

SPECIAL AGREEMENT FOR THE LIMITED DIGITAL DISTRIBUTION OF LEGACY DEMONSTRATION RECORDINGS

This agreement (“Special Agreement”) is entered into by and among the American Federation of Musicians of the United States and Canada (“AFM”) and its affiliated AFM Local 257 (“Local 257”) on the one side, and _____ (“Producer”) on the other side, and applies to the limited digital distribution of sound recordings that were originally produced: (1) within the jurisdiction of Local 257; (2) not less than 10 years prior to the execution of this Special Agreement; and (3) pursuant to an AFM Demonstration Recording Agreement (hereinafter, “Legacy Demos,” or “Legacy Demo”).

AFM, Local 257, and Producer hereby agree as follows:

1. Limited Digital Distribution. Subject to the terms and conditions set forth herein, Producer may make Legacy Demos available by means of interactive digital streaming and/or for sale as digital downloads; provided, however, that the number of units of any Legacy Demo sold as a digital download pursuant to this Special Agreement shall not exceed ten thousand (10,000). In the event such sales exceed ten thousand, Producer agrees to immediately notify Local 257, and further agrees to be bound by and to fulfill all obligations required by the AFM Sound Recording Labor Agreement then in effect, including the Sound Recording Special Payments Fund Agreement and the Sound Recording Trust Agreement.

2. Initial Compensation. For each fifteen (15) minutes of music from a Legacy Demo released as provided herein, Producer shall make an “Initial Compensation” payment, defined as an amount no less than the sum of the following:

- a) twenty dollars (\$20.00) for each side musician, per part performed;
- b) twenty dollars (\$20.00) for each music preparation musician;
- c) forty dollars (\$40.00) for each leader, per part performed;
- d) forty dollars (\$40.00) for each contractor;
- e) four dollars (\$4.00) for one double; and
- f) three dollars (\$3.00) for each double beyond one.

All Initial Compensation due, along with a properly completed AFM B-9 Report Form for each Legacy Demo, shall be submitted to Local 257 within fifteen (15) business days after the release of such Legacy Demo.

3. Pension Contribution. Producer agrees to be bound by the Trust Indenture dated October 2, 1959, as amended from time to time, providing for contributions to the AFM and Employers’ Pension Fund, and further agrees to contribute to such Fund on behalf of each musician engaged for each Legacy Demo an amount equal to 14.09% of all wages payable under this Special Agreement. This contribution rate shall be deemed to include the contributions required under the rehabilitation plan adopted by the Board of Trustees of the Fund on April 15, 2010.

4. Revenue Sharing. In addition to the payments and contributions provided in paragraphs 2 and 3 above, Producer shall pay 10% of all gross receipts generated by digital downloading and interactive streaming of each Legacy Demo. Such payments must be accompanied by a properly completed AFM B-9 Report Form and submitted to the Local semi-annually.

5. Advance Reporting Required. Prior to the making available of any Legacy Demo for digital downloading and/or streaming, Producer shall provide the AFM with the title of the original recording and the original AFM B-5 Contract Report Form pertaining to that recording.

6. Copies. Producer shall provide AFM and Local 257 each with two digital copies of the product released pursuant to this Special Agreement.

7. Any Other Use. In the event that the recording made under this Special Agreement is ever used for any purpose not explicitly set forth herein, including but not limited to conventions, phonograph recordings, commercial announcements, motion pictures, or videotape/live television, the Producer shall sign upon presentation, and shall fulfill all conditions required by the applicable agreement(s) of the AFM, including but not limited to payment of all applicable wages, residuals, royalties and benefits.

ACCEPTED AND AGREED:

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AMERICAN FEDERATION OF MUSICIANS
OF THE UNITED STATES AND CANADA

PRODUCER: _____

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

AFM LOCAL 257

By: _____

Its: _____

Date: _____