

RECORDING CONTRACT NEGOTIATIONS CHECKLIST

A list of key terms to consider

1.	Type of Agreement: <ul style="list-style-type: none"> • Direct signing • Artist/Production • Independent Producer Owning Artist • Lease or Ownership of Masters • P&D&P; P&D; D&P; D 	
2.	Term <ul style="list-style-type: none"> (a) <u>Basic Term</u> (b) <u>Options</u> <ul style="list-style-type: none"> • Number of options • Conditions of exercise (releases, sales, advances, increased royalties) 	
3.	Territory	
4.	Product Commitment <ul style="list-style-type: none"> • Amount • Timetable for delivery • Suspension • Exclusivity • Injunctive Relief 	

<p>5.</p>	<p>Compensation</p> <p>(a) <u>Domestic Royalties</u></p> <ul style="list-style-type: none"> • Wholesale or Retail • Fixed Rate or Escalations; (based on sales or recording period) <p>(b) <u>Foreign</u></p> <ul style="list-style-type: none"> • Affiliates • Licensees • Fixed Rate or Escalations; (based on sales or recording period) <p>(c) <u>Inclusion of Producer in Rate</u></p> <p>(d) <u>Packaging Deductions</u></p> <p>(e) <u>Clubs; Libraries</u></p> <p>(f) <u>Premiums</u></p> <p>(g) <u>Budget</u></p> <p>(h) <u>Flat Fee Licensing</u></p> <p>(and PPCA)</p> <p>(i) <u>Free Goods</u></p> <p>Promotional Goods; Sales Inducements</p> <p>(k) <u>Profit Participations</u></p> <p>(m) <u>Audits</u> (Rights and Limitations)</p>	
<p>6.</p>	<p><u>Advances</u></p> <ul style="list-style-type: none"> • Recording Costs • Approved Contractual 	

	Budget <ul style="list-style-type: none"> • Other conditions 	
7.	<u>Mechanical Royalty Rates</u> <ul style="list-style-type: none"> • Maximums • Free Goods 	
8.	Groups <ul style="list-style-type: none"> • Solos • Break ups/ Leaving • Members 	
9.	Artistic Control and Restrictions on Company <ul style="list-style-type: none"> • Packaging • Advertising • Coupling and TV compilations • Producer • Material • Editing and Mixing • Synchronisation Uses • Budget Records, Premium Records (endorsements) 	
10.	Promotional Commitment and Tour Support <ul style="list-style-type: none"> • Trade and consumer advertising, radio, internet, billboards, etc. • Tour Support 	

	<ul style="list-style-type: none"> Advertising Support Deficit financing Equipment 	
11.	Re-recording Restrictions	
12.	Release Requirements <ul style="list-style-type: none"> Domestic Foreign 	
13.	Pay or Play Provisions <ul style="list-style-type: none"> Recording Obligations Release Requirements Liquidated Damages and Termination Rights 	