

**CONTRACT OF UNILATERAL REPRESENTATION  
(PERFORMING RIGHTS)**

**BETWEEN THE UNDERSIGNED:**

AKM, Staatlich genehmigte Gesellschaft der Autoren, Komponisten und Musikverleger, reg. Gen.m.b.H., hereinafter called AKM, whose registered office is at A-1030 Wien, Baumannstrasse 8-10, represented by its CEO Dr. Gernot Graninger, acting on the basis of the statute,

on the one part;

and

SOCINPRO, Sociedade Brasileira de Administração e Proteção de Direitos Intelectuais, whose registered office is at Av. Presidente Wilson 210, 9e Andar, CEP 20030-021 Rio de Janeiro, represented by its President, Jorge S. Costa, and Director General, Sylvio Rodrigues Cesar, affiliated at CISAC with number 189.

on the other part;

**IT IS AGREED AS FOLLOWS:**

**Art. 1- (I)** By virtue of the present contract, SOCINPRO confers on AKM the exclusive right in the territories in which this latter operates (as they are defined and delimited in Art. 6 (I) hereafter), to grant the necessary authorizations for all public performances (as defined in paragraph II of this Article) of musical works, with or without lyrics, which are protected under the terms of national laws, bilateral treaties and multilateral international conventions 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 exclusive right referred to in the preceding paragraph is conferred insofar the public performance right in the works concerned has 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 SOCINPRO".

**(II)** Under the terms of the present contract, the expression "public performance" includes all sounds and performances rendered audible to the public in any place whatever within the Territory in which AKM operates, 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 the 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, television and satellite 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.) and by digital transmission through the internet or any other wired or wireless communication network.

**ART. 2- (I)** The exclusive right to authorize performances, as referred to in Article 1 entitles AKM, within the limits of the powers pertaining to it by virtue of the present contract, and of its own Articles of Association and Rules, and of the national legislation of the country or countries in which it operates;

- a) to permit or prohibit, whether in its own name or that of the author concerned, public performances of works in the repertoire of SOCINPRO and to grant the necessary authorizations for such performances;
- b) to collect all royalties required in return for the authorizations granted by it (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 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 works in question;
- e) to transact, compromise, submit to arbitration, refer to any Court of Law, special or administrative tribunal;
- f) 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.

**(II)** 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 SOCINPRO, AKM may not in any circumstances assign or transfer to a third party all or part of the 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.

**(III)** With regard to direct broadcasting by satellite, SOCINPRO agrees that the rights conferred by virtue of Art. 1 of this contract are not limited to the Territory in which AKM operates but are valid for all countries within the footprint of the satellite of which the transmissions are effected from the Territory in which AKM operates.

**ART. 3- (I)** In virtue of the powers conferred by Articles 1 and 2, AKM undertakes to enforce within the Territory in which it operates the rights of the members of SOCINPRO in the same way and to the same extent 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 contract, such protection not being specifically provided in law, it is possible to ensure an equivalent protection.

In particular, AKM shall apply to works in the repertoire of SOCINPRO the same tariffs, methods and means of collection and distribution of royalties (subject to what is agreed hereafter in Art. 7) as those which it applies to works in its own repertoire.

(II) AKM undertakes to send SOCINPRO any information for which it may be asked concerning the tariffs it applies - to different kinds of public performances in its own territories.

**ART. 4 -** SOCINPRO shall place at the disposal of AKM 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 Art. 2 (I) above.

**ART. 5 - (I)** SOCINPRO party shall place at the disposal of AKM all documents, records and information enabling it to exercise effective and thorough control over its interests, in particular as regards notification of works, collection and distribution of royalties, and obtaining and checking performance programs.

AKM shall inform SOCINPRO of any discrepancy which it notes between the documentation received from SOCINPRO and its own documentation or that furnished by another Society.

(II) In addition, SOCINPRO shall have the right to consult all the other records of AKM 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 AKM.

(III) SOCINPRO may accredit a representative to AKM to carry out on its behalf the verification provided for in paragraphs (I) and (II) above. The choice of this representative shall be subject to the approval of AKM to which he is to be accredited. Refusal of such approval must be motivated.

### **TERRITORY**

**ART. 6 - (I)** The Territory in which AKM operates is: Austria.

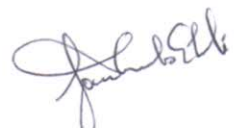
(II) For the duration of the present contract, SOCINPRO shall refrain from any intervention within the Territory of AKM in the latter's exercise of the mandate conferred by the present contract.

### **DISTRIBUTION OF ROYALTIES**

**ART. 7- (I)** AKM undertakes to do its utmost to obtain programs of all public performances, which take place in its Territory, and to use these programs as the effective basis for the distribution of the total net royalties collected for these performances.

(II) The allocation of sums collected in respect of works performed in the Territory of AKM shall be made in accordance with Article 3 and the distribution rules of AKM, having regarded, nevertheless, to the following paragraphs:

- a) Where all the parties interested in a work are members of a single Society other than AKM, 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 AKM, the royalties shall be distributed in





accordance with the international index cards (that is, the index cards or equivalent notifications sent and accepted by the Societies of which the interested parties are members).

- c) In the case of contradictory index cards or notifications, AKM may distribute the royalties in accordance with its rules, except where different interested parties claim the same share, when such share may be put into suspense until agreement has been reached between the societies concerned.
- d) In the case of a work one at least of whose original creator belong to AKM, this society may distribute the royalties in accordance with its own Rules.
- e) The publisher's share of the royalties accruing to a work, or the total share of all the publishers or sub-publishers of a work, no matter how many, shall in no case exceed one half (50%) of the total royalties accruing to the work.
- f) 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 a Society, the total of the royalties accruing to that work is to be sent to the composer's Society. If the work is an 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.
- g) SOCINPRO receiving royalties distributed according to the foregoing rules is responsible, in the case of mixed works, for making the necessary transfers to other Societies interested in the work and for informing AKM by means of international index cards or equivalent documentation.
- h) Where a member of AKM has acquired the rights to adapt, arrange, re-publish or exploit a work in the repertoire of SOCINPRO, the distribution of royalties shall be made with due regard to the provisions of the present Article and of the "Confederate Statute of Sub-publication" established by CISAC (as defined in Article 12 below).

**ART. 8 - (I)** AKM shall be entitled to deduct from the sums it collects on behalf of SOCINPRO 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 AKM, and AKM shall always endeavor in this respect to keep within reasonable limits, having regard to local conditions in the Territory in which it operates.

**(II)** When it does not make any supplementary collection for the purpose of supporting its members' pensions, benevolent or provident funds, or for the encouragement of the national arts, or in favor of any funds serving similar purposes, AKM shall be entitled to deduct from the sums collected by it on behalf of SOCINPRO 10% at the maximum, which shall be allocated to the said purposes.

**(III)** Any other deduction, apart from taxes that AKM may make or be obliged to make from the net royalties accruing to SOCINPRO would give rise to special arrangements between the contracting parties.

**(IV)** No part of the royalties collected by AKM for the account of SOCINPRO in consideration of the authorizations which it grants solely for the copyright works which it is authorized to

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administer, may be regarded as not distributable to SOCINPRO. With the exception, therefore, only of the deduction mentioned in paragraph (I) of this Article, and subject to the provisions of paragraphs (II) and (III) of the said Article, the net total of the royalties collected by AKM for the account of SOCINPRO shall be entirely and effectively distributed to SOCINPRO.

**ART. 9 – (I)** AKM shall remit to SOCINPRO the sums due under the terms of the present contract as and when distributions are made to its own members and at least once a year. Payment of these sums shall be made within 90 days following each distribution, barring duly ascertained cases outside its control.

**(II)** Each remittance shall be accompanied by distribution statements (two in number - one for general royalties/ radio-television; one for sound films) in such form as to enable SOCINPRO to allocate to each interested party, whatever his membership or category as member, the royalties accruing to him. These statements shall be uniform in style and material and shall, at least, include the following items:

1. composers' names (in alphabetical order);
2. for each composer, work titles (in alphabetical order);
3. interested parties;
4. share accruing to SOCINPRO; and
5. royalty amounts indicated in the currency of the transmitting organization, or, in default thereof, in points;
6. in case of sound films: the film title, in the language of the country of exploitation; and the original title of the said film.

**(III)** Settlements shall be made by AKM in the currency of its country. SOCINPRO shall bear its own currency exchange costs and any other transaction costs.

**(IV)** AKM shall remain responsible to SOCINPRO for any error or omission which it may make in the distribution of the royalties accruing to works in the repertoire of SOCINPRO.

**(V)** 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, AKM shall:

- a) without delay, immediately after drawing up the distribution accounting for SOCINPRO, take all necessary steps and comply with all 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 SOCINPRO that the said steps have been taken and formalities complied with when sending to it the statements mentioned in paragraph (II) of the present Article.

**ART. 10 - (I)** SOCINPRO undertakes to supply the IPI Center of CISAC on a regular basis with complete and detailed information on the real names and the pseudonyms of its members, including dates of decease, deletions and alterations. AKM will use the IPI List output as the basis for its identification of and distribution to members of SOCINPRO.

**(II)** AKM shall provide SOCINPRO with a copy of its current Articles of Association and Rules, including its Distribution Plan, if requested.

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**ART. 11 - (I)** The members of SOCINPRO shall be protected and represented by AKM under the present contract without the said members being required by SOCINPRO to comply with any formalities and without their being required to join AKM.

**(II)** AKM undertakes not to communicate directly with members of SOCINPRO, but, if occasion arises, to communicate with them through the intermediary of SOCINPRO.

**(III)** Any disputes or difficulties which may arise between the two contracting Societies relating to the membership of an interested party or assignee shall be settled amicably between them in the widest spirit of conciliation.

### CONFEDERATION

**ART. 12** - The present contract is subject to the provisions of the Statutes and decisions of the International Confederation of Societies of Authors and Composers (CISAC).

### DURATION

**ART. 13** - The present contract shall come into force as from **August 1<sup>st</sup>, 2013** and subject to the terms of Art. 14, shall continue in force from year to year by automatic extension if it has not been terminated by registered letter at least six months before the expiration of each period.

**ART. 14-** Notwithstanding the terms of Article 13, the present contract may be terminated with immediate effect 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 unfavourable 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 CISAC's Administrative Council may allow the representing Society a period of three months 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 in the country of AKM that the members of SOCINPRO are placed in a less favorable position than the members of AKM, or if AKM puts into practice measures resulting in a boycott of the works in the repertoire of SOCINPRO.

### LEGAL DISPUTES - JURISDICTION

**ART. 15 - (I)** Each of the contracting Societies may seek the advice of the appropriate Administrative Council of CISAC about any difficulty which may arise between the two Societies regarding the interpretation or performance of this contract.

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(II) The two Societies may, if need be, agree to resort to arbitration by CISAC's appropriate authority in order to settle any dispute that may arise between them with regard to the present contract.

(III) If the two contracting Societies do not think it appropriate to resort to arbitration, by CISAC, or to arrange between them for arbitration, even independently of CISAC, in order to settle their disagreement the competent Court to decide the issue between them shall be the court of Justice in which AKM is domiciled.


Executed in good faith in the same number of copies as there are parties to this contract, including intervening parties,

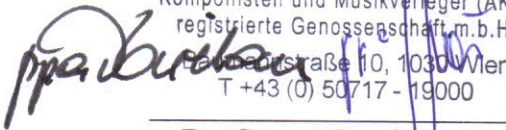
At Vienna, on, Aug, 20 2013


At Rio de Janeiro, on \_\_\_\_\_ 2013

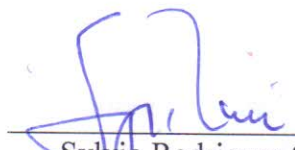
For and behalf of AKM

For and behalf of SOCINPRO:

  
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\_\_\_\_\_  
Dr. Gernot Graninger

  
\_\_\_\_\_  
Jorge S. Costa  
President

  
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Director General

