For purposes of this Exhibit, the term “Permanent Video Download” shall be defined as a Traditional Music Video which is sold via digital transmission in the U.S. and abroad in a manner which provides a permanent copy.

For purposes of this Exhibit, the term “Non-Permanent Video Download” shall be defined as a Traditional Music Video which is sold via digital transmission in the U.S. and abroad on a temporary, tethered, conditional or “timed out” basis.

For purposes of this Exhibit, the term “Video Stream” shall be defined as a Traditional Music Video which is sold via digital transmission in the U.S. and abroad using streaming technology and leaving no residual copy on the receiving device.

For clarification, “digital transmissions” shall include digital transmissions via the internet, digital cable or similar networks, e.g., the delivery of ring tones or traditional music videos to mobile phones. The parties have agreed upon a side letter, set forth on page 70 in the Sound Recording Labor Agreement, with respect to issues arising under satellite radio and other new technologies (if any).

1. Production

A. Effective for all product produced on or after January 1, 2007, the Company will pay to each side musician, i.e. other than a “royalty artist,” (as that term is defined in the AFM Sound Recording Labor Agreement) who performs as a musician “on-camera” (including “sideline musicians” as that term is commonly understood) in a Traditional Music Video the sum of $325 per 10 hour day. Effective February 1, 2008, that scale rate shall increase to $334.75 ($341.45 effective February 9, 2009, $348.28 effective January 16, 2012, $353.50 effective January 13, 2013 and $357.04 effective January 13, 2014) for a 10 hour day. Pension and health and welfare payments at the rates and conditions set forth in the AFM Sound Recording Labor Agreement shall be made. For work performed in excess of 10 hours in a day, the musicians shall be compensated at 1½ times the pro rata 10 hour payment at ½ hour intervals.

B. A Meal Period shall be provided with the time of the meal period to be determined at the producer’s discretion subject to applicable state law.

2. Physical Product Sales

A. Rate: Effective February 1, 2006, for the first ten (10) years of the period described in Section 2.C. below, the Company shall pay to the Sound Recording Special Payments Fund 1% of the Wholesale Price generated from Traditional Music Video physical product sales. For the following five (5) years of the period defined in
Section 2.C. below, the Company shall pay .5% of the Wholesale Price generated from Traditional Music Video physical product sales.

The term “Wholesale Price” shall be defined as the per unit wholesale price (without deductions) actually received by the Company in connection with a Traditional Music Video physical product sale. In circumstances where there is no per unit wholesale price, “Wholesale Price” shall be defined as the monies actually received by the Company in connection with the sale of Traditional Music Video physical product.

B. Exclusion: There shall be a 1,000 unit exclusion for Traditional Music Video physical product.

C. Fifteen Year Limitation: The payments provided for under this Section 2 shall be made with respect to Traditional Music Video physical product sales which take place during the period commencing with the calendar year during which the record in which the Traditional Music Video physical product is first released for exploitation in any form and terminating at the end of the fifteenth calendar year thereafter. The year of such release shall be counted as the first year of the fifteen (15) years. For purposes of calculating the fifteen (15) year period for Traditional Music Videos produced prior to February 1, 2006, the first year shall be 2006.

D. All payments required to be made under this Section 2 to the Sound Recording Special Payments Fund shall be distributed, net of all administrative costs, to the Musicians whose performances are embodied in the audio element contained in the Traditional Music Video, provided that in cases where a musician’s distribution payment by the Sound Recording Special Payments Fund under this provision is calculated at an amount that is less than twenty-five ($25.00), it shall be regarded as “de minimis” and shall be placed in a reserve fund, to be paid to the musician only if, when added to the musician’s distribution amount in either or both of the two following years, the cumulative amount is twenty-five dollars ($25.00) or greater. Any such cumulative amounts that are under twenty-five ($25.00) and remain undistributed by the end of the Sound Recording Special Payments Fund’s third fiscal year shall be re-deposited into the Sound Recording Special Payments Fund general account for distribution to all eligible musicians as part of the next annual distribution.

E. There shall be no Music Performance Fund contributions on Traditional Music Video physical product sales.

3. Digital Exploitation

A. Rate: Effective February 1, 2006, for the first ten (10) years of the period described in Section 3.C. below, the Company shall pay to the Sound Recording Special Payments Fund .55% of the Wholesale Price on Permanent Video Downloads, Non-Permanent Downloads of Traditional Music Videos or Video Streams (subject to applicable exclusions for Permanent Video Downloads). For the following five (5) years of the period described in Section 3.C below, the Company shall pay .3% of the Wholesale Price on Permanent Video Downloads, Non-Permanent Downloads of Traditional Music Videos or Video Streams (subject to applicable exclusions for Permanent Video Downloads).
The term “Wholesale Price” shall be defined as the per unit wholesale price (without deductions) actually received by the Company from a digital service provider in connection with Permanent Video Downloads, Non-Permanent Downloads of Traditional Music Videos or Video Streams. In circumstances where there is no per unit wholesale price, “Wholesale Price” shall be defined as the monies actually received by the Company from a digital service provider that are attributable to such Permanent Video Downloads, Non-Permanent Downloads of Traditional Music Videos or Video Streams. By way of illustration, the parties acknowledge that percentage of gross service revenue payments, percentage of advertising revenue payments, per-subscriber payments and per-use payments will generally be within the types of revenues that would be included within the calculation of “wholesale price.” The parties further acknowledge that content origination fees, digitization fees and advances not offset by actual digital transmissions are not generally within the types of revenues that would be included within the calculation of “wholesale price”.

B. Exclusions: There shall be a 10,000 unit exclusion on Permanent Video Downloads. There shall be no exclusions on Non-Permanent Downloads of Traditional Music Videos or Video Streams.

C. Fifteen Year Limitation: The payments provided for under this Section 3 shall be made with respect to Permanent Video Downloads, Non-Permanent Downloads of Traditional Music Videos and Video Streams which take place during the period commencing with the calendar year during which the record in which the Traditional Music Video is first released for exploitation in any form and terminating at the end of the fifteenth calendar year thereafter. The year of such release shall be counted as the first year of the fifteen (15) years. For purposes of calculating the 15 year period for exploitations of Traditional Music Videos produced prior to February 1, 2006, the first year shall be 2006.

D. All payments required to be made under this Section 3 to the Sound Recording Special Payments Fund shall be distributed, net of all administrative costs, to the Musicians whose performances are embodied in the audio element contained in the Traditional Music Video, provided that in cases where a musician’s distribution payment by the Sound Recording Special Payments Fund under this provision is calculated at an amount that is less than twenty-five ($25.00), it shall be regarded as “de minimis” and shall be placed in a reserve fund, to be paid to the musician only if, when added to the musician’s distribution amount in either or both of the two following years, the cumulative amount is twenty-five dollars ($25.00) or greater. Any such cumulative amounts that are under twenty-five ($25.00) and remain undistributed by the end of the Sound Recording Special Payments Fund’s third fiscal year shall be re-deposited into the Sound Recording Special Payments Fund Traditional Music Video account for distribution to all eligible musicians as part of the next annual distribution.

E. There shall be no Music Performance Fund contributions on the digital exploitation of Traditional Music Videos.

4. SPF Administration

The provisions of paragraph 1(c), 1(d), 1(e), 1(f), 1(g) 2(d), 2(f), 2(g), 2(i), 2(j), 2(k); 3, 4 and 5 of the Sound Recording Special Payments Fund Agreement shall apply to the
payments required to be made under this Exhibit B in the same manner as they apply to
the payments required to be made on phonograph records under Addendum A.

5. Miscellaneous

A. In the event that any Company maintains a separate subsidiary, division, or other
department to license or otherwise exploit the Company’s rights in a Traditional
Music Video produced by a different subsidiary, division or department of the
Company, “Wholesale Price” shall be deemed to mean the Wholesale Price received
by the subsidiary, division or other department of the Company which serves as the
production branch from the subsidiary, division or other department of the Company
which serves as the “exploiting” branch. Where no separate subsidiary, division or
other department serves as the production branch, the Company may make a
reasonable allocation of the Wholesale Price of the Company from licenses
attributable solely to fees or other payments which would be made to a production
subsidiary, division, or other department of the Company, if one existed, or would
be made to an outside producer and Company’s revenues would be deemed to be the
amount so allocated. The reasonableness of such allocation or the amount of the fee
or other payment received by the producer, subsidiary, division or other department
where the production and exploitation functions are separately maintained, shall be
determined by the licensing fees paid to outside producers for comparable product,
or in the absence of any such practice, by general prevailing trade practices with
respect to video promos.

B. It is understood and agreed that nothing contained herein is intended to diminish the
rights of any musician, including royalty artists, to individually negotiate better
terms and conditions in connection with services on Traditional Music Videos.

C. The parties hereto agree that the payments required to be made by the Company,
pursuant to paragraphs 1, 2, and 3, above, are intended to constitute the sole
payments arising out of the production and/or exploitation of Traditional Music
Videos under this Agreement by any party, to either the Federation or the Sound
Recording Special Payments Fund, on behalf of, or to any individuals covered
hereunder, unless such individuals negotiate for better terms and conditions
pursuant to paragraph 4.B., above.

D. Following the execution of this agreement, the Company shall promptly furnish to
the Federation or the Sound Recording Special Payments Fund, upon request, a list
of any covered Traditional Music Videos currently available for exploitation, and
thereafter, from time to time, upon request, Company shall furnish a schedule listing
amendments and additions thereto.

E. The provisions of paragraphs 11, 12, 14, 22, 25, and 26, of the Sound Recording
Labor Agreement (February, 2006) shall herein be deemed incorporated by
reference.

F. All present provisions of the Federation’s Bylaws are made part of this agreement to
the extent to which their inclusion and enforcement are not prohibited by any
applicable law. No changes therein made during the term of this agreement shall be
effective to contravene any of the provisions hereof.

G. The Company agrees that the Sound Recording Special Payments Fund shall have
the right, from time to time and at reasonable times during business hours, to have
its duly authorized agent examine and audit the Company records and accounts concerning revenues derived from the sale or licensing of Traditional Music Videos covered hereunder; such examination and audit to be made for the purpose of the Federation’s verifying any statements made by the Company pursuant to this agreement, during a period not exceeding four (4) years preceding such examination, and of determining the amount of payments due thereunder. It is agreed that the four (4) year period provided herein shall not affect the operation of the applicable statute of limitations. The Company agrees to afford all necessary facilities to such authorized agent to make such examination and audit and to make abstracts and excerpts from said records and accounts as may be necessary or proper according to approved recognized accounting practices. Such examinations and audits shall be coordinated, to the extent practical, with examinations and audits made under the Sound Recording Special Payments Fund Labor Agreement so that inconvenience to the Company may be minimized.

H. If during the term hereof, the Federation shall enter into any agreement with any Company engaged in the production of Traditional Music Videos of the type covered hereunder, which agreement contemplates the exploitation of such Traditional Music Videos, and which agreement contains terms more favorable than or different from those contained in this agreement, the Company shall have the right, at its option, to cause this agreement to be conformed therewith, provided, however, that no such right shall come into being by reason of any claim against any such Company by reason of the insolvency, bankruptcy, or other financial difficulty of such Company.