

Summary of Key Terms of the Replica Studios Agreement

This innovative new contract for Digital Voice Replicas is divided into two parts — a “Development Agreement” that covers the creation and use of Digital Voice Replicas for internal development and demonstration (such as to prospective clients or corporate partners) and a corresponding agreement for licensing and “external” uses. The latter sets terms for Replica Studios’ own use of Digital Voice Replicas or use by third parties.

The Digital Voice Replica Agreement was years in the making. It was bargained and unanimously approved by the Interactive Media Agreement Negotiating Committee – which is comprised of voice actors working in the video game industry – who met with key executives of Replica Studios during the course of negotiations. It was then approved unanimously by the union’s Executive Committee.

Development Agreement

Scope of Coverage

- Covers the creation and use of Digital Voice Replicas of SAG-AFTRA members or anyone working under a SAG-AFTRA Agreement for internal development and demonstration purposes
- “Experimental” agreement limited to 1 year term (through January 31, 2025)

Compensation for Creation and Development Use

- Session-based compensation based on the minimum rates in the Interactive Media Agreement:
 - 4-hour day: \$956.75
 - 6-hour day: \$1,914.25
- Overtime rates apply to any sessions that go over the time for which a performer was initially engaged
- Plus H&R at 16.5%
- Use of existing recordings (living or deceased) to create Digital Voice Replica:
 - Requires performer / estate consent
 - Rate negotiable, no less than 4-hour rate

“Development” Use of Digital Voice Replicas

- One year maximum from date of first use
 - Extendable for additional 1-year terms with performer informed consent and payment
 - No less than the 4-hour session rate in the then current IMA for each successive year.

Foundational Models / Training Use

- Maximum period of use not to exceed 3 years initial term.

- Extendable for additional 3 year terms with performer consent and additional payment
 - One-half (½) of the 4-hour session rate in then current IMA for each successive 3-year period.

Working Conditions for Creation of Digital Voice Replica

- Performer informed consent and negotiation required
 - Requires full and forthright description of the recording session and the intended Development Use, to the extent known
- 5 minute (min) rest period each hour

Protective Terms Include:

- Commercially reasonable steps to ensure the security of voice recordings and Digital Voice Replica
- Must cease use and delete Digital Voice Replica upon end of contract or project
- Required protection of member personal information
- Breach notification obligation
- No other use of underlying recordings allowed without bargaining with Performer
- Indemnification for misuse of Digital Voice Replica

Licensing Agreement

Scope of Coverage

- Supplements the Limited Digital Voice Replica Development Agreement (“Development Agreement”)
 - Sets terms for Replica Studios’ licensing of Digital Voice Replicas created under the terms of the Development Agreement
 - Initial term is coterminous with Development Agreement
 - Replica’s “External Use” is also governed by this Agreement
 - For example, if Replica Studios develops video games
- Cannot circumvent applicable SAG-AFTRA Agreements or membership rules
- Transparency for all types of licenses:
 - The identity of the Licensee
 - The type or category of project, including the intended medium of release
 - Whether the Project is covered by a SAG-AFTRA Agreement (so that members can refuse non-covered work)
- Sets compensation minimums based on type of work

Protective Terms for Licenses

- Cannot use voice recordings for any purpose for which the performer has not consented
- Obligation to pass protective terms from the Development Agreement through to Licensee
 - Replica Studios remains obligated for compliance unless licensee executes transfer of rights accepting obligations and files it with SAG-AFTRA

- NDAs, if required of performer, must be reasonable and cannot waive rights under NLRA Section 7 or to report violations of union agreements or law
- Commercially reasonable security of Digital Voice Replica and personal data, including breach notification requirements
- Replica agrees to reasonably cooperate if claims are filed against a licensee.

Current License Types

Interactive Pre-Production License:

- Licensee’s internal research and development, including for scratch tracks and demonstration.
 - Limited to projects within the scope of the IMA
- Single project only
- Compensation — no less than two times (2x) 4 hour session fee in then-current IMA (currently, 2 x \$956.75 = \$1913.50)
 - Contributions at IMA H&R rate, currently 16.5%
- Up to 3 “Voice Prints” per performer
 - “Voice Print” is an individually-identifiable Digital Voice Replica
- May not be used in any version of the Project offered for sale to the public without paying Interactive Media Performance License fee
- Initial MPU — 2 years
 - Annual extension allowed with payment of additional fee based on one 4-hour session fee in then-current IMA
 - No cap on number of extensions

Interactive Media Performance Licenses:

- Linear scripted content only
 - Procedurally generated content (such as AI-generated situational dialogue) requires further negotiation with union
- Compensation categories (derived from IMA definitions):
 - “Principal Voice”
 - Speaks dialogue, other than an Atmospheric Voice
 - Minimum compensation based on “Limited Integration” rate in 2017 IMA
 - 4-hour session rate for first 300 lines or 3000 words includes first payment of secondary compensation: \$1,031.75
 - Includes first “additional compensation” payment
 - Each additional 300 lines or 3000 words: \$956.75
 - Up to 3 Voice Prints
 - “Atmospheric Voice”
 - Less than 300 words per voice/character
 - Does not advance principal story
 - Subject to employment minimums in IMA
 - Project must employ 10 principals (live or replica) to be eligible to use Atmospheric Voices
 - Must notify performer that their voice is being licensed for Atmospheric Voice

- 4-hour session rate for first 300 lines or 3000 words includes first payment of secondary compensation: \$1,031.75
 - Each additional 300 lines or 3000 words: \$956.75
 - Up to 20 voice prints
- H&R based on IMA rate, currently 16.5%
- Additional (Deferred) Compensation for Interactive
 - Payable upon release of game
 - Based on 2017 IMA structure (see chart below)
 - Creditable against overscale
- Transparency / Disclosure requirements
 - Based on 2017 IMA transparency language, plus disclosures added due to the unique nature of Digital Voice Replica use
 - Replica is required to disclose, to the extent known:
 - Name or code name of game
 - Whether the Licensed use is based upon a previously published intellectual property
 - The size of the role or the extent to which the Digital Voice Replica will be used
 - Includes the anticipated number of lines of dialogue if known
 - Ex. if major or lead role
 - Genre of game
 - If it is a role Performer previously portrayed in any other work
 - Profanity, depicts sexual situations, is religious, political, or controversial
 - Commercial sponsors and/or use in advertisements
 - Includes race, ethnicity, gender of the character.
 - Must provide all information prior to inclusion in the final game

Additional (Deferred) Compensation chart:

<u>Number of Lines Used:</u>	<u>Additional Compensation:</u>	<u>Aggregate Additional Compensation:</u>
Lines 1-300	\$75.00 (Included in minimum for first session)	
Lines 301 - 600	\$125.00	\$125.00
Lines 601 - 900	\$175.00	\$300.00
Lines 901 - 1,200	\$175.00	\$475.00
Lines 1,201 - 1,500	\$225.00	\$700.00
Lines 1,501 - 1,800	\$225.00	\$925.00
Lines 1,801 - 2,100	\$275.00	\$1,200.00
Lines 2,201 - 2,400	\$275.00	\$1,475.00

Lines 2,401 - 2,700	\$275.00	\$1,750.00
Lines 2,701 and above	\$275.00	\$2,025.00