



# “Where Praising God Is Our Business & Business Is Good”

Musgrove Music Distributions is not responsible for copyrights infringement project(s) submitted by any Artist, Record Label and/or Production Company. Musgrove Music Distribution is not responsible for any judgments, lawsuits or legal matters associated with this project(s) from any contractors. Artist warrants and represents that they are sole owners of work and give Musgrove Music Distribution exclusive rights to sell work worldwide and indemnifies MUSGROVE MUSIC DISTRIBUTION against any legal action directly resulting on any infringement of copyrights owned by a third party and is responsible for paying all artist and production cost and royalty that may accrue.

This contract allows an ARTIST of phonograms to entrust the sale of phonograms to a company or person called a “distributor” MUSGROVE MUSIC DISTRIBUTION. The distributor shall, in general, be granted the exclusive distribution rights during the term of the contract, however only for the territories where the distributor makes the phonograms available for sale. This contract is suitable for the sale of small quantities of phonograms produced by artists themselves.

The PHONOGRAM ARTIST (hereinafter referred to as the ARTIST)

The DISTRIBUTOR

## ***ARTICLE 1 - Object***

The ARTIST entrusts to the DISTRIBUTOR, for the duration of this contract, the sale of one or more phonograms that will be exploited individually or as part of an Album. These phonograms are (*title of the phonogram, name of the lead artist and other relevant information*):

## ***ARTICLE 2 - Duration, Territory and Exclusivity***

This contract applies for a period of one year, starting from the date of signing. Exclusivity of exploitation is granted for the following country or countries: The DISTRIBUTOR must provide for sale to the public a sufficient number of material copies of the phonogram(s) upon demand, as well as to make them available for online sale, except in cases of refusal by the respective websites, within 6 months, starting from date on which The ARTIST supplies the DISTRIBUTOR with each phonogram in compliance with Article 4 hereunder.

## ***ARTICLE 3 - Authorization of Exploitation***

The ARTIST authorizes the distribution and making available to the public of the phonograms defined in Article 1.

Therefore, the DISTRIBUTOR shall have the right to sell by way of any medium (audio cassette, CD, DVD audio or other existing formats) or via online communication networks (Internet and others) in any format, under the heading, label or mark of the DISTRIBUTOR’s choice and in the territories detailed above concerning the phonograms defined in Article 1. Any other exploitation shall be subject to the prior written authorization of the ARTIST.

## ***ARTICLE 4 - Supply of Phonograms***

The ARTIST must provide the DISTRIBUTOR with the phonogram(s) defined in Article 1, as follows:



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Copy on DAT for sale via online communication networks; and the stock of material copies to be put on sale, in their final version intended for the public (covers with photos, booklet and, more generally, the graphic elements needed for commercial exploitation in accordance with customary practices); this stock shall be renewed according to the needs and the demands of the DISTRIBUTOR.

Where appropriate, the parties may enter into a special agreement concerning the payment for costs of mastering fees and graphic elements.

## ***ARTICLE 5 – Copyright***

The ARTIST shall be entirely responsible, directly or through a collective management organization, of payment of royalties due to the artist(s) for distribution of the phonograms in accordance with this contract.

## ***ARTICLE 6 - Royalties***

The DISTRIBUTOR must pay royalties to the ARTIST, as calculated below:

### **6-1 Sales of Carriers in Stores or by Mail Order**

a) For sales in the country of production (*name of country*), royalties shall be calculated on the basis of the wholesale price, before tax, of each copy of the phonogram sold, at the appropriate rate set below: 70 % net of the sales

*NOTE: The average rates vary between 65% and 75%.*

*“Wholesale price” means the catalogue price, before tax, as published by the DISTRIBUTOR during the year of the sale.*

b) For sales abroad, the rate of royalties shall be 60 % of the rate determined in paragraph a), unless otherwise specified in the domestic law of the country where the contract is established (*e.g. in some countries the rate is 50%*) ;

c) When manufactured abroad, royalties shall be calculated based on the wholesale price used in the respective foreign country;

d) In cases of direct export, royalties shall be calculated based on the wholesale price as used in the country of production;

e) All copies returned or destroyed shall be excluded from the calculation of royalties.

### **6-2 Online Sales (Internet and others)**

Where sales occur via online communication networks (Internet and others), royalties payable to the ARTIST shall be 70% net of sale, by the DISTRIBUTOR.

*NOTE: The average rates vary between 65% and 75%.*

## ***ARTICLE 7 - Accounts and Payment of Royalties***

Royalty statements shall be established on 30 of June and 31 of December of each calendar year. The DISTRIBUTOR shall send the statements to the ARTIST within three months following the above dates, together with the payment of royalties.



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## ***ARTICLE 8 - Promotion and Advertising***

The DISTRIBUTOR shall be able to freely use the name of the relevant artist, as well as the photographs and pictures depicting the artist.

## ***ARTICLE 9 - Miscellaneous***

The parties shall inform each other of any change of address. This contract shall be governed by the law of the State of Florida.

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Artist or Label Signature

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Print Name:

[www.mmghtv.org](http://www.mmghtv.org) Live Link: [www.mmgctv.org](http://www.mmgctv.org)  
[www.musgrovemusicdistribution.com](http://www.musgrovemusicdistribution.com)  
<https://www.facebook.com/MusgroveMusicDistribution/?fref=nf>