

2017 Music Video Supplement
to the SAG-AFTRA National Code of Fair Practice for Sound Recordings
Memorandum of Agreement

The following terms and conditions have been agreed to by and among Warner Brothers Records, Atlantic Recording Corporation, Sony Music Entertainment, UMG Recording, Inc., Capitol Records, LLC and Hollywood Records, Inc. (each hereinafter the “Company”) and SAG-AFTRA, subject to final ratification by SAG-AFTRA and subject to approval by each Company.

All terms of the 2012 Music Video Supplement to the SAG-AFTRA National Code of Fair Practice for Sound Recordings Memorandum of Agreement shall remain in effect except as modified below:

1. Definition of Principal Performer and Extra/Background Actor

"Principal Performer(s)": Principal Performers are: (i) Performers, Swimmers, and Skaters who are used on-camera who speak dialogue or portray a major part in the Music Video; (ii) Singers; (iii) Stunt Performers; (iv) Puppeteers, (v) Voice-Over Performers, and (vi) Dancers. Principal Performers specifically exclude Background Actors.

"Background Actor": Background Actors are performers who (i) do not play a major part in the Music Video, (ii) do not speak any words other than atmospheric words as part of a crowd, commonly known in the industry as "omnies", and (iii) do not engage in choreographed dancing or play a major part as a dancer.

All individuals within the definition set forth in Paragraph 5(b) of the Agreement (“Friends and Family”) are excluded from contract coverage.

2. H&R

- a. H&R contribution rate shall be the same as provided for under the SAG-AFTRA Code of Fair Practice for Sound Recordings (“Sound Recordings Code”).
- b. The revised CBA shall reflect the merger of the SAG and AFTRA Health plans and split H&R contributions between the AFTRA Retirement Plan and SAG-AFTRA Health Plan.

3. Production Budget Contract Tiers (New Provision, Paragraph 11, and Paragraph 21):

Effective for Videos contracted after May 1, 2017:

Tier	Contract Coverage	Dancer Minimum Daily Rate	Dancer Minimum Rehearsal Rate	H&R	New Use Payment
\$50,000 and less	Limited to Paragraphs 1, 2, 3, 8, 12, 16, 20, 21a, last sentence of 21b, 22, and 24 (dispute resolution limited to applicable paragraphs)	None	None	If individually negotiated	None required for any use other than as set forth in the last sentence of Paragraph 21b.
Above \$50,000 to \$100,000	Yes	None	None	Yes	\$175 payable upon the first use covered by Paragraph 21(b) other than a use in any Television commercial.
Above \$100,000 to \$150,000	Yes	\$500 for up to a 12 hour day For a work day of 8 hours or less, this rate will be prorated and paid as an 8 hour call.	None	Yes	\$175 required for Dancers. For all other Principal Performers, payable upon the first use covered by Paragraph 21(b) other than a use in any Television commercial.
Above \$150,000 to \$200,000	Yes	\$520 for up to a 12 hour day	None	Yes	\$175 required for all Principal Performers.
Above \$200,000	Yes	\$535.60 (10 hour day) or \$644.78 (12	\$293.55 (8 hour call)	Yes	\$500 required for all Principal Performers.

		hour day)			
Background Actors in Videos with Production Budgets above \$50,000	For up to 10 Background Actors: Limited to Paragraphs 1, 2, 3, 4, 6, 7, 10, 13, 14 (excluding penalty provision), 15 (excluding penalty provision), 20, 22, 24, and 25	N/A	N/A	Yes	None required for any use.

Minimum Daily Rate and Minimum Rehearsal Rate for Dancers in the “Above \$200,000” tier will increase 2% on May 1, 2018.

4. Background Actors (New Provision)

- a. The Scope of the Agreement will cover the first 10 Background Actors on videos with production budgets above \$50,000 as set forth in this paragraph.
- b. Covered Background Actors will be covered only by Paragraphs 1, 2, 3, 4, 6, 7, 10, 13, 14 (excluding penalty provision), 15 (excluding penalty provision), 20, 22, 24, and 25.

5. Extraordinary Risk Circumstances (Paragraph 16)

- a. Increase premium payment in Paragraph 16(b) to \$50 (Production Budgets \$100,000 and below) and \$100 (Production Budgets over \$100,000).
- b. Add new paragraph requiring a stunt coordinator for when performers engage in aerial acrobatics.

6. Overnight Travel (New Provision)

- a. Travel Allowance To and From Location on a day when services are not provided: \$150 (up to 4 hours) and \$285 (beyond 4 hours).
- b. Lodging provided when performer unable to return home after travel or work day.
- c. Travel per diem - \$70 per travel and/or rehearsal day and \$45 per shoot day.

7. Digital Exploitation

- a. If the payment for a digital exploitation of a Music Video required by the Sound Recordings Code is reduced to 0.3% after 10 years, the Company shall, for the next five years, nevertheless continue to pay 0.55% to the SAG-AFTRA Industry Digital Distribution Fund for such exploitation.
- b. The SAG-AFTRA Industry Digital Distribution Fund shall use these additional contributions to make payments to performers covered under this Music Video Agreement.

8. Clarifications and Further Discussions

- a. The parties agree that performance capture work for Music Videos is covered under the Agreement (subject to the Tiers above).
- b. The parties will work on a revised Schedule A form to reflect appropriately rehearsal fees, new use fees, and the use of the 8 hour day in the \$100,000-\$150,000 tier.
- c. The parties agree to meet and discuss the issues of (a) if or when this Agreement may apply to other productions not covered under the definition of a Music Video, and (b) Product placement.
- d. The parties acknowledge that the 8 hour work day option for the above \$100,00-\$150,000 tier is an experimental concept and that its continuation shall be subject to *de novo* bargaining for the next agreement.

9. Term Through April 30, 2019.