# CONTRACT OF RECIPROCAL REPRESENTATION BETWEEN PUBLIC PERFORMANCE RIGHTS SOCIETIES

## Between the undersigned

Sociedade Brasileira de Administração e Proteção de Direitos Intelectuais (hereinafter referred to as SOCINPRO), whose registered office is at Av. Presidente Wilson, 210 - 9º andar — Castelo, Rio de Janeiro, RJ - 20.030-021, Brazil, represented by Director General Jorge de Souza Costa (JorCosta) y Director Secretary Sylvio Rodrigues Silva, (Silvio Cesar), specifically authorised for the purposes of the present contract.

On the one part, and

Republican Public Association «Author society «ABYROY» (hereinafter – ABYROY) whose registered office is: Kazybek Bi 65 Street, office 208, Almaty, Kazakhstan; represented by Director Nurmukhametov O.B. specifically authorized for the purposes of the present contract by ABYROY's Charter

On the other part:

Hereinafter also the contracting societies, It has been agreed as follows:

ARTICLE 1	
1.	By virtue of the present contract, SOCINPRO confers on ABYROY the non-exclusive right, in the territories in which this latter society operates (as they are defined and delimited in paragraph 1 of Article 6 hereafter), to grant the necessary authorization for all public performances (as defined in paragraph 3 of this Article) of musical works, with or without lyrics, which are protected under the terms of national laws, bilateral treaties and multilateral international convention relating to the author's right (copyright, intellectual property, etc.) now in existence or which may come into existence and enter into effect while the present contract is in force.  The non-exclusive right referred to in the preceding paragraph is conferred in so far as the public performance right in the works concerned had been, or shall be, during the period when the present contract is in force, assigned, transferred or granted by whatever means, for the purpose of its administration, to SOCINPRO by its members, in accordance with its articles of association and rules the said works collectively constituting «the repertoire of the SOCINPRO)
2.	Reciprocally, in virtue of the present contract, ABYROY confers on SOCINPRO the non-exclusive right, in the territories in which this latter society operates (as they are defined and delimited in paragraph 1 of Article 6 hereafter) the necessary authorization for all public performances (as defined in paragraph 3 of this Article) of musical works, with or without lyrics, which are protected under the terms of national laws, bilateral treaties and multilateral international convention relating to the author's right (copyright, intellectual property, etc.)

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now in existence or which may come into existence and enter into effect while the present contract is in force.

The non-exclusive right referred to in the preceding paragraph is conferred in so far as the public performance right in the works concerned had been, or shall be, during the period when the present contract is in force, assigned, transferred or granted by whatever means, for the purpose of its administration, to ABYROY by its members, in accordance with its articles of association and rules the said works collectively constituting «the repertoire of ABYROY»

3. Under the terms of the present contract, the expression «public» includes all sounds and performances rendered audible to the public in any place whatever within the territories in which each of the contracting societies operated, by any means and in any way whatever, whether the said means be already known and put to use or whether hereafter discovered and put to use during the period when this contract is in force.

«Public performance» includes in particular performances provided by live means, instrumental or vocal; by mechanical means such as phonographic records, wires, tapes and sound tracks (magnetic and otherwise); by processes of projection (sound film), of diffusion and transmission (such as radio and television broadcasts, whether made directly or relayed, retransmitted, etc.) as well as by any process of wireless reception (radio and television receiving apparatus, telephonic reception, etc. and similar means and devices, etc.)

«The public audition» or «public performance by mechanical» means such as phonographic records, wires, sound tracks (magnetic and otherwise), etc. may only be authorized if the mechanical right owner (or his representative) has prior thereto authorized the mechanical reproduction of the sound carrier in question for the purposes of its public performance.

«Authorization for wireless diffusion and transmission» is subject to the condition that the broadcasting organization has received the consent of the mechanical right owner (or his representative), on the one hand for its own recording and on the other hand for the use of sound carriers made by third parties.

The provisions of the two preceding paragraphs are not applicable in countries where law or case law does not grant the author the right to control or use of recording the making of which he has authorized.

Authorization for performance by processes (sound film) is subject to the condition that the synchronization right has been duly granted by the copyright owner (or by his representative).

### ARTICLE 2

The right to authorize performances, as referred to in Article 1, entitles each of the contracting societies, within the limits of the powers pertaining to it by virtue of the present contract, and its own articles of association and rules, and of the national legislation of the country or countries in which it operates:

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- a) to permit or prohibit, whether in its own name or that the author concerned, public performances of works in the repertoire of the other society and to grant the necessary authorizations for such performances;
- b) to collect all royalties required in turn for the authorization granted by (as provided in a) above);
- c) to receive all sums due as indemnification or damages for unauthorized performances of the works in question;
- d) to give valid receipt for the collections made and sums received as aforesaid;
- e) to commence and pursue, either in its own name or that of the author concerned, any legal action against any person or corporate body and any administrative or other authority responsible for illegal performances of the woks in question;
- f) to transact, compromise, submit to arbitration, refer to any Court of law, special or administrative tribunal;
- g) to take any other action for the purpose of ensuring the protection of the public performance right in the works covered by the present contract.
- 2. The present contract being personal to the contracting societies, and concluded on that basis, it is formally agreed that, without the express written authorization of one of the contracting societies, the other contracting society may not in any circumstances assign or transfer to a third party all or part of exercise of the prerogatives, faculties or otherwise to which it is entitled under the said contract and in particular under Article 2. Any transfer effected in despite of this clause shall be null and void without the fulfillment of any formality.

#### **ARTICLE 3**

In virtue of the powers conferred by Articles 1 and 2, each of the contracting societies undertakes to enforce within the territory in which it operates the rights of the members of the other party in the same way and to the same extend as it does for its own members, and to do this within the limits of the legal protection afforded to a foreign work in the country where protection is claimed, unless, in virtue of the present, such protection not being specifically provided in law, it is possible to ensure an equivalent protection.

Moreover, the contracting societies undertake to uphold to the greatest possible extent, by way of the appropriate measures and rules, applied in the field of royalty distribution, the principle of solidarity as between the members of both societies, even where by the effect of local law foreign works are subject to discrimination.

In particular, each society shall apply to works in the repertoire of the other society the same tariffs, methods and means of collection and distribution of royalties (subject to what is agreed hereafter in Article 7) as those which it applies to work in its own repertoire7

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2.	Each of the contracting societies undertakes to send to the other society any information for which it may be asked concerning the tariffs it applies to different kinds of public performance in its own territories.
3.	For the purpose of coordinating their efforts to raise the level of copyright protection in their respective countries and with a view to equating the economic content of the present contract, each society undertakes, at the request of the other society, to concern with the other society in seeking the most effective mans to this end.
ARTICLE 4	Each of the contracting societies shall place at the disposal of the other all documents enabling the latter to justify the royalties it is responsible for collecting under the present contract and to take any legal or other action, as mentioned in paragraph 1 of Article 2 above
ARTICLE 5	
1.	Each contracting society shall place at the disposal of the other all documents, records and information enabling it to exercise effective and thorough central over its interests, in particular as regards notification of works, collection and distribution of royalties, and obtaining and checking performance programs.  In particular, each contracting party shall inform the other of any discrepancy which it notes between the documentation received from the other society and its own documentation or that furnished by another society.
2.	In addition, each of the societies shall have the right to consul all the other society's records and to obtain all information from it relating to the collection and distribution of royalties to enable it to check the administration of its repertoire by the other society.
3.	Each of the societies may accredit a representative to the other society to carry out on its behalf the checks specified in paragraphs 1 and 2 of this article. The candidacy of the named representative is subject to approval by the party, where he was accredited. Refusal to approve the proposed candidate must be substantiated.
ARTICLE 6	
1.	The territories/territory in which SOCINPRO operates are/is as follows: Brazil The territories/territory in which ABYROY operates are/is as follows: REPUBLIC OF KAZAKHSTAN
2.	For the duration of the present contract, each of the contracting societies shall refrain from any intervention within the territory of the other society in the latter's exercise of the mandate conferred by the present contract.
ARTICLE 7	
1.	Each society undertakes to do its utmost to obtain program to all public performances which take place in its territories and to use these program as the effective basis for the distribution of the total net royalties collected for these performances.



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- 2. The allocation of sums collected in respect of works performed in the territories of each society shall be made in accordance with Article 3 and the distribution rules of the distributing society, having regarded, nevertheless, to the following paragraph:
  - a) where all the parties interested in a work are members of a single society other than the distributing society, the whole (100%) of the royalties accruing to that work shall be distributed to the society of which the said interested parties are members.
  - b) In the case of a work the parties interested in which are not all members of the same society but of whom none is a member of the distributing society, the royalties shall be distributed in accordance with the international index cards.

In the case of contradictory index cards of notifications, the distributing society may distribute the royalties in accordance with its rules, except where different interested parties claim the same share, when such share may be but into suspense until agreement has been reached between the societies concerned.

- c) In the case of a work one at least of whose original creator belong to the distribution society, this latter society may distribute the royalties in accordance with its own rules.
- d) where a work, in the absence of an international index card or equivalent documentation, is identified only by the name of the composer, being a member of society, the total of royalties, accruing to that work is to be sent to the composer's society. If the work is a arrangement of a non-copyright work, the royalties are to be paid to the arranger's society insofar as he is known. In the case of lyrics adapted to a non-copyright work, the royalties are to be sent to the lyric writer's society.

The society receiving royalties distributed according to the foregoing rules in responsible, in the case of mixed works, for making any necessary transfers to other societies interested in the work and for informing the distributing society by means of international index cards or equivalent documentation.

e) where a member of one of the societies has acquired the rights to adapt, arrange, republish or exploit a work in the repertoire of the other society, the distribution of royalties shall be made with due regard to the provisions of the present Article and of the «Confederal Statue of sub-publication» established by the International Confederation of Societies of Authors and Composers (hereafter designated «CISAC»

#### **ARTICLE 8**

Each society shall be entitled to deduct from the sums it collects on behalf of the other society the percentage necessary to cover its effective administration expenses. This necessary percentage shall not exceed that which is deducted for this purpose from sums collected for members of the distributing society, and the latter society shall always endeavor in this respect to keep within reasonable limits, having regard to local conditions in the territories in which it operates.

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2.	Income tax on the amount of royalties received by each of the parties for the authors of the other side will be withheld, according to the law in force on the territory of each side and according to the agreement between the Government of the Republic of Kazakhstan and the Government of SOCINPRO
3.	Any other deductions, apart from taxed, that either of the contracting societies may make or be obliged to make from the net royalties accruing to the other society would give rise to special arrangements between the contracting parties.
4.	No part of the royalties collected by either society for the account of the other in consideration of the authorization which it grants solely for the copyright works which it is authorized to administer may be regarded as not distributable to the other society. With the exception therefore, only of the deduction mentioned in paragraph 1 of this article, and subject to the provisions of paragraph 2 and 3 of the said article, the net total of the royalties collected by one of the contracting societies for the account of the other shall be entirely and effectively distributed to the latter.
ARTICLE 9	
1.	Each of the contracting societies shall distribute to the other the sums due under the terms of the present contract as and when distributions are made to its own members and at least twice a year. Payment of these sums shall be made within 90 days following each distribution, barring duly ascertained cases outside the societies' control
	Each contracting society independently incurs bank costs when transferring royalties to the other society.
	Contracting societies have agreed that the total minimum amount of royalty payable is the equivalent of \$ 1,000
	Article 9 of this agreement will be applied to the amounts of arrears of contracting societies for payment arising and available under earlier concluded agreements or in the periods preceding the conclusion of this agreement with respect to their transfer
2.	Settlements shall be made by each society in the EURO currency
3.	Each payment shall be accompanied by a distribution statement in such form as to enable the other society to allocate to each interested party, whatever this membership or category as member, the royalties accruing to him (Annex $N_2$ )
4.	Each society shall remain responsible to the other for any error or omission which it may make in the distribution of the royalties accruing to works in the repertoire of the other society.
5.	So long as legislative or statutory measures impede the free exchange of international payments, or exchange control agreements have been or will be concluded in the future, between the countries of the two contracting societies, each society shall:



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	a) without delay immediately after drawing up the distribution accounting for the other society, take all necessary steps and comply with the formalities as required by its national authorities in order to ensure that the said payments can be effected at the earliest possible moment;
	b) inform the other society that the said steps have been taken and formalities complied with when sending to it the statements mentioned in paragraph 3 of the present article.
ARTICLE 10	
1.	Each society shall provide the other with a complete and detailed list of:
	a) real names and the pseudonyms of its members, including the date of decease of those author and composer member who are deceased at the time when present contract is concluded whose rights it continues to represent (Annex 2);
	b) shall from time to time send to the other society, in similar form, supplementary list indicating additions, deletions or alterations to the principal list, and, at least one a year a list of author and composer members who have died in the course of year (Annex 3);
	c) list of new registered compositions during the reporting period (Annex 4)
2.	Each society shall also provide the other with a copy of its current articles of association and rules, including its distribution plan and shall inform it of any subsequent modification made thereto while the present contract is in force.
ARTICLE 11	
1.	The members of each contracting society shall be protected and represented by the other society under the present contract without the said members being required by the society representing them to comply with any formalities and without their being required to join the other society.
2	During the term of present contract, none of the contracting societies is entitled without the agreement of the other society to accept one of its author by another contracting society with citizenship of one of the countries in which the other contracting party operates.
3.	Nevertheless, the preceding clause shall not interpreted as prohibiting either of the contracting societies from accepting as members natural persons, who enjoy refugee status in its own territories of operation, or who have been authorized to settle there and have actually been resident there for at least one year and to do so as long as they continue to reside there.
4.	Each contracting society undertakes not to communicate directly with members of the other society except when the occasion arises to communicate with them through the intermediary of the other society.
ARTICLE 12	
1.	The commencement date shall be recognized as the signed date by the contracting society which will make it last.
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	The present contract shall come into force as from <u>signed date</u> and shall continue till <u>expiration date</u> subject to the terms of Article 13 shall continue in force from year to year by automatic extension if it has not been determined by registered letter at least 3 months before the expiration of each period.
ARTICLE 13	
1.	Notwithstanding the terms of Article 12, the present contract may be determined immediately by one of the contracting societies:
	a) if an alteration is made in the articles of association, rules or distribution plan of the other society such as may modify in an appreciably unfavorable way the enjoyment or exercise of the patrimonial rights of the present owners of the copyrights administered by the society represented. Any change of this nature shall be verified by the competent body of CISAC. After such verification, the CISAC's Board of Directors may allow the representing society a period of three month to remedy the situation thus created. When this period has expired without the necessary steps having been taken by the society in question the present contract may be terminated by the unilaterally expressed wish of the society represented, if it so decides;
	b) If such a legal or factual situation arises the country of one of the contracting society that the members of the other society are placed in a less favorable position than the members of the society of the said country, or if one of the contracting societies puts into practice measures resulting in a boycott of the works in the repertoire of the other contracting society.
	c) this contract may be terminated legally cause of bankruptcy or insolvency of one of the contracting societies.
ARTICLE 14	
1.	Each of the contracting societies may seek the advice of the CISAC's Board of Directors about any difficulty which may arise between the two societies regarding the interpretation or performance of this contract.
2.	The two societies may, if need be, agree to resort to arbitration by the CISAC's appropriate authority in order to settle any dispute that may arise between them with regard to the present contract.
3.	If the two contracting societies do not think it appropriate to resort to arbitration by the CISAC, or to arrange between them for arbitration event independently of the CISAC, in order to settle their disagreement, the competent Court to decide the issue between them shall be that in which the defendant society is domiciled.
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Executed in good faith in the same number of copies, as there are parties to this contract, including intervening parties.

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Signed:

In Kazakhstan, Almaty

Rio de Janeiro, Brazil

For ABYROY

For SOCINPRO

Jorge S. Costa (JorCosta)

General Director/CEO

Sylvio Rodrigues Silva (Silvio Cesar)

Secretary Director

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