

Reciprocal Representation Agreement
concerning the Rights of Performers and Phonogram Producers
ROUPI – SOCINPRO

The undersigned Parties:

Russian Society for Performers' Rights Protection (ROUPI)

46, Ul. Bolshaya Nikitskaya, 121069 Moscow, Russian Federation; Phone: 7 495 2918307, Fax: 7 495 2900301; represented by **Mr. Alexander I. Repalov as General Director** on the one hand, and

Sociedade Brasileira de Administração e Proteção de Direitos Intelectuais (SOCINPRO), com sede na Avenida Presidente Wilson nº 210 – 9º andar – centro – Rio de Janeiro – RJ – Brasil, represented by Dr. Jorge de Souza Costa

on the other hand,
declare that, both parties have the corresponding legal capacity to sign this contract,

whereas the Contracting Parties will co-operate in order to strengthen performers' and the phonogram producers' rights and ensure an effectively functioning international management of such rights through bilateral Agreements between performers' and phonogram producers' rights collective management organizations;

whereas a proper management of performers' and phonogram producers' rights requires that the Contracting Parties have already set up an effective management enabling them to distribute the remuneration individually among the performers and the phonogramers proportionally, in as far as is possible, to the actual use of their protected recordings;

whereas the sole purpose of this Agreement is to facilitate the payment of remuneration due to performers and phonogram producers and hereby remedy difficulties arising for performers and phonogram producers represented by the Contracting Parties;

whereas the Contracting Parties wish to allow the collection of Intellectual Rights of Performer Artists and Phonogram Producers - members of the respective Societies represented by them in their respective territories;

whereas they are able to effect full exchange of individual remuneration to the performers and phonogram producers of the respective Societies as from the entering into force of this Agreement;



Custas R\$
Total 209,79



Emi 144,54-Fel 31,07-810 10,82-Mm 7,88-Ac 0,14-Funder 7,23-Funper 7,23
Registrado, microfilmado e digitalizado em 03/12/07

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the Contracting Parties have today made the following:

AGREEMENT

Article 1. Territory of the Agreement

1.1. This Agreement covers the management of performers' and phonogram producers' rights as specified in the annexes in the Russian Federation, and Republic Federative in Brazil.

1.2. **ROUPI** is operating in the Russian Federation under the Law on Author's Right and Neighboring Rights № 5351-1 of July 9, 1993 (amended on July 20, 2004).

1.3. **SOCINPRO** is operating in Brazil under the Brazilian law nº 9610 of February 19, 1998 on Copyright and neighbouring Rights.

Article 2. Objective of this Agreement

a) Authorization to manage and to represent

The Contracting Parties have been empowered by their respective members to represent them abroad by signing bilateral Agreements with corresponding performers' and phonogram producers' rights collective management organizations in other countries.

The Contracting Parties empower each other to manage and to collect in their respective territories remuneration due to performing artists and phonogram producers' represented by the other Party.

The rules relating to the mandate from right owners will be evaluated according to the national legislation that is valid in the territory in which the mandate has been granted.

b) Empowering

ROUPI empowers **SOCINPRO** to collect in Brazil the remuneration due for the use or public communication of phonograms and recorded performances of their members or heirs.

SOCINPRO empowers **ROUPI** to collect in the Russian Federation the remuneration due for the use or public communication of phonograms and recorded performances of their members or heirs.

The rules relating to the mandate from rightowners will be evaluated according to the national legislation that is valid in the territory in which the mandate has been granted.

c) Exchange of Remuneration

The remuneration collected by each Party which had been distributed by this Party to the members or heirs represented by the other Party, will be annually exchanged or transferred to these ones, previous deduction of administration costs and taxes in the time and way established in the Annex.

Article 3. Cooperation

3.1. The Contracting Parties agree to provide each other with any other information and to take any step necessary for the proper functioning of this Agreement and the effective management of the rights referred to in the annexes.



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The Contracting Parties agree to defend the rights of the performers and the phonogram producers members of the other Party as if they were their own nationals.

On an annual basis the Contracting Parties shall provide each other with detailed and full database information on their members to substantiate the exchange of remuneration. This information shall fulfill the technical specification as specified in the annexes.

The Contracting Parties take appropriate steps to ensure confidentiality of information to the extent required by the other Party or statutory provisions in the territory of this Agreement.

3.2. Once a year the Contracting Parties inform each other about changes in the applicable legislation, if any, the societies' statutes or by-laws, collecting practices, distribution schemes and pass on copies of the audited annual accounts and bilateral Agreements concluded with other performers' societies and phonogram producers' organizations.

3.3. On a practical and economic reciprocal basis - in collaboration with the performers' and phonogram producers' professional organizations - the Contracting Parties express their mutual interest to initiate and carry through joint projects or otherwise assist each other in order to promote the phonogramming and the performing arts and the professional interests of the phonogrammers and the performers.

3.4. In order to avoid split membership, the Contracting Parties shall refer to the other Party all applications of phonogram producers and performers residing in the country of the other Party.

Article 4. Principles for the Management of the Agreement

4.1. The Contracting Parties agree to observe the principles and recommendations adopted by the International Organizations for the administration of performers' and phonogram producers' rights.

4.2. Contracting Parties shall observe the principle of national treatment of performers and phonogram producers in accordance with applicable international conventions and treaties.

4.3. The principle of good faith will govern the performance of this Agreement.

4.4. Both Parties respectively commit themselves to respect the National Law in the management and fulfillment of this Agreement, and especially the essential rights of the phonogram producers and the performers to artistic creation and the freedom of association constitutionally or legally recognized in their respective Legislations.

Article 5. Liability

Any individual claim made by the members or heirs represented by one of the Parties and related to the remuneration object of this Agreement and collected by the other Party in its territory will be solved by the Party to which the claimer belongs. By this way no member represented by one of the Parties could claim directly to the other Party.

Each Party commit themselves to guarantee to the other Party against any individual claim, which could be made against it by any performer represented by the first Party. The Contracting Parties will solve this controversy in the country of the Party of the claiming person.

This Agreement is legal document to be presented in the court if necessary and/or requested under respective circumstances.

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Article 6. Management costs

The Contracting Parties cover their own costs incurred under the management of this Agreement.

Management costs are covered by the society in the collecting country at the time of collection or at the time of distribution according to the same rules that each society applies to its members.

Article 7. Settlement of Disputes

7.1. The Contracting Parties shall use their best efforts to settle by negotiation any dispute that might arise from or in connection with this Agreement or its application.

7.2. In case within six months no settlement can be reached the dispute shall be submitted for an ad hoc arbitration under the WIPO procedures.

7.3. The Contracting Party acting first will notify the other Party of its intention to go to arbitration by registered mail and appointing an arbitrator. The other Party will have period of 30 days starting from the receipt of the notification to designate an arbitrator in turn. Failing to meet this requirement, the arbitrator shall be appointed by WIPO at the request of the Party acting first.

7.4. If the Parties are unable to reach an Agreement on the appointment of a third arbitrator within 30 days, this arbitrator shall be appointed by the WIPO at the request of the Party acting first or the arbitrators mentioned under par. 7.3.

7.5. The Contracting Parties agree that the applicable law, the language and the place of arbitration are those of the country of the registered office of the defendant.

Article 8. Force Majeure and Hardship

8.1. If for reasons of force majeure or hardship a Contracting Party cannot fulfill its obligations in accordance with this Agreement the necessary consequences shall be negotiated by the Parties or settled in accordance with Art. 7.

8.2. As hardship is considered an event outside of the control of either of the Contracting Parties occurring after the conclusion of this Agreement which upsets the balance of this Agreement and makes its fulfillment difficult or impossible, the Parties will renegotiate this Agreement in good faith in order to take into account the changes that have occurred.

Article 9. Untransferability of this Agreement

Neither of the Contracting Parties shall have the right to assign all or parts of this Agreement to any third party whatsoever without the written consent of the other Party.

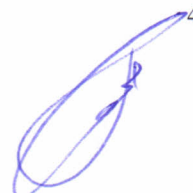
Article 10. Revision of Legislation

In the event of amendments to the applicable national legislation, EU law or international conventions, or the adoption of new international instruments aiming to introduce new rights or extend existing ones, the Parties hereto agree to amend this Agreement so that the mutual powers of management may reflect the new provisions or the new rights.

Article 11 Duration

This Agreement shall enter into force as from the 1st of January, 2007 and shall remain in force automatically for one year at a time, unless notice of non-renewal is made by registered mail

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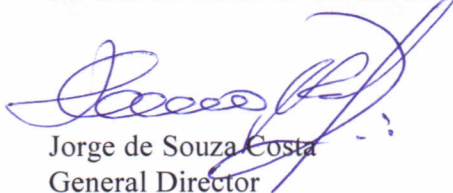


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by either Party no later than six months before the expiry of the contract period.

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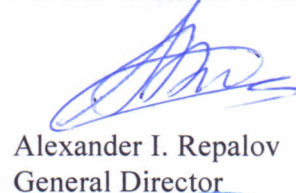
For and on behalf of **SOCINPRO**


Jorge de Souza Costa
General Director

18th, September, 2007



For and on behalf of **ROUPI**


Alexander I. Repalov
General Director

18th, September, 2007



ANNEX

Article 1. Performers' and Phonogram Producers' Rights Covered by this Agreement

The governing laws of this Agreement are respective national laws for Neighboring Rights of the countries where the Contracting Parties operate concerning Performers' rights and phonogram producers' rights.

The following performers' and phonogram producers' rights conferred to the members of the Contracting Parties under their national legislation are covered by this Agreement:

a) For **ROUPI**:

Equitable remuneration for any communication to the public of audio recordings, including broadcasting and transmission of broadcasts and cable retransmission of audio recordings.

Criteria for the protection of foreign phonogram and foreign fixed performances: nationality of phonogram producer.

b) For **SOCINPRO**:

Equitable remuneration for any communication to the public of audio recordings, including broadcasting and transmission of broadcasts and cable retransmission of audio recordings.

Criteria for the protection of foreign phonogram and foreign fixed performances: country of publication.

Article 2. Members Covered by the Agreement

2.1. This Agreement covers those performers and phonogram producers who have authorized their Society to represent their performers' and phonogram producers' rights both within their home territory as well as in the territory of the other Contracting Party.

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If the national legislation doesn't provide otherwise this Agreement also covers those performers and phonogram producers who aren't members of the Society but are entitled to remuneration.

2.2. Performers and phonogram producers who are members of both Contracting Parties are not covered by this Agreement. However there will be included in the Agreement those performers and phonogram producers - members of **ROUPI** and **SOCINPRO** that would choose expressly to perceive the remuneration generated in the territories covered by the Agreement by one or the other Party. Failing that express choice, the performers and phonogram producers that would be members of both Contracting Parties would not be covered by the Agreement and would perceive the remuneration from the Society of the country where said remuneration would be initially collected.

In order to avoid double membership, the Contracting Parties will seriously encourage performers and phonogram producers to apply only membership in the Society of the country of permanent residence.

Article 3. Exchange of Information of Membership

3.1. Once a year before the end of October, each year of this Agreement the Parties will exchange the respective updated databases with the list of necessary information for efficient collection and distribution of remuneration.

Once a year before the month of July the contracting Parties will send a list of phonograms and fixations (recordings) in which any of the performing or executing artists or groups have participated; these performing or executing artists or groups are in the list of Article 2 of this Annex.

Once a year before the end of the month October, the contracting Parties will send a list of phonograms and the performing or executing artists or groups which have participated in the fixations (recordings) in accordance with that which is laid out in the preceding paragraph, indicating which of them are members of the Society, and if so what percentage of the participation has been.

3.2. The receiving Party shall comment on and correct the information from the other Party within one month.

Article 4. Principle of Collection and Distribution

The Contracting Parties respectively commit themselves to collect and to distribute remuneration for performers and phonogram producers who are members of the other Contracting Party according to the same rules applicable for the collection and distribution

of the remuneration due to the performers and phonogram producers who are members of their own Society.

Article 5. Transfer of Remuneration

5.1. Once a year, at the same time as the payment of the remuneration, as specified in par. 5.2, the Contracting Parties will exchange a list with database information on the amounts to be passed to named performers and phonogram producers with reference to the collection period.

5.2. Together with the information as mentioned in par. 5.1. of this article, the Contracting Parties send each other the following additional information:

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- a) a list of phonograms with the title of each phonogram and identification requisites;
- b) a list of the fixations with the title and the principal artist;
- c) the total amount that corresponds to each individual phonogram producer and performing artist for each other fixation, with reference to the specific role on that fixation.

Article 6. Payment of the Beneficiaries

6.1. The Contracting Parties pass on the remuneration specified to the named performers and phonogram producers in accordance with the list of the beneficiaries from the other Party and with the indication of rightowners found on statement of payment, without any deduction, (unless the rightowners explicitly agreed upon otherwise) within a maximum time limit of six months starting on the date the funds were received, unless par. 6.2. of this article is applicable. The origin of the distributed sums should thereby specified.

6.2. If on the deadline foreseen by par. 1 of this article, the Contracting Parties have not yet distributed the remuneration collected in their own territory corresponding to the same year as the remuneration transferred by the other Party, they commit themselves to making the first payment of the transmitted remuneration at the same time they pay their own members over the corresponding year.

Article 7. Fiscal Modalities and Interest

7.1. The Contracting Parties apply the system of standard at source deduction in accordance with the tax legislation in the country of collecting, unless after studying the measures of the Fiscal Convention of the two countries, this convention can be applied.

7.2. The Contracting Parties respectively commit themselves to crediting interest on to the accounts of performers and phonogram producers who are members of the other society according to the same rules applied for the credit of the accounts of performers and phonogram producers who are members of their own Society.

Article 8. Management Costs

Management costs are covered by the Society in the collecting country at the same time of collection or at the time of distribution according to the same rules that each Society applies to its members.

Article 9. Non-Transfer of Remuneration

9.1. Individual remuneration reserved for rightowners who are residents in the other country but not members of the other contracting Party or who cannot be properly identified stays in the country of collection. The same applies for remuneration reserved for members who have no proper payment address in either of the countries at the moment of exchange of information.

9.2. Individual remuneration to performers and phonogram producers from the countries of the Contracting Parties, which cannot be transferred by way of this Agreement shall be reserved in accordance with the national rules of limitation and subsequently distributed according to the applicable national distribution rules.

9.3. The remuneration transferred and for which the address of the beneficiary cannot be identified will be returned to the collecting country's Society within a period of one year beginning with the transfer of the remuneration and will be subject to the prescription time

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period in force on the territory of the collecting Society.

Article 10. Control Procedures

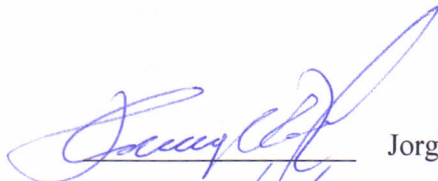
10.1. Upon request the Contracting Parties are obliged to supply the other Party with all relevant information on the performers and phonogram producers, registered recordings and documents within the office premises of the other Party, which enables the Parties to exercise control of the proper functioning of this Agreement and with specific information on the actual use of phonograms and performer's recordings available.

10.2. The Contracting Parties take appropriate steps to ensure confidentiality of information to the extent required by the other Party or statutory provisions in the territory of this Agreement.

Article 11. Duration

This Agreement shall enter into force as from the 1st January 2007 and shall remain in force automatically for one year at a time, unless notice of non-renewal is made by registered mail by either Party no later than six months before the expiry of the contract period.

Remuneration collected under this Agreement shall be distributed with the letter of the Agreement even though the Agreement itself has expired or either of the Parties has ceased its activities.


BRASIL, 20/09/07

Jorge de Souza Costa



Alexander I. Repalov

09/10/07
Moscow, Russia

 **SOCINPRO**
Sociedade Brasileira de Adm. e
Proteção de Direitos Intelectuais



5º OFÍCIO DE REGISTRO DE TÍTULOS E DOCUMENTOS
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Oficial Titular
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☐ Aurora I. Hale
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