

**CONTRACT OF
UNILATERAL REPRESENTATION
BETWEEN
SOCINPRO AND MUSICAUTOR**

Between the undersigned

Sociedade Brasileira de Administração e Proteção de Direitos Intelectuais (hereinafter referred to as SOCINPRO), whose registered office is at Avenida Presidente Wilson, 210 – 9º andar, CEP 20030-021, Rio de Janeiro, Brazil, represented by Director General Sylvio Rodrigues Silva (Silvio Cesar), specifically authorised for the purposes of the present contract by power of attorney, on the one part

and

MUSICAUTOR – Bulgarian Society of Composers, Authors and Music publishers for Performing and Mechanical Rights (hereinafter referred to as MUSICAUTOR), whose registered office is at 17, Budapeshta Str., 4th fl., 1000 Sofia, Bulgaria, represented by Ivan DIMITROV, Executive Director, specifically authorised for the purposes of the present contract by Articles of Association

it is agreed as follows:

Art. 1.-

(I) By virtue of the present contract, SOCINPRO confers on MUSICAUTOR the non-exclusive right, in the territories in which this latter society operates (as they are defined and delimited in Art. 6 (I) hereafter), to grant the necessary authorisations for all public performances (as defined in paragraph (III) 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 non-exclusive right referred to in the preceding paragraph is conferred in so far as 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".

The rights granted include the right to enforce the author's rights before any competent authority, including the courts and the Prosecution Authority. In the event that the rights granted under this Article do not entitle MUSICAUTOR to enforce such rights, then SOCINPRO will assign to MUSICAUTOR all rights necessary for enforcing the author's rights.

(II) 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 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 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.).

(III) With regard to direct broadcasting by satellite, the contracting Societies agree that the rights conferred by virtue of Art. 1 of this Contract are not limited to the territories of operation but are valid for all countries within the footprint of the satellite of which the transmissions are effected, subject to having acquired the other contracting Society's agreement beforehand as to the conditions under which the authorisations required for such transmissions may be delivered, insofar as the territories in which it operates are situated within the satellite's footprint.

Art. 2.-

(I) The non-exclusive right to authorise performances, as referred to in Art.1, entitles MUSICAUTOR, 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 the other society and to grant the necessary authorisations for such performances;

b) to collect all royalties required in turn for the authorisations granted by it (as provided in a) above); to receive all sums due as indemnification or damages for unauthorised performances of the works in question; to give valid receipt for the collections made and sums received as aforesaid;

c) 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; to transact, compromise, submit to arbitration, refer to any Court of law, special or administrative tribunal;

d) 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 authorisation of SOCINPRO; MUSICAUTOR 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 Art. 2. Any transfer effected in despite of this clause shall be null and void without the fulfilment of any formality, except as regards a transfer limited to the administration of rights for purposes of diffusion by means of a fixed service satellite and operated in favour of a society having concluded a reciprocal representation contract with each of the contracting societies.

Art. 3.-

(I) In virtue of the powers conferred by Articles 1 and 2, MUSICAUTOR 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. Moreover, the contracting parties 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, MUSICAUTOR 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) MUSICAUTOR undertakes to send to SOCINPRO any information for which it may be asked concerning the tariffs it applies to different kinds of public performance in its own territories.

(III) For the purpose of co-ordinating 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, MUSICAUTOR undertakes, at the request of SOCINPRO, to concert with the other society in seeking the most effective means to this end.

Art. 4.-

MUSICAUTOR shall place at the disposal of SOCINPRO 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) MUSICAUTOR shall place at the disposal of SOCINPRO 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 programmes.

In particular, MUSICAUTOR 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 MUSICAUTOR'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 MUSICAUTOR.

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

TERRITORY

Art. 6.-

The territories in which the MUSICAUTOR operates are as follows: REPUBLIC OF BULGARIA.

DISTRIBUTION OF ROYALTIES

Art. 7.-

(I) MUSICAUTOR undertakes to do its utmost to obtain programmes of all public performances which take place in its territories and to use these programmes 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 territories of MUSICAUTOR shall be made in accordance with Article 3 and MUSICAUTOR's distribution rules, having regard, nevertheless, to the International Documentation and Distribution Procedures established by the Technical Committee of BIEM and CISAC and approved by the Administrative Council of CISAC, and any subsequent amendments to or new versions of those procedures.

Art. 8.-

(I) MUSICAUTOR 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 MUSICAUTOR, and MUSICAUTOR shall always endeavour in this

respect to keep within reasonable limits, having regard to local conditions in the territories 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 favour of any funds serving similar purposes, MUSICAUTOR 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 deductions, apart from taxes, that MUSICAUTOR may make or be obliged to make from the net royalties accruing to SOCINPRO would give rise to special arrangements between the contracting parties so as to enable the not making such deductions to recoup itself as far as possible from the royalties connected by it for the account of the other Society.

(IV) No part of the royalties collected by MUSICAUTOR for the account of SOCINPRO in consideration of the authorisations which it grants solely for the copyright works which it is authorised to 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 MUSICAUTOR for the account of SOCINPRO shall be entirely and effectively distributed to the latter.

Art. 9.-

(I) MUSICAUTOR shall distribute 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 the societies' control.

In the case of modification in the monetary parity of the countries of the contracting societies (national currencies relative to the usual currency of payment), if this modification represents an effective devaluation and if the payment is made outside the afore-mentioned contractual period, the debtor society shall use the amount of its national currency necessary in order to provide the creditor society with the same amount of its own currency that it would have received if the settlement had been made at the exchange rate applicable on the ninetieth day of the afore-mentioned contractual period provided that the creditor society has complied with all the administrative procedures needed to enable the debtor society to fulfil its commitment.

(II) Each payment shall be accompanied by a distribution statement 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 content and conform as far as possible to the standards recommended from time to time by the Technical Committee of BIEM and CISAC and approved by the Administrative Council of CISAC.

(III) Settlements shall be made by **MUSICAUTOR** in the currency of its country.

(IV) MUSICAUTOR 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) The mere fact that the date for settlement of accounts agreed upon between the contracting societies has fallen due constitutes in itself, without any formality being necessary to that effect, a formal demand on MUSICAUTOR to make the payment due to SOCINPRO on the date in question. Naturally, this provision is subject to force majeure.

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(VI) 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 by MUSICAUTOR, the latter shall:

a) without delay immediately after drawing up the distribution accounting for SOCINPRO, 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 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 provide on a regular basis the IPI registry with complete and detailed information on the real names and the pseudonyms of its members, including dates of decease, additions, deletions and alterations. Furthermore, MUSICAUTOR undertakes to use the output of the IPI registry as the basis for its identification of and distribution in respect of the membership of SOCINPRO.

(II) MUSICAUTOR shall also provide SOCINPRO with a copy of its current articles of association and rules, including its Distribution Plan and shall inform it of any subsequent modifications made thereto while the present contract is in force.

Art. 11.-

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

(II) Nevertheless, the preceding clause shall not be 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. Such membership shall not apply to the territory of the society operating in the country of which the author is a national

(III) Each contracting society undertakes not to communicate directly with members of the other society, but, if occasion arises to communicate with them through the intermediary of the other society.

(IV) 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.-

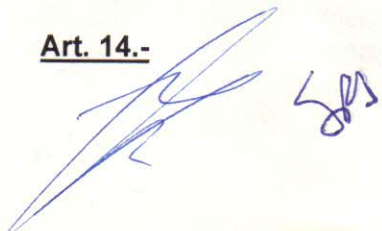
The present contract is subject to the provisions of the statutes and decisions of the International Confederation of Societies of Authors and Composers (CISAC).

DURATION

Art. 13.-

The present contract shall come into force as from **1 January 2014 to 31 December 2014** and subject to the terms of Art. 14 shall continue in force from year to year by automatic extension if it has not been determined by registered letter at least three months before the expiration of each period.

Art. 14.-



Notwithstanding the terms of Art. 13, the present contract may be determined immediately by SOCINPRO:

a) If an alteration is made in the articles of association, rules or Distribution Plan of MUSICAUTOR 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 SOCINPRO. Any change of this nature shall be verified by the competent body of the International Confederation of Societies of Authors and Composers. After such verification, the Confederation's Board of Directors may allow MUSICAUTOR a period of three months to remedy the situation thus created. When this period has expired without the necessary steps having been taken by MUSICAUTOR the present contract may be terminated by the unilaterally expressed wish of SOCINPRO, if it so decides;

b) If such a legal or factual situation arises in the the territories administered by MUSICAUTOR that the members of SOCINPRO are placed in a less favourable position than the members of MUSICAUTOR, or if MUSICAUTOR 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 Confederation's Board of Directors about any difficulty which may arise between the two societies regarding the interpretation or performance of this contract.

(II) The two societies may, if need be, agree to resort to arbitration by the Confederation'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 the Confederation, or to arrange between them for arbitration, event independently of the Confederation, 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.

Executed in good faith in two copies, one for each of the contracting parties.

Sofia, Oct 15 2014

For MUSICAUTOR:
Read and approved,

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Ivan Dimitrov
Executive Director

Rio de Janeiro, Oct 15 2014

For SOCINPRO:
Read and approved,

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Sylvio Rodrigues Silva
Director General

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Jorge de Souza Costa
Executive Superintendent