



SAG·AFTRA.
YOUR VOICE IN MUSIC

**SOUND
RECORDINGS
CODE
2024**

Referendum Booklet



IMPORTANT INFORMATION

The SAG-AFTRA Executive Committee and the Sound Recordings Code Negotiating Committee unanimously recommend members **VOTE YES** for the gains negotiated for the 2024 Sound Recordings Code.



All eligible affected members were mailed a postcard on April 15, 2024, with instructions and a PIN number on how to vote online or how to request a paper ballot. If necessary, you can retrieve your PIN at the voting website above by clicking “Find My PIN.”

Ballots – whether submitted online or by mail – must be received by 5 p.m. PDT on Tuesday, April 30, 2024.

MEMBER INFORMATIONAL MEETING

THURSDAY, APRIL 18, 2024

1 PT / 2 MT / 3 CT / 4 ET

RSVP at sagaftra.org/SRC2024

For questions, email soundrecordings2024@sagaftra.org or call the contracts hotline at (323) 549-6742.

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PLEASE NOTE: ALL MEETING INFORMATION SUBJECT TO CHANGE.

Check sagaftra.org/SRC2024 and watch your email for updates. All paid-up SAG-AFTRA members in good standing who work the Sound Recordings Code are urged to attend this important informational meeting.

This meeting is open to paid-up SAG-AFTRA members in good standing (paid through April 30, 2024.)

No guests are allowed. Parents/guardians of performers under 18 years old are welcome.



Dear SAG-AFTRA Member,

On behalf of the SAG-AFTRA Executive Committee and the Sound Recordings Code Negotiating Committee, we are writing to recommend that you vote YES to ratify the Sound Recordings Code.

The new agreement covers the period starting January 1, 2021, and ending December 31, 2026. The leading record labels covered by the agreement include Warner Music Group, Sony Music Entertainment, Universal Music Group and Disney Music Group and most of their subsidiary labels.

We urge you to read through all the materials regarding this contract, as well as attend our informational Zoom town hall on Thursday, April 18, where we will further explain details. This is also your opportunity to ask questions about the agreement.

As you will read, this agreement establishes, for the first time, collective bargaining guardrails around the use of artificial intelligence in the music industry, assuring singers and recording artists of ethical and responsible treatment when A.I. is used. It also ensures that our members' contributions are protected. The essence of music must always be rooted in genuine human expression, and we look forward to working alongside our industry partners to foster an environment where innovation serves to elevate, not diminish, the unique value of each artist's contribution.

The artificial intelligence guardrails take effect immediately upon ratification. The terms "artist," "singer," and "royalty artist," under this agreement only include humans. In this agreement, clear and conspicuous consent, along with minimum compensation requirements and specific details of intended use, are required prior to the release of a sound recording that uses a digital replication of an artist's voice.

Additional highlights among the contract gains include increased minimums, with a compounded total wage increase of 26.3% over the term, and health and retirement improvements, including a general contribution rate increase and an increase in the percentage of streaming revenue to be covered by contributions, which will reach 100% on December 31, 2026, among other gains.

THE SOUND RECORDINGS CODE ACHIEVES THESE MEMBER GAINS:

- ▶ Compounded total wage increase of 26.3% over the term of the agreement.
 - 14.5% – first Monday of the month after ratification.
 - 3.75% – January 1, 2025.
 - 3.25% – January 1, 2026.
 - 3% – December 31, 2026.

- ▶ First-ever collectively bargained guardrails to ensure ethical and responsible use of artificial intelligence in the music industry.
- ▶ The terms “artist,” “singer,” and “royalty artist” under this agreement only include humans.
- ▶ Clear and conspicuous consent, with reasonably specific details of the intended use, is required prior to the release of a sound recording using digital replication of an artist’s voice.
- ▶ First-ever explicitly defined compensation requirements for the release of a sound recording containing a synthetic vocal performance using GAI.
- ▶ General health and pension plan contribution rate increase of 0.5% to 13.5% effective January 1, 2025. (Streaming will remain at 13%)
- ▶ Percentage of streaming revenue covered by contributions will increase from 50% to 75% on January 1, 2025, and again from 75% to 100% on December 31, 2026.
- ▶ Payments for blanket licensing of a label catalog will be set to match the payment for streaming use.

We applaud the negotiating committee and staff’s tireless efforts to secure these essential gains for members, and we encourage you to review the information about the contract in this document and attend our informational meeting on April 18. RSVP at sagaftra.org/SRC2024. If you have any additional questions, you can email soundrecordings2024@sagaftra.org or call the contract hotline at (323) 549-6742.

Once you have reviewed the terms in this contract, we think you’ll agree that it is worthy of your **YES** vote. The deadline for all ballots to be received, whether submitted online or by mail, is **5 p.m. PDT on Tuesday, April 30, 2024**.

In unity,



Duncan Crabtree-Ireland
National Executive Director &
Chief Negotiator



Dan Navarro
Sound Recordings Code
Negotiating Committee Chair

2024 SAG-AFTRA Sound Recordings Code Contract Summary

The following summary highlights the key provisions of the proposed tentative agreement. The SAG-AFTRA Executive Committee, on behalf of the National Board, and the Sound Recordings Code Negotiating Committee unanimously recommend that you VOTE YES to approve the 2024 National Code of Fair Practice for Sound Recordings tentative agreement.

Covers work by singers and recording artists for the four leading record labels: Warner Music Group, Sony Music Entertainment, Universal Music Group and Disney Music Group and most of their subsidiary labels.

Covers the period from January 1, 2021, through December 31, 2026.

KEY TERMS INCLUDE:

1. ARTIFICIAL INTELLIGENCE PROTECTIONS

First-ever collectively bargained guardrails to ensure ethical and responsible use of artificial intelligence in the music industry, all of which take effect immediately upon ratification of the agreement, including:

- The terms “artist,” “singer,” and “royalty artist,” under this agreement only include humans.
- Consent is required prior to the release of a sound recording using digital replication of an artist’s voice.
 - ❖ Must be clear and conspicuous.
 - ❖ Must be in a separate writing, not embedded in the royalty agreement or performer contract.
 - ❖ Must include reasonably specific details of the intended use.
 - ❖ Blanket consent generally prohibited; consent must be obtained on a per-project basis.
 - Special rules for blanket consent for asset sales for high-earning royalty artists as defined.
 - ❖ Consent must be obtained from the representative or estate of deceased artists if not obtained from them during their lifetime.
 - ❖ Takedown remedy for any tracks with disputed consent, and damages available if takedown is not effectuated right away.
- **Minimum compensation terms for use of digital replica with consent in a released track.**
 - ❖ Royalty artists per their royalty agreement.
 - ❖ Non-royalty artists (session singers) — minimum of three sides per project, subject to negotiation upwards.
- **Notice is required. A minimum of 48 hours’ notice of any recording session for the purpose of creating a digital replica, and such session is paid as work time.**
- **Generative Artificial Intelligence (“GAI”) provisions.**
 - ❖ First-ever explicitly defined compensation requirements for the release of a sound recording containing a synthetic vocal performance using GAI.
 - ❖ If creating a purely synthetic voice track, as defined, the labels will:
 - Pay the digital exploitation payments (streaming royalties) required by the Code to the Sound Recordings Distribution Fund (SRDF) as though a human performer had voiced the track.
 - If licensing the track for use in any other medium, the label will give the union notice that such a track has been licensed, provide specified information about the license, and will negotiate with the union in good faith for compensation for such use.

- **Semi-annual meetings.**

- ❖ Each label agrees to meet twice annually at the union's request to discuss the label's current and planned activities with respect to generative artificial intelligence.

2. INCREASED MINIMUMS

- Compounded total increase of 26.3% over the term of the agreement.
 - ❖ 14.5% - first Monday of the month after ratification.
 - ❖ 3.75% - January 1, 2025.
 - ❖ 3.25% - January 1, 2026.
 - ❖ 3.00% - December 31, 2026.

3. HEALTH & RETIREMENT IMPROVEMENTS

- General contribution rate increase of 0.5% to 13.5% effective January 1, 2025, except contribution rate on streaming will remain 13.0%.
- Percentage of streaming revenue covered by contributions will increase from 50% to 75% on January 1, 2025, and again from 75% to 100% on December 31, 2026.
- For groups of six or more, the contribution limit (cap) will be changed so that all group members are able to reach the qualifying threshold, regardless of the number of members of the group.

4. PAYMENTS FOR USAGE (LICENSING)

- Payments for blanket licensing of a label catalog will be set to match the payment for streaming use.
- Licensing into video games will now be covered as a traditional new use at the 7% rate with a maximum fee of \$5,500.
- Union will consider in good faith requests for modifications to new use payments for company-created projects.
- Consent for licensing of tracks created for film and television projects will now be presumed, provided the required compensation under the licensing provisions of the collective bargaining agreement and any applicable royalty agreement are paid.
- Consent for licensing into commercials will now be presumed for non-royalty artists, only subject to their being paid the required payments under the applicable commercials contract.

5. TIMELINE FOR BARGAINING SUCCESSOR AGREEMENT

- Parties agree to begin negotiations on a successor agreement no later than August 2026.

The foregoing contract summary has been carefully prepared to reflect the key provisions of the contract. As a summary, however, it does not contain all details of the agreement, and is not the authoritative document. In the event of any conflict, the Memorandum of Agreement governs.



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