

COMPANY  
ADDRESS

Names  
c/o  
Address

As of August 6, 2013

This shall constitute the entire agreement between \_\_\_\_\_ with a residence at \_\_\_\_\_ (hereafter referred to collectively as "You"), and \_\_\_\_\_ (hereafter referred to as "Company") with offices at \_\_\_\_\_, in regard to certain musical recordings to be produced by You (the "Beats").

1. You shall produce and deliver at least six (6) Beats to Company. The Beats shall include both the sound recordings and the underlying music compositions embodied therein.

This kind of agreement can be used for one beat or a number of beats, as is the case in this particular agreement. It can also be modified to include future beats to be approved by the company or the artist, or mutually approved by both parties.

2. As the sole consideration for Your services hereunder and the rights granted herein, Company shall pay You the following compensation:

(a) One Thousand Dollars (\$1,000) upon execution of this agreement and One Thousand Dollars (\$1,000) upon delivery and approval of said Beats. Such compensation shall be inclusive of any otherwise required union residuals, re-use fees or other form of compensation.

(b) Company shall also pay You five percent (5%) of any "Profits." Profits shall mean: Any monies actually received by Company from exploitation of the Beats throughout the world in any media including sale, license or other use of the Beats minus the payment in Para. 2(a) and any other bona fide actual out-of pocket recording costs including engineer fees to session musicians, vocalists, other producers, engineers, mixing, mastering, sample and clearance costs. Company shall provide an accounting statement to You and pay You six (6) months after receipt by Company of any Profits. Thereafter Company shall pay You at the end of each additional six (6) month period if it receives any Profits during such period.

(c) If Company distributes any Beat to the public it shall afford You credit as producers of that Beat if Company receives credit as the Executive Producer, provided that if a Beat is re-mixed or altered, Company shall have the right to credit other persons as additional producers. The size, manner and placement of such credit shall be in Company's discretion.

3. All Beats to be delivered to Company hereunder shall be deemed to have been created on a "work for hire" basis as that term is defined under the U.S. Copyright Law, and Company shall be deemed to be the exclusive author of the Beats and owner of all rights therein including any copyrights in the Beats. If for any reason this agreement shall not be considered to be work for hire, You hereby assign, grant, sell

and convey all rights in the Beats, including the music composition and sound recording copyrights therein, to Company.

4. Company shall have the exclusive right to perform, distribute, license, assign, sell and exploit the Beats, or any individual Beat, in any media now known or hereafter developed throughout the world in perpetuity for any promotional or commercial purpose. Without limiting the foregoing, Company shall have the right to edit, re-mix, re-record or make any other derivative use of the Beats whatsoever.

5. (a) You warrant and represent that the Beats are completely original with You including the music embodied in the Beats. You further warrant and represent that You have all the rights necessary to enter into this agreement and grant the rights herein, that the Beats shall not violate the rights of any third parties, and that Company shall not be required to seek permission from, or pay any compensation whatsoever to, any third party in connection with its exploitation of the Beats. You hereby indemnify Company against any claims arising in connection with Company's exploitation of the Beats, or these warranties and representations, including reasonable attorneys' fees.

(b) Notwithstanding anything to the contrary above, the parties acknowledge that if a Beat includes a sample of any third party music and/or recordings, You shall identify that sample in writing and if Company decides to accept the Beat, Company shall be responsible for clearing that sample. Otherwise Paragraph 5(a) shall apply to all the Beats covered by this agreement.

6. Company shall have the right to use Your name, approved likeness and bio to promote the Beats in any media throughout the world in perpetuity.

7. When signed by You and Company, this agreement shall constitute our complete understanding. The laws of Virginia applicable to agreements to be made and performed in Virginia shall govern the terms of this agreement, and the Courts of Virginia shall have exclusive jurisdiction over any controversy arising hereunder.

The Company in this case was headquartered in Virginia and therefore wanted Virginia as the jurisdiction in case a dispute arose between the parties.
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Once signed by both parties, this shall constitute our entire agreement as of the date first above written.

[NAME OF COMPANY]

\_\_\_\_\_  
Authorized Signatory

Accepted and Agreed

\_\_\_\_\_  
Name  
SS#

Accepted and Agreed

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Name  
SS#

This Agreement is for a series of masters to be fully produced for an indie label. It provides for a royalty for the sale or license of the Recordings just as the prior agreement does. But it also provides for a royalty in connection with regard to the producer's contribution to the creation of the underlying song. Suppose the Producer created the beat and the artist contributed the lyrics. In this agreement the label would pay the Producer a royalty for use of the song. The annotations for Paragraph 11 explain how much that royalty would be.

## PRODUCER CONTRACT

AGREEMENT made as of May \_\_, 2015, by and between \_\_\_\_\_ LLC (the "Company") with its principal offices at \_\_\_\_\_, New York \_\_\_\_ and \_\_\_\_\_ (the "Producer") with a residence at \_\_\_\_\_.

The parties hereby agree as follows:

1. PRIOR RECORDINGS: The parties acknowledge that Producer has produced various audio recordings for Company in connection with various recording artists (the "Prior Recordings"). The Prior Recordings are listed in Schedule A attached hereto. This Agreement will set forth the terms that apply to the Prior Recordings and any other Recordings produced by the Producer at the request of the Company (the "Recordings").

This agreement was designed to cover recordings that the producer had previously made for the label as well as future recordings.

2. DUTIES: During the term of this Agreement, Producer agrees to produce and mix the Recordings. Producer shall perform his duties on a non-exclusive basis.

The last sentence means that the producer may accept work from other labels or artists.

3. TERM: The term of this Agreement shall commence as of the date hereof and shall continue until either party terminates the Agreement upon thirty (30) days notice.

4. RECORDING PROCEDURE: Recording sessions for the Recordings shall be conducted by Producer for Company and at such times and places as shall be designated by mutual decision of Company and Producer. All individuals rendering services in connection with the production of the Recordings shall be subject to Company's approval. Each Recording shall embody the performance by an artist of a single musical composition designated by the Company. Each Recording and final mix shall be subject to Company's approval as technically and commercially satisfactory for the manufacture, broadcast and sale of phonorecords, and, upon Company's request, Producer shall re-record any musical composition or other selection until a Recording is technically and commercially satisfactory to Company. The Recordings shall be, at Company's election, maintained at a recording studio or other location designated by Company, in Company's name and subject to its control.

6. COMPENSATION:

- (a) As complete and exclusive consideration for the services and rights provided by Producer hereunder, the Company shall pay Producer five percent (5%) of “Net Profits,” as defined herein from exploitation of the Recordings. Net Profits shall be defined as follows: “Gross Income” as defined below minus “Expenses” as defined below.
- (b) Gross Income shall be any and all income monies received by Company from the exploitation of the Recordings including from sale, license, assignment, lease, or rental of the Recordings or any other use thereof including sale or license of phonorecords in any media now known or hereinafter developed throughout the world for as long as company receives income from such exploitation.
- (c) Expenses shall mean any actual recording costs paid by Company, except the royalty payable to Producer hereunder, including without limitation fees to session musicians, engineers, mixing, mastering, sample and clearance costs.

Basically, the producer will receive 5% of gross income from the exploitation of his recordings minus production costs.

7. GRANT OF RIGHTS

- (a) All Recordings recorded hereunder, from the inception of recording thereof, and all Records manufactured there from, together with the performances embodied thereon, shall be the sole property of Company throughout the universe, free from any claims whatsoever by you, the Artist, or any other Person; and Company shall have the exclusive right to copyright such Recordings in its name as the owner and author thereof and to secure any and all renewals and extensions of such copyrights. The product of all persons rendering services in connection with the recording of such Recordings, including Producer shall be deemed “work made for hire” for Company. If such product is determined not to be a “work made for hire” then Producer hereby assigns all rights, including without limitation the copyright in the recordings, to Company.
- (b) Without limiting the generality of the foregoing, Company and any person authorized by Company shall have the unlimited exclusive right, throughout the universe, to manufacture records by any method now or hereafter known, be it physical or digital, derived from the Recordings made hereunder, and to sell, market, transfer or otherwise deal in the same under any trademarks, trade names and labels, or to refrain from such manufacture, sale and dealing. Such rights shall exist for the duration of the copyrights in such records.
- (c) Company and Distributor have the exclusive right to distribute the Artist’s recordings directly to consumers by means of any and all media, including, without limitation, by means of electronic transmissions.

Note that although this is a work for hire provision it applies only to the recording not to the underlying musical composition. So if the producer contributes to creating the song, by for instance, composing the beat, he retains his ownership of that part of the musical composition contained in the recording. In Paragraph 11 Producer grants the label the right to use his contribution to the song in the Recording, but retains the right to receive a royalty for that use.

d. Company and any Person authorized by Company each shall have the exclusive right throughout the universe, and may grant to others the right, to reproduce, print, publish, or disseminate in any medium the Artist's name, portraits, pictures, likenesses and biographical material concerning you, as news or information, or for the purposes of trade, or for advertising purposes in connection with Records hereunder. During the Term of this Agreement, neither you nor the Artist shall not authorize any Party other than Company to use the Artist's name or likeness in connection with the advertising or sale of Records. As used in this Agreement, "name" shall include, without limitation, any professional names.

8. ACCOUNTING AND PAYMENT: Company shall account to Producer on a semi-annual basis starting December 31, 2015 and continue so long as Net Profits are earned, by furnishing statements and any payments due to Producer after deduction of permissible Expenses. Each such accounting statement shall include a description of any transaction subject to this Agreement including identification of any third party, the amount paid and the nature of the products and/or services for which payment was made. Each such accounting statement shall cover all relevant transactions for the immediately preceding semi-annual period.

9. AUDIT:

(a) Producer shall have the right, at any time, to give Company written notice of Producer's intention to examine Company's books and records with respect to each royalty statement. Such examination shall occur no more than once each year and be commenced no sooner than one (1) month and no later than three (3) months after the date of such notice, at Producer's sole cost and expense, by any certified public accountant or attorney designated by Producer, provided that he or she is not then engaged in an outstanding examination of Company's books and records on behalf of a person other than Producer. Such examination shall be made during Company's usual business hours at the place where Company maintains the books and records which relate to Producer, and which are necessary to verify the accuracy of the statement or statements specified in Producer's notice to Company. Company shall have no obligation to produce such books and records more than once.

(b) Unless Producer provides a notice to examine Company's books and records within six (6) months of receipt by Producer of any royalty statement, each such statement rendered to Producer shall be final, conclusive and binding on Producer and shall constitute an account stated. Producer shall be foreclosed from maintaining any action, claim or proceeding against Company in any forum or tribunal with respect to any statement or accounting rendered hereunder unless such action, claim or proceeding is commenced against Company in a court of competent jurisdiction within one (1) year after the date that such statement or accounting is received by Producer.

(c) Producer acknowledges that Company's books and records contain confidential trade information. Neither Producer nor Producer's representatives will communicate to others, or use on behalf of any other person, any facts or information obtained as a result of such examination of Company's books and records, except as may be required by law or judicial decree.

10. NAME AND LIKENESS: Producer hereby grants to Company the right to issue and authorize publicity concerning Producer and to use his name, voice and likeness and approved biographical data in connection with the distribution, exhibition, advertising, and exploitation of the Recordings.

11. CONTROLLED COMPOSITIONS

(a) Producer represents and warrants that each Controlled Composition (as defined below) is original and does not infringe upon or violate the rights of any other person and that Producer has the full and unencumbered right, power and authority to grant to Company all of the rights herein granted to Company. Producer hereby indemnifies Company against any loss, damage or expense (including reasonable attorneys' fees) in respect of any third party claims, demands, liens or encumbrances. "Controlled Composition" shall mean a musical composition embodied in a Recording recorded or released hereunder, which musical composition (i) is written or composed, in whole or in part, by Producer or (ii) is owned or controlled, in whole or in part, directly or indirectly, by Producer.

(i) Producer hereby grants to Company the right to distribute any Recording embodying a Controlled Composition. Company shall pay Producer a mechanical royalty of three quarters ( $\frac{3}{4}$ ) of the current statutory royalty rate in effect at the time of release of the Recording embodying the Controlled Composition at issue, pro-rated by Producer's percentage of ownership in the musical composition.

Under this provision, the Producer grants the label the right to use his contribution to the musical Composition. In return he receives a royalty of  $\frac{3}{4}$  "stat," that is the statutory rate of 9.1 cents, or 1.75 cents per minute or fraction thereof for songs over five minutes. But this royalty is pro-rated depending on his percentage of ownership. Suppose the Producer contributed the beat and the artist created the lyrics. They may enter into a deal that each owns 50% of the song. In this case the producer's mechanical royalty would be  $50\% \times \frac{3}{4} \times 9.1$  cents for songs less than 5 minutes in duration. If the record sold a million copies, his mechanical would be \$34,125 ( $50\% \times \frac{3}{4} \times 9.1$  cents  $\times$  one million dollars).

12. LEGAL COUNSEL: Company hereby acknowledges that he has sought and received legal advice from independent counsel or that he has voluntarily waived his right to independent counsel with respect to the terms and provision contained in this Agreement.

13. INDEPENDENT CONTRACTOR: Producer and Company shall have the relationship of independent contractors. Nothing herein shall be construed to place Producer and Company in the relationship of principal and agent, employer and employee, master and servant, partners, or joint venturers, and neither party shall have expressly or by implications, represented themselves as having any authority to make contracts in the name of, or binding on, each other, or to obligate the other in any manner.

14. NOTICES: Notices, reports, accountings or other communication which the Producer or the Company may be required or desire to send to the other, must be delivered EITHER by

- certified mail, return receipt requested to the parties at the addresses first written above or other address to be designated by Producer or Company.
- electronic mail at the following addresses:
  - (i) for Company: \_\_\_\_\_@\_\_\_\_.com
  - (ii) for Producer: \_\_\_\_\_@\_\_\_\_.com

15. ASSIGNMENT: Producer may not assign this Agreement. Company may assign its right or any of its rights hereunder to any person, firm, or corporation including a corporation in which the Producer is a principal, provided that (i) Producer shall remain responsible for any payments required to be made under this Agreement, and (ii) the assignee has the necessary cash on hand to make any payments required under this Agreement.

16. ENTIRE UNDERSTANDING: This Agreement constitutes the entire understanding between the parties with reference to this matter, and supersedes all prior agreements, written or oral. This Agreement cannot be modified except by written instrument signed by the parties.

17. GOVERNING LAW: This Agreement is made, and is to be construed under the laws of the State of New York with respect to contracts to be executed and performed in this State, and the courts of New York State shall have exclusive jurisdiction thereto.

18. ENFORCEMENT: If any provision of this Agreement shall be found invalid or unenforceable, then such provision shall not invalidate or in any way affect the enforceability of the remainder of this Agreement.

19. WARRANTIES AND REPRESENTATIONS: Producer hereby agrees that he has the right to enter into this Agreement. He further warrants that no material contributed by him to the Recordings shall violate any rights of any third party, and more specifically that he shall not use any samples of any other copyright work without the express prior written permission of the Company.

20. INDEMNIFICATION: Producer hereby agrees to and does indemnify, save, and hold Company harmless from all damages, liabilities, costs, losses and expenses (including legal costs and reasonable attorney's fees) arising out of or connected with any claim, demand, or action by a third party which is inconsistent with any of the warranties, representations, or covenants made by Producer in this Agreement. Producer agrees to reimburse Company, on demand, for any payment made by Company or Company's designee(s) at any time with respect to any such damage, liability, cost, loss or expense to which the foregoing indemnity applies.

ACCEPTED AND AGREED:

[NAME OF COMPANY]

\_\_\_\_\_  
Authorized Signatory

Accepted and Agreed

\_\_\_\_\_  
Name  
SS#

SCHEDULE A

Reference is made to the Producer Contract made as of May \_\_, 2015, by and between \_\_\_\_\_ LLC (hereinafter referred to as “Company”) with its principal offices at \_\_\_\_\_, New York \_\_\_\_\_ and \_\_\_\_\_ (hereinafter referred to as “Producer”) with a residence at \_\_\_\_\_

Prior Recordings:

\_\_\_\_\_ featuring \_\_\_\_\_

\_\_\_\_\_ featuring \_\_\_\_\_