

## RECIPROCAL REPRESENTATION CONTRACT (MECHANICAL RIGHTS)

Between the undersigned:

The AGENCIA CUBANA DE DERECHO DE AUTOR MUSICAL, hereinafter called "ACDAM", whose registered office is at Calle 6, N° 313, e/ 13 y 15, Vedado, Ciudad de La Habana, Cuba, represented by its General Manager, Mrs. Elvira Moreno González, specifically authorized for the purposes of the present contract by Articles of Association,

on the one part ;

and

ASSOCIAÇÃO DEFENSORA DE DIREITOS AUTORAIS, hereinafter called "ADDAF", whose registered office is it at Av. Rio Branco, 18 – 12º - Centro – Rio de Janeiro – Brazil, represented by its General Manager, Mr. César Costa Filho, specifically authorized for the purposes of the present contract by Articles of Association,

on the other part;

it is agreed as follows:

### Article 1

- 1) By the present contract each of the contracting Societies assigns to the other for its territory of exploitation the management of the rights hereafter defined.
- 2) The management of the rights mentioned above comprises recording and mechanical reproduction of works of the other Society's repertoire in the respective territories of exploitation, as well as the putting into circulation, in whatever form and place, of recordings and copies so reproduced.
- 3) The repertoire of the contracting Societies comprises musical works with or without lyrics, in respect of which the holders of the copyrights for recording and mechanical reproduction have entrusted the societies concerned with the management of these copyrights or will do so throughout the duration of this agreement.
- 4) The right for recording and mechanical reproduction covered by this contract applies to all forms of recording and reproduction, excluding graphic reproduction.

33.689  
Rosa Maria Ripper D'Almeida  
Tradutora Publica  
Praia do Flamengo, 60 / 905  
Flamengo - CEP: 22210-030

**Article 2**

Each contracting Society shall notify the other, in writing, of any limitation or reservation existing in the composition of its repertoire and its rights of administration.

**Article 3**

1) The territories in which **ACDAM** operates are as follows:

REPUBLIC OF CUBA

2) The territories in which **ADDAF** operates are as follows:

REPUCLIC OF BRAZIL

**Article 4**

1) In all cases where blanket licences are collected, each contracting Society shall determine the share accruing to the works of the other Society's repertoire in accordance with the same rules as those applicable to its own repertoire.

2) Where such a blanket licence covering performing and mechanical rights is collected from broadcasting organisations, the collecting Society shall allocate at least one third of this blanket licence to mechanical rights as remuneration for all the recordings made or used by those organisations.

**Article 5**

The contracting Societies undertake to regularly supply each other directly with the necessary documentation for the carrying out of this contract. Both Societies will use the international tools set up by BIEM / CISAC, such as C.A.E. / I.P.I., WWL/WID, etc.

**Article 6**

1) The distribution of the amounts collected by each of the contracting Societies shall be made in accordance with the documentation supplied as laid down in Article 5) above.

2) The amounts collected by **ACDAM** on **ADDAF**'s behalf are distributed in the following forms:

Phono/Video: lists of works in alphabetical order

Radio/TV: lists of works in alphabetical order

3) The amounts collected by **ADDAF** on **ACDAM**'s behalf shall be distributed in the following form:

Phono/Video: lists of works in alphabetical order

Radio/TV: lists of works in alphabetical order

- 4) As regards the Radio/TV use:
- a) the amounts collected by **ACDAM** on **ADDAF's** behalf shall be distributed on the basis of the phono distribution keys of **ACDAM**.
  - b) the amounts collected by **ADDAF** on **ACDAM's** behalf shall be distributed on the basis of the phono distribution keys of **ADDAF**.
- 5) Each of the contracting Societies undertakes to complete the distribution for the other Society's repertoire not later than two months after the completion of the same distribution of its own repertoire.
- 6) The amounts due to each Society are payable as soon as the collecting society is aware of the distribution results. Therefore, the collecting Society shall, without delay, transfer the amounts due to the other Society in its national currency.

#### Article 7

1) On the gross amount of the collections made in accordance with this contract the Societies shall apply the following rates:

	<b>ACDAM</b>	<b>ADDAF</b>
Phono / Video	15%	15%
Radio / TV	20%	20%

2) The rates of commission relating to collections accruing from other sources will be a matter for mutual agreement between the contracting Societies.

3) The rate of commission agreed upon between the contracting parties shall include the costs incurred by the Societies who may be charged by them with the distribution of the international repertoire, the costs of each distributing Society being borne by the contracting Society having recourse to its services. The overall commission agreed between the Societies should under no circumstances exceed 25% of the gross amount of its collections.

#### Article 8

Each contracting Society is entitled to control the totality of the other Society's operations for the carrying out of this contract.

**Article 9**

(1) Each of the contracting Societies may seek the advice of the Confederation's Administrative Council 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, and after attempting conciliation before the body mentioned in Article 10 b) 6th paragraph of the Confederal Statutes, 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.

(3) If the two contracting Societies do not think it appropriate to resort to arbitration by the Confederation, or to arrange between them for arbitration, even 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.

**Article 10**

1) This contract shall cover the period from 1<sup>st</sup> January 2008 till 31<sup>st</sup> December 2009.

2) It shall be renewed by tacit consent for a 1 year periods unless notice is given by registered letter 3 months before the end of each current period.

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

At Havana, on January 30/2008

At January, on 30/2008

Signed:

For ACDAM


For ADDAF

Read and approved,

Read and approved,

By power of attorney:

By power of attorney:

  
Elvira Moreno González  
General Manager



  
Cesar Costa Filho  
General Manager