

## **Artist Recording Contract**

### **Sample**

**Artist Legal Name Appears Here**

**Artist Social Security Number**

**Artist Address Here**

## **Artist Recording Contract**

Agreement made as of the (day of week) in the (month) of in the year of 2010/2011 between, hereinafter referred to as the "company" and, hereinafter referred to as the "Record Label" or "Recording Company" and (name of artist here), hereinafter referred to as the "artist" and (name of artist's music company here), hereinafter referred to as the artist, artist's corporate sponsor, business sponsor, or music company.

### **WITNESSETH:**

Whereas, the artist is a singer and performer; and Whereas, the company is a record company, record producer, record promoter, and among its numerous other functions, markets musical compositions and performances; and whereas, the parties are desirous of entering into a contract whereby the artist will record songs for the recording company and that company will attempt to market the same for a period of 12 months commencing with the date of the signing of this agreement;

Now therefore in consideration of these presents (those signing the contract) and of the mutual benefits and obligations hereinafter contained, the following agreement is made:

**Definition Of Terms:** For the purpose of this Agreement, the following terms shall have the following meanings and the entirety of the term is expressed within the body of this contract:

1. "Side" means the equivalent of a single compact disc cut, or a single song, or a single sound track or the equivalent of a 7 inch 45 rpm , single-sided recording used in international radio, embodying the recorded performances of the artist and intended for the use and manufacture of phonograph records, or compact disc units or 45 rpm records in the international markets or any other form of music that is currently present on the internet or other cyber area in MP3 format or any future format. This includes any audio file, digital entity, any digital computer file that is stored, shared, transferred, files that are digitally

downloaded online or "cloud sharing" files, streamed or otherwise, digital energy of any kind that is considered a song.

2. "Single" means a single song embodying the recorded performances of the artist and intended for use in the manufacture and distribution for promotion of the artist during the 12 month period the artist is under contract. Because of the recent environmental concerns at many levels in the music industry, all artist single releases are done nationally and internationally in compilation with other artists on the same record label. Usually the various mailings are done in compilation with half of the roster being songwriter clients and the other half being artist clients the record label is promoting. The record label may choose at its discretion to solely release the artist's product via the internet, their internet site and may do it in any internet form so chosen. Regardless of whether the exact description appears here, this single song, digital file, "cloud sharing" audio file, digital stream, mp3, wav file, or any future digital energy audio release (considered a single song) is a part of this contract.

3. "Records" mean all forms of reproductions, now and hereinafter known, manufactured or used primarily for home use, school use, jukebox use, or use on means of transportation, or for radio or television airplay, embodying sound alone, or sound coupled with visual images, or "sight & sound" technology devices including videos, streaming videos, digital audio singles, compact disc or laser disc units, internet or cyber space use either in MP3 format, liquid audio, real audio, wav files, or any of the other many forms of internet use, discovered now or not discovered, streaming, "cloud sharing" files or future discoveries of how to deliver a single song for public consumption.

4. "Retail list price," means the retail list price or applicable list price in, at the record company's discretion and election that the country or manufacture or sale (exclusive of all taxes, discounts, duties and packaging and promotional give-aways) of recordings takes place therein. "Wholesale list price," means 60% discounted from the retail price whatever the current retail price is in the various world currencies. "Composition," means a musical composition, jingle, or medley of songs consisting of words, vocal music, and a melody contained on a side of music that can be legally copyrighted through the Copyright Office of the Library of Congress in Washington, DC. [Copyright Office Information Contact Here](#)

5. "Recording costs" means all costs incurred with respect to the production of sides embodying Artist's performances. Recording costs include, but are not limited to, union scale, the costs of all the instruments, musicians, vocalists, background vocalists, conductors, arrangers, orchestrators, copyists, producers, etc., payments to a trustee or fund based on wages to the extent required by any agreement between the company and the various labor organizations in the music business, payments to a trust fund or bank account set aside for the purpose of paying recording costs, all studio payments and costs for the various engineers (master engineers,

assistant engineers, mastering engineers, mixing engineers, post-mastering engineers and editing engineers), the costs for recording tape of all kinds, both analog and digital, editing in the digital editor, mixing or remixing, per diems or cartage fees (fees companies charge producers to deliver music instruments to the studio at specified times) rehearsal halls, costs of non-studio personnel involved in arranging the recording sessions, non-studio facilities that might be needed, equipment dubbing equipment, time involved in dubbing, transportation of various players, instruments and any other costs and expenses incurred in the production of music that the producer or producers deem necessary to complete the recording to industry standards of presentation to the major labels.

6. "Territory" means the world and "time" for the purpose of this agreement shall be limited to exactly 366 calendar days after the signing of the contract. Artist Production Services. The Company hereby engages the Artist to render such services as it may require in the production of phonograph records and the Artist hereby accepts such engagement and agrees to render such services for an initial period of 12 months commencing on the dates set by the producer to record the artist in the studio. The boundaries of this obligation are herein explained now in the body of this contract.

1. The producer will set a date to record the artist upon artist wire-transferring to the producer or record company, or management firm's trust fund or bank account a deposit sufficient for the company or producer to engage the studio, arranger, session leader, players, and various other union organizations that the company or producer is signatory to including but not limited to the American Federation of Musicians, SAG/AFTRA, Country Music Association, Gospel Music Association, ASCAP, BMI, or SESAC or any other organization that is pertinent to fulfilling the terms of this contract.

2. The deposit amount is a non-refundable sum which shall be distributed to the various player representatives, company, recording company representatives, studio, studio representatives, mastering facilities or whatever the source that is being scheduled by the producer or record label representative for the artist's recording. The usual minimum amount required to schedule one studio day is \$1,000.00 US dollars and the deposit would reflect the number of days and players that were needed to be scheduled in advance for the recording sessions.

3. The artist cannot cancel a session without giving the producer, or company representative notice, ten (10) business days prior to the recording session. If a session is canceled, the deposit is still nonrefundable or may be applied to another date that the recording company, producer or record label representative re-schedules with the artist at a later date. Since the various unions in New York, Nashville, and Los Angeles where the great percentage of all music recording is done,

require the record company, producer, or record label representative to have "all" of the money for a session in a local fund or bank 72 hours prior to the session being called, the full amount of the contract is payable to the company, producer, or label's trust fund or bank account in certified funds 3 business days (72 hours by wire-transfer) prior to the actual session being called.

4. During the term of this agreement, the artist agrees to perform for the recording of the various sides, embodying compositions theretofore approved by the artist, label, and artist's producer. Such recording will take place at an approved 32 track studio or 24 track studio that is acceptable to the producer and record label executives. The times of the recording will be mutually acceptable to the artist, producer, record label, and label's representatives. Session times are as follows for AFM studio musicians:

(a) Monday through Friday at the following times: 10:00 a.m., 2:00 p.m., 6:00 p.m., and 10:00 p.m. Weekends and all time after midnight is considered "premium time" and additional charges will be added for any session called after 10:00 p.m. on Friday night. Holidays normally recognized by the Federal Government are also recognized by the local unions and sessions called on those days are considered "premium sessions" and 3 & 1/2 times the normal session rates will be in effect.

(b) Should the artist fail to appear at any of the recording sessions agreed upon for which the artist has been given reasonable notice, then the company shall have the right to cancel the artist's contract, charge any out-of-pocket expenses, or other expenses relating to artist's failure to appear as scheduled back to the production contract seek equitable relief from the artist, his sponsor's or representatives.

(c) During the contract period, the artist shall have complete freedom to perform publicly at any place, and at any time so scheduled by the artist without the interference of the record company. None of the monies that the artist earns from the artist's personal appearances shall be encumbered by the company, label, or it's representatives. One hundred percent (100%) of all personal appearance fees shall belong to the artist, his management company, and his agent. Said monies to be directly deposited to the artist's bank account so designated and all agreements with agent's and managers paid out of the bank account by the artist to those various agencies, talent coordinators, etc. that are involved in the booking of various engagements on his behalf.

d. A special wire-transfer sheet is included with this contract. All record label monies, management and production expenses are

to be sent to this account and this sheet is included in the exhibit list and is labeled Exhibit B.

### **Record Company Options Must Be Exercised In Writing During Terms Of This Agreement Options In Contract**

During the contract period the recording company may exercise one or more of the following options:

1. The artist is under what is called a "recording obligation" for the next 12 months. The artist will fund the initial cost of presenting himself or herself to the record company with a minimum of at least two sides cut from scratch in the studio or a minimum of at least 5 songs, recorded using company master sound tracks. Further recording obligations, should the artist be signed to a major label will be at the expense and obligation of the label to whom the artist is signed. However, the artist must understand that all monies furnished to the artist will be charged back to his/her account at a major label from which all of the total monies will be recovered from the artist's publishing, record sales, personal appearance schedule, corporate sponsorships, product sales of any/all kinds, any music related items offered for sale on the artist's behalf, road albums, endorsements or gifts. There are absolutely no "free rides" in the music business, not even at the major label level. All costs are recoupable by the company.

2. None of the following can be charged back to the artist while the artist is signed to the development label during the next twelve months, and the following represents a list of items that the development label is paying for in behalf of the artist after his presentation tape is completed. Manufacturing of artist's single record on compact disc in compilation with label's roster; ||| Mailing, labor, and postage to mail the artist's single to all of the Billboard radio reporter stations and radio reporter panel; Service to reporter and non-reporter stations; Service & re-service costs; Fulfillment center costs for requested products; National and international distribution; In-house label promotion of the artist's single; Shipping costs & designation fees; Compact Disc unit prep and outreach costs; Graphics & design charges; All of the items in the above enumerated list above, should the label decide to release such artist product, will be paid for by the record label on behalf of the developing artist and no charge backs are allowed. Any compensation for the above costs would have to be recovered by the developer from signing the artist to a major label during the contract period or up to 12 months after the contract period through the continued promotional efforts of the developer with the artist's sides recorded for the developer, producer and record label herein mentioned.

3. Artist may be called back to record at least one album on behalf of the label, producer, record company or their representatives after the contract period expires should the company have a contractual offer in hand from one of the

major labels or major independent record labels so distinguished by the sale of over \$1 million dollars in total sales during a label's calendar year. Said obligation is referred to as the artist's "overall album" and option on the part of the record company may be exercised at any time the company has written offers in hand for the artist's consideration. Major labels in Nashville shall include, but not be solely limited to the following: Arista, Atlantic, EMI Capitol, Columbia, Dreamworks, Epic, MCA, Mercury, RCA, Reprise, Sony, or Warner Brothers or subsidiaries thereof.

4. The "overall album" shall be completely subject to all of the terms and conditions of this agreement and artist shall be given sufficient notice of such option being exercised in writing at least 30 days prior to the notice of time to appear to record and shall be entitled to fair payment for "time and inconvenience" in recording for such label and all total costs for the album will be paid for by the label.

5. During the term of this agreement, the artist will not perform, license or consent to the use of the artist's name, likeness, voice, biographical information, any music related material or other identification for or in connection with the recording or exploitation of phonograph recordings by or for anyone other than the parties within this agreement without having received permission from the parties in the management positions within this agreement. No one can unreasonably withhold their approval or permission from the artist should the artist's career benefit or should the artist be in a position to receive compensation from an event, story, or any other thing that would in fact further their career.

6. Artist further warrants not to perform or to license or to consent to the use by or exploitation of any phonograph record or recording by the artist embodying any composition that the artist has recorded under this agreement for another record label, management company, or producer for a period of 12 months subsequent to the expiration or termination of the terms of this agreement since the promotion of the artist's single record will be continuing even after the terms of this agreement have ended. Under the normal course of distribution, a record label is obligated to have the single record in compilation out within 9 months of the recording date and promotion of a single record will normally take approximately another 9 months to complete distribution to radio nationally and internationally, should the label exercise their right to release the artist's product. That right shall be the sole and exclusive right of the label executives.

#### **Payment Policies & Procedures:**

It is agreed and understood between the parties that the Artist, sponsor or music company has paid a deposit by wire-transfer or certified funds to the

recording company, management company, or producer's trust account or bank account in the following sum:

Deposit Paid \$ \_\_\_\_\_  
Method Used \_\_\_\_\_ wire transfer  
By \_\_\_\_\_ certified check

The check or wire transfer between the parties has been sent to Capitol Management as a deposit for the recording of the following artist:

Wire Transfer Sheet  
Artist Name Here

The total number of sides recorded will be as follows:  
Description here

The balance of the recording contract is due and payable 72 hours prior to the session being called. The recording date is scheduled for (day) of (month) in the year of (year). The total cost of recording the complete project less the amount of the deposit which has already been paid prior to the issuing of the Artist Recording Contract is Dollar balance here The parties have mutually agreed that the total amount of the recording and production budget will be used by the record company and producer to pay for the recording costs associated with the items set forth in the attached budget which is shown at the end of this contract. All sides recorded during the terms of this contract shall be recorded by the Artist on the record company's behalf, and all records or discs made therefrom together with the performances embodied therein, shall, from the inception of their creation, be entirely the property of the record company in perpetuity, throughout the territory, free from any claim whatsoever by the artist or by any persons deriving any rights or interest from the Artist. The original DVD/Compact Disc masters with the artist's vocals shall become the property of the artist at the conclusion of this agreement. The music tracks that the artist has recorded with the record company will be retained by the record company and will be the property of the record company in perpetuity.

#### Record Label's Distribution Rights

The record label shall have the right to secure its compact disc compilation album rights, the album copyrights, and the sound track copyrights in the company's name as the owner and author thereof any/all record label product. This right does not prevent the artist from obtaining retail product for his/her use with the record label's logo, insignia and name and phone numbers therein. The record label shall have the use and renewal right to any/all copyrights and sound track rights displayed on their label for perpetuity. The record company shall have the sole and exclusive right to use the sides throughout the territory or any part thereof in any manner it deems fit, including

without limitation, the sole and exclusive right in perpetuity and throughout the territory to: Manufacture, advertise, sell, distribute, lease, license, or otherwise use or dispose of the sides and phonograph records, cassettes, cas-singles, compact disc units, videos, or a combination of any of the above embodying the sides recorded in any or all fields or use by any method now or hereafter known such as through the internet, home-shopping channel, home-music channel, satellite television or any of the internet services such as America On-Line, Comcast, cable or satellite services, Micro-soft, etc. The record company shall also have the sole and exclusive right of first refusal to do any of the above with anyone that the record company feels is not in the best interests of its label or artist roster.

2. The record company or management firm may also withhold their permission for the artist to perform the sides publicly or to permit the performance of their product or compositions on any radio broadcast, media outlet or magazine that is not in the public's best interest or the record company's best interest or does not meet the standard's of public decency in the region in which the company exists or is attempting to market the artist's image. Should the artist choose to participate in any public venture that might cause the record label liability, then the record company has the right to immediately terminate the artist's contract for breach of this provision or any other good/just cause deemed necessary.

3. The record company shall have the sole and exclusive rights to distribution of it's own product and has the sole and exclusive power in what radio, television broadcast, or media outlet the artist or parties speak with concerning this recording contract. In all matters regarding the media, the record company's official publicist shall issue all press releases and statements. The management firm and record company shall have the sole and exclusive right to use or to refuse to use all of the artist's pictures, professional and non-professional, color or black & white, videos or home videos, to use and publish the name of the artist, including all professional, group, or assumed stage names of the artist, in connection with the sale, promotion, exploitation, and promotion of the derivatives of the sides recorded throughout the territory and for the continued release of any/all derivatives of the sides recorded, and may continue to promote and exploit those sides through anyone, or any medium the company feels is furthering its name, trademark, or label to which the company and its licensees may from time to time enter into agreements with or from time to time elect to do business with.

### **Domestic Sales**

On albums, digital files, streaming, cloud sharing technology, compact disc units, 45 rpm records or any derivative upon which the artist's voice is found, a statutory royalty will be paid on any/all product sold with the exception of any/all promotional pieces distributed without cost in the artist's behalf.

1. The Artist shall be entitled to \$0.60 (sixty cents) minimum on every 12 song CD sold and distributed at retail and 50% of statutory payments on any/all other derivatives sold at wholesale. Any statutory increases decreed by statutory law within the State of Tennessee, or by the Federal Government will be honored in behalf of the artist in this agreement and any/all payments that the record company is obligated to pay will be paid promptly upon the 5th day of the month at the beginning of each quarterly payment period in the music industry. 2. Single compact disc records sold in compilation, each artist's share of the royalty payments shall be calculated by dividing the total number of sides or compositions of the compilation disc into the statutory payment and all artist's shall be paid equally regardless of chart status or sales status. A minimum of \$0.10 (ten cents) per disc will be paid to each artist and any/all statutory rate increases shall be observed and paid to the artist as well as noted in the above paragraph. On compact disc albums of just a single artist's material, a statutory royalty of \$0.80 (eighty cents) minimum shall be paid to the artist or the sum of 08% of retail or 04% of wholesale whichever shall be greater. The average cost of a retail compact disc unit during the term of this agreement is calculated at \$14.95 US Dollars and the royalty payment would be \$1.79 per unit less destination charges and any/all government taxes, liens, or other excise payments and any/all recoupable expenses the record label holds as "recoupable," against the artist account. No royalties will be paid on promotional pieces of product or any product that is given away to advertise the artist's appearance or to further the artist's career. That product base expense shall be the record company's responsibility and the record company shall have the sole and exclusive right to determine how many pieces of promotional product it uses to further the career of each artist.

### **International Royalties**

The royalties due the artist on albums, cassettes, cas-singles, 45 rpm records, phonograph records, or compact disc units sold internationally will be exactly 50% of the royalties calculated for national distribution in the United States after the royalties have been exchanged into U.S. currency. No royalties will be paid on product given away to promote the artist overseas to radio stations, tour companies, or any other advertising purpose that the record company may deem necessary in furthering and enhancing the artist's image outside the U.S. Again, the base costs of the development, production, and distribution of this product will not be charged back to the artist while the artist is signed to this development label.

## **Section B: Mutual Covenants**

It is agreed between the parties that they shall mutually determine the songs that the producer will record and be performed by the artist in the studio. The producer and record company shall have the right to produce the recordings exclusively using their label personnel and union session musicians only. The company shall also have the right to hire such other producers, or subcontractors as it may choose to hire to further the artist's career.

### **Artist's Original Compositions**

1. Artist warrants that there are no restrictions with respect to compositions that the artist claims are his original songs and that a legal songwriter's contract, a copyright and a publisher's agreement has been reached prior to the recording of such original sides.

2. Artist further covenants and warrants that he has the sole right to record such original songs without any restrictions whatsoever and that he has not entered into any written, oral, or other binding agreement or proposition of any kind prior to recording such songs on behalf of the record company or its licensees. Artist covenants and warrants that he/she has not ever entered into any written, oral or other agreement which would affect his signing with a major label prior to signing with this development label which develops talent exclusively for major labels and major independents only.

### **Producer & Co-producer Covenants "Hold Harmless Agreement"**

Artist, artist's music company representatives, artist's management, artist's agents, and family and future management, agents, or family representatives of the artist's music company warrant that if the producers and management company that the artist has signed a development contract with, arrange to sign the artist to a major label within the terms of the agreement and for 12 months thereafter through their efforts, that the artist shall permit producer and the co-producer on this contract to have the following rights follow this contract to be included in the contract that the artist signs with a major label:

a. Producer and co-producer shall be entitled to their statutory producer payments of 2% of the total amount of money that a major label spends on the production of the album, and the company's management firm shall be entitled to 2% of the total gross revenue from the artist's sales, corporate sponsorships, products sold, and any/all receipts related to their signing with a major label for as long as the artist is signed to any

major label including major independent labels or major labels that might sign the artist in sequence after the first label.

b. Such payments shall be paid to the producers and their management firm by the major label, or major independent label to which the artist is signed. None of these payments would be paid by the artist directly to the parties within the terms of this agreement, but any/all payments would be the direct responsibility of the major label to which the artist has made an agreement in writing and for the term of that agreement or any subsequent major label offerings that were made after the first label offering or agreement was entered into.

c. Producers shall also have the right of first “pitch” to artist for his album at the major label. Should there be a choice between a song that the label likes and a song that the artist likes from the producer’s publishing company, then the major label would be obligated to include on the artist’s album at least one song from the producer’s publishing company if the artist so desires to cut that composition. This right would only involve one cut per album and one single release and video release per year.

### **Carefully Read This Section!**

d. Realizing that the music business is a “high risk” investment for any artist, artist and producer agree and warrant that the artist is not in any way placing his family’s financial security in jeopardy, that artist is not in any manner mortgaging his home, car, or business to obtain the money to record, and has not nor will he/she put anyone in his immediate family in any type of financial hardship to pay for this presentation tape or recording opportunity. Artist also covenants that he/she is not basing his decision to record on any intangible or fraudulent promises, dreams, or incentives given him by the producers, company, or management firm. It is the reality of the music business that the artist is taking a chance at recording and may or may not ever be signed to a major label in the future. This risk is understood up front and placed within the text of this agreement between the parties so that everyone concerned realizes that the producers, management firm and record company have nothing but the purest ethics in mind and everyone who enters into this joint-venture contract is taking a risk and putting up something towards the goal of obtaining a major label contract for the artist. Artist agrees and warrants to hold the producers, record company, and management company “completely & totally harmless” from lawsuits, litigation of any kind whatsoever, that might proceed from any misunderstandings spelled out or not spelled out in this agreement. If such a disagreement happens, then both the artist and the producers have agreed in this contract as mature adults to seek binding arbitration for their differences outside the bounds of a lawsuit and before

a group of people within the music community who understand the legal aspects of each and every facet of this document.

The artist understands and warrants that no one can guarantee “superstardom” in the music industry and the reality of the future is that only a small percentage of the acts signed to the major labels, go on to become priority roster acts and achieve superstardom. This recording contract embodies no more or no less than the contract implies, in that this production contract gives the artist a “ presentation tape” of songs & compositions or “tools” to use in achieving the goals he has set for himself in the music business.

Both the producers, management firm, record company and record company personnel will do their very best in behalf of the artist, to promote further and assist him in any way possible during the terms of this agreement. It is the desire of this company to present itself at the outset as a company which makes no attempts to guarantee anything except for the services it is bound to render in behalf of the artist through this contract. All of the pricing and various portions of this contract are within the boundaries and guidelines set for the players, background vocalists, and companies who do ethical & legitimate production on music row. In short all fees are within "reasonable" guidelines of the local music industry standards. It is the goal of both the management company and record label to make a profit along with the artist so that each of the entities can continue to pursue their music goals and accomplish more together than the individuals could ever accomplish by themselves. The artist needs guidance and a record label, the record label needs artists on their roster to further their goals, and the producers need compositions to produce in the studio with the players to fulfill their goals, and together the partnership of the entities involved is stronger than if each one of the parties tried to accomplish these goals alone.

## **Addresses Of Parties Herein:**

### **Artist Information:**

**Artist Name**

**Artist Address**

**City, State, Zip Code**

**Daytime Phone**

**Evening Phone**

**Fax Number**

**Email**

### **Record Company Information**

**Record Label**

### **Management Company Information**

**Producer Information**  
**Artist's Corporate Sponsor**  
**Artist's Music Company**  
**Company Name**  
**Address**  
**City, State, Zip Code**  
**Daytime Phone**  
**Evening Phone**  
**Fax**  
**E-mail**

**Co-producer Information**  
**Name**  
**Address**  
**City, State, Zip Code**  
**Daytime Phone**  
**Evening Phone**  
**Fax**  
**E-mail**

**Studio Information**  
**Company Name**  
**Address**  
**City, State, Zip Code**  
**Daytime Phone**  
**Evening Phone**  
**Fax**  
**E-mail**

**Manufacturing Information**  
**Company Name**  
**Address**  
**City, State, Zip Code**  
**Daytime Phone**  
**Evening Phone**  
**Fax**  
**E-mail**

### **Assignments Of These Rights & Covenants**

**Artist , producers, record label, management firm and all the parties herein agree together that all the rights hereunder may be assigned by the parties to a major label or one of their subsidiaries, or to a major independent label or one of their subsidiaries either expressly or by operation of law, subject however, to the various parties agreement that it is in the best interests of the artist. Artist and**

artist sponsors agree that all income derived at the time of signing or during the terms of this agreement shall be considered as follows:

a. Until such time as the complete initial investment that the artist or artist's sponsors have been paid back their principal sum of investment and including all the various travel expenses and "intellectual" time spent in composing these compositions, none of the artist's income from a cash advance at a major label would be considered "income" in a taxable sense. After all the initial costs and expenses are paid back, then 85% of the artist's income should be placed into his business account to use for business purposes as non-taxable expenses for travel, food & entertainment, clothing allowance, transportation to and from his dates, and any other reasonable expense that is music related from which the salary of the entertainer would be paid, the remaining 15% of his income from all sources whatsoever including songwriting, publishing, personal appearances, and product sales would be sent directly to the artist for his own personal money outside his business expenses.

#### **Purchase Of Retail Product By The Artist**

b. Artist will have the right to purchase audio product, in forms discovered now or not discovered now, compact disc units from manufacturing at "cost." Whatever the lowest price that the record company is able to buy them for, the artist would be able under this contract to also buy the same product for the same costs from the manufacturer. Estimates for the units would be approximately \$1.98 per unit for a minimum order of 1000 units (manufacturers set the threshold minimum orders for their customers at this amount). Set-up costs are incurred on the first order such as graphics, pictures, color separations, etc. Estimates for compact disc units after the set-up costs are paid for on the first order would run \$1.34 per disc in lots of 1000 (again manufacturers would set the threshold for a minimum order for retail product).

c. The cost of all retail product ordered by the artist will be the sole responsibility of the artist and the producers, management firm, and record company will not involve itself in the "retail" product portion of this contract. Should massive "retail" sales on a national basis become available, then this entire agreement would have to be re-negotiated at a fair price for all the parties concerned. Any wholesale level sales, or regular commodity distribution through regular channels has been covered by statutory royalty payments described in detail in this contract.

#### **Songwriter & Publisher Royalties**

d. The artist will not owe any player or producer royalties until his sales reach the threshold of 15,000 units. At that time, the difference between limited pressing scale and master scale would become effective and the artist would be required to pay the difference to the union or allow the players equitable relief.

e. Statutory royalty payments to publishers and songwriters are due and payable from the outset on all retail product and shall be the sole responsibility of the seller and the seller shall hold the record company, management firm, and producers completely harmless from such payments as none of the artist's sales money will have entered into their control or bank accounts. No royalty payments are due on promotional product that is given away or used to further that artist's career. Only product sold at the regular retail or wholesale levels would be subject to royalty payments. All other promotional pieces would be exempt from payments except on a first time release of an unpublished song. Royalty payments would be due on such compositions except those original compositions written by the artist himself.

**Agreements In Whole**

This contract sets forth the entire agreement between the parties with respect to the matters hereof, and may not be modified, waived, or added to, except in writing and signed by all the parties according their signatures which follow on the following pages. In witness whereof, all of the following parties have caused their legal signatures to be affixed in agreement this (day) in the (month) of and (year) of and artist and producer have initialed all of the pages as witnesses of the signatures that are affixed hereto.

**SIGNATURE OF PARTIES**

**Artist Recording Agreement  
Artist Signature**

\_\_\_\_\_  
**Record Label Representative**

\_\_\_\_\_  
**Management Company**

\_\_\_\_\_  
**Producer**

\_\_\_\_\_  
**Co-Producer**

\_\_\_\_\_  
**Artist's Music Company Representative**

\_\_\_\_\_  
**Witness To The Agreement**

The above parties have affixed their signatures and are known to me (witness) to the agreement.