

MASTER-RECORDING-AGREEMENT

Producer ≠ Performer

Concluded on the day indicated below between

Name:

Address:

Telephone number:

Email address:

Bank account:

referred to in short as the “producer” and

Name:

Address:

Telephone number:

Email address:

referred to in short as the “label”, as follows:

1. Rights Clearance

With the master-recording-agreement at hand (henceforth, in short: agreement), the producer transfers rights to audio recordings, materials and documents, such as photographs, images and texts to the label for comprehensive utilisation. All content supplied by the producer will henceforth be referred to as “content”.

Prior to concluding the agreement at hand and the connected further transfer of rights to content, it is essential for the producer himself to secure all rights to the content. The producer is recommended to conclude written agreements with the artist/band (henceforth, in short: artist) and to secure the rights of other contributors to the production through a release of artistic rights. It is further recommended that the present agreement is brought to the artist’s attention and his consent is gained prior to concluding the agreement with the label.

In the following agreement, the producer guarantees to the label to have undertaken the rights clearance and to dispose of the rights to the content in the scope of the granting of rights (“contractual rights”). The producer indemnifies the label in the event of a third party infringement.

2. Subject of the Agreement

2.1

The producer has produced the audio recordings by the artist for the album entitled

.....

Artist/Band

comprised of:

.....

.....

.....

.....

The audio recordings comprise the following individual titles:

.....

.....

.....

.....

2.2

The audio recordings are to be transferred by the producer in impeccable artistic and technical condition.

2.3

The production costs of the audio recordings are borne by the producer.

3. Granting of Rights

3.1

The producer transfers the exclusive, worldwide and transferable rights for the comprehensive utilisation of the contractual recordings to the label for the duration of the agreement and, in addition, **XX** years (joint to the exploitation period). The label accepts the transfer of rights.

3.2

The comprehensive transfer of rights includes, in particular:

- the neighbouring copyrights of all artists,
- the neighbouring copyrights of the producer,
- the right to utilise individual or all contractual recordings in any composition whatsoever, for example, as part of a compilation;
- the right to refer to the performing artists by name;
- the right of the label to promote individual or all contractual recordings and the artists;
- the right to edit the contractual recordings, in particular, to shorten, remix or sample, and to utilise them in connection with a film, a computer game or advertising for products or services of third parties (outside advertising);
- the right to electronic merchandising, especially in connection with ring tones and other exploitation forms for telecommunications devices.

3.3

The comprehensive transfer of rights includes, in particular, the following types of utilisation:

- Reproduction in any configuration and distribution, for example, production and sale of CDs, DVDs and records and their sale;
- Renting and lending;
- Broadcasts, particularly online, terrestrial, satellite or cable, analogue or digital, radio or television streams;
- Public performance and
- Comprehensive online utilisation (Right-to-Make-Available).

3.4

The transfer of rights essentially includes no copyrights to the recorded works. In the case recording the artist's original compositions, the producer guarantees that the artist is a member of the AKM/AUME or other comparable musical collecting societies and will remain so during the exploitation period. If the artists are not members of collecting societies (anymore), the producer transfers the copyrights to the label, to the extent that the artist is entitled to them, in the scope of the last valid collection agreement of AKM/AUME. The label accepts this assignment.

In the case of original compositions, the comprehensive transfer of rights concerns the following copyrights, which are transferred non-exclusively via the producer to the label:

- the right to first publication;
- the right to combine the audio recording with a music video by the artist and to utilise the music video;
- the right to utilise the audio recording – individual or all contractual recordings – or the artist as part of advertising for the label (self-marketing). Note that the synchronisation rights remain otherwise unaffected and an additional separate agreement – for example, for a film or third-party advertising – is to be made with the author.

3.5

The master CD to be transferred remains the property of the producer.

3.6

The producer transfers the non-exclusive usage rights of the band name, trademark rights, photographs, graphics and other content which he provides for the fulfilment of the agreement.

3.7

The label is entitled to transfer all or part of the contractual rights. The label is also entitled to grant sublicenses. Transfer and licensing is to serve the interests of the artist. In any event, the label remains secondarily obliged to fulfil the agreement.

3.8

The artist remains entitled to have his own website and to make all titles available to the public as (streamed) samples. The same applies for a music video produced in the scope of this agreement.

3.9

Vinyl reservation: If the producer notifies the label that he wants to exploit recordings on vinyl, and the label does not state to have done so within one month of notification, the producer is entitled to exploit the contractual recording on vinyl at his own cost.

4. Exclusivity

4.1 (Optional)

The producer guarantees that the artist will be exclusively available to the label for the duration of the agreement for the production of audio and music video recordings (personal exclusivity).

4.2

He further guarantees that the artist will not rerecord and utilise the works which form the basis of the contractual recordings – in any form whatsoever – for a period of ... (e.g. 5) years from publication (title exclusivity).

4.3

To ensure exclusivity, the producer agrees to grant the label the rights to those recordings which result from violation of the exclusivity requirement as of now. The label accepts the transfer of rights.

4.4

Recordings by the artist for radio and television station broadcasts, as a studio musician or ensemble member of minor significance, as well as recordings involved as an actor, producer or remixer are not part of the exclusivity.

5. Advertising

5.1

The producer will make content (photos, CVs, etc.) on the artist available to the label free of charge.

5.2

The producer guarantees that the artist will be available free of charge for the usual timescale required for the production of a music video at the expense of the label.

5.3

The producer is also to guarantee that the artist will be available in the first year after the appearance of the respective title for promotional appearances, provided at least his cost of return travel, accommodation and meals are covered.

6. Utilisation

The label is obliged to exploit the contractual recordings in line with market practice (duty to exploit). The first audio medium will be released within a period of XX months after delivery of the master CD and will be distributed as follows: (description of distribution). The decision on the manner and scope of the exploitation is made by the label alone. The approval of the producer is to be sought for the choice of titles, the title sequence and the artwork. Copyright levies are borne by the label.

Optional: The label will, in any event, produce a quantity of XX CDs.

7. Shares

Alternative 1: 7.1 Audio Medium – Fixed Share

For each audio medium unit, the producer receives a fixed amount of € XX (long-play album), or € XX (single).

100% of the sold, paid and not returned audio media are to be included. A returns allowance to the amount of ... % (5 to 20%) is excluded. If an audio medium is not exclusively made up of contractual recordings, the share is calculated proportionate to the titles.

Alternative 2: 7.1 Audio medium – Turnover Share

For each audio medium unit, the artist receives the following share:

XX % of the dealer selling price for each audio album unit

XX % of the dealer selling price for each audio single unit

The dealer selling price is the price set by the label on the basis of the respective valid price list for the sale of the audio medium to retailers less sales and turnover tax. The dealer selling price is initially: € XX. An initial deviation to this price by the label needs the producer's approval.

100% of the sold, paid and not returned audio media are to be accounted for. A returns allowance to the amount of ... % (5 to 20%) is excluded. If an audio medium is not exclusively made up of contractual recordings, the share is calculated proportionate to the titles.

7.2 Online

The producer is entitled to a share of XX% of net revenues (revenue less turnover tax) from intangible sales of audio media.

7.3 Licensing

In addition, the producer receives:

50 % of the net revenue from the granting of a sublicense

50 % of the net revenue from the marketing of music videos

50 % of the net revenue from advertising or film revenue

Alternative 3: 7.1 to 7.3 All Revenues – Cooperation

The producer's initial production cost investment is determined by mutual agreement to the amount of € XX, the label's initial investment to the amount of € XX. The revenues will primarily be credited against the difference between the two named amounts and the contractual party with higher initial costs is entitled to them in full. Following, all revenue will be shared on a 50:50 basis. Further investments which are subject to this rule have to be agreed to by the parties.

7.4

The label is to balance its accounts with the producer within one month of the end of each calendar half year. The payment of the share is to take place within 14 days of the proper rendering of accounts by the producer, plus any applicable sales tax. If several persons are involved as producers, debt is discharged against every individual by transfer of the share to the account stated. A payment total of under € 2 can remain unpaid and will be rolled onto the payment total of the following year. In any case, a payment must be made in the following year.

7.5

The producer has the right to review or have reviewed by a private representative obliged to confidentiality (lawyer or chartered accountant) the label's documents which form the basis of the settlements. If the review results in just one individual settlement of more than 3%, and at least € 100.00, to the disadvantage of the producer, the label bears the costs of the review. Otherwise the costs are borne by the producer.

8. Advance Payment (Optional)

The label provides a non-refundable advance payment of € XX, offset, however, with the shares to the respective audio recording.

9. Free and Concert Copies / Dumping

9.1

The producer receives **XX** free copies upon request.

9.2

The producer is entitled to purchase audio media from the label at production costs for the purpose of his own sales at concerts. The production costs are expected to amount to € **XX** per audio medium. Should the label prove that even just one concert copy was not sold at a concert venue, the producer is obliged to pay a contractual penalty of € 1,000.00. The label remains at liberty to claim more extensive damages.

9.3

The label is to inform the producer of a reduction in the dealer selling price of more than 50% and to give him the option of purchasing the stock. The right also exists for any further price reduction below 50%.

10. Duration of Agreement

10.1

The agreement enters into force upon signing and is entered into for a period of **XX** (12 to 36) months (fixed agreement period).

10.2 (Optional)

The producer grants the label the one off option to extend for a further year, calculated from the delivery of the new contractual recording in the scope of a long-play album. The option may be exercised in writing until 3 months prior to the end of the agreement. For the options-album, an advance of € **XX** is to be paid and the provisions of this agreement apply accordingly.

10.3

Note that for the duration of the exploitation period given in point 3.1, the label is entitled – also after the conclusion of the agreement period – to utilise the contractual recordings according to the conditions of this agreement.

10.4

If a tangible form (especially CD) is not available on the market in individual countries within a period of 12 months of first publication, despite an additional period of 6 months being granted, rights for the tangible utilisation in the country concerned return to the producer.

10.5

Both contracting parties retain the right to extraordinary termination; in this case, rights fall back to the producer. As an important reason, it is agreed in particular that

- despite an additional period of at least 2 months being granted in writing, the first tangible audio medium did not appear in the period of point 6;

- the audio recordings are deleted from the label's catalogue.

10.6

In the event of an end to contractual relations, the producer will enter the label's legal contracts with third parties.

11. Taxes

The producer is responsible for his own tax and insurance law issues. He has to pay the taxes and social security contributions payable from contractual revenue. In the event of a direct payment of taxes by the label or its licensee due to legal requirements, the label is authorised to settlement corresponding with the producer's involvement. The producer receives any additional turnover tax.

12. Assertion of Rights

The producer will support the label in judicial or non-judicial enforcement of acquired rights by word and deed, in particular, make the necessary original documents available and, if necessary, perform – or bring about the performance of – the assignment of emerging necessary rights to the label. The label is entitled – but not obliged – to pursue violations by third parties against the contractual rights in its own name and at its own expense.

13. Miscellaneous

13.1

The exclusive jurisdiction of the competent court responsible for (place) is agreed upon for all disputes arising in connection with the present agreement, including effects before conclusion and after termination of the agreement. The place of performance is (place).

13.2

Substantive Austrian law applies, excluding the UN Sales Convention.

13.3

If any provision of this agreement, in whole or in part, should be or become invalid, or should there be a loophole in this agreement, the validity of the remaining provisions shall not be affected.

13.4

The present agreement conclusively governs the contractual relationship between the parties. With the signing of this agreement by the producer, collateral verbal agreements lose their effectiveness.

13.5

Changes and additions to the agreement must be in writing. This applies also to any departure from the written form requirement. Statements by email or fax meet the written requirement.

13.6

To the extent that only the masculine form is given for references to natural persons, such references relate to men and women equally. In applying the form to particular natural persons, the respective gender specific form is to be used