

U N I L A T E R A L
A G R E E M E N T O F R E P R E S E N T A T I O N

This agreement is made between

(1) AUSTRO-MECHANA, GESELLSCHAFT ZUR WAHRNEHMUNG MECHANISCH-MUSIKALISCHER URHÄBERRECHTE GESELLSCHAFT M.B.H. (hereinafter called "AUSTRO-MECHANA") whose business address is at A-1031 Wien, Baumannstrasse 10, Austria

and

(2) ASSOCIACAO DEFENSORA DE DIREITOS AUTORIAIS FONOMECHANICOS (hereinafter called ADDAF) whose business address is at Rua Visconde Inhuama 134, Salas 318 à 321, Centro CEP 20091, Rio de Janeiro - Brazil

IT IS AGREED AS FOLLOWS:

1(a). By this Agreement AUSTRO-MECHANA appoints ADDAF to act in an exclusive capacity on its behalf in the United States of Brazil in the management of the Rights set out in this Agreement (which are generally called the "mechanical Rights") to the extent allowed to it by the terms of the Membership Agreements it has at the time of the signing by the both parties of this Agreement or which it may acquire during the duration of this Agreement.

2. The Rights to be licensed are:

2(a) the recording and mechanical reproduction right in Brazil of the works in the Repertoire of AUSTRO-MECHANA,

2(b) the rights to license the circulation of the recordings and copies made under 2(a) in the Brazil,

2(c) the right to license (where necessary) the export of the recordings and copies made under 2(a) from Brazil to other Countries in the World and the circulation of those copies in those Countries; as far as exports to Austria may be concerned the conditions to be applied are subject to prior consent of AUSTRO-MECHANA,

2(d) the right to license the illegal importation to Brazil of recordings and copies containing works belonging to the repertoire of AUSTRO-MECHANA,

2(e) the right of remuneration in respect of any other royalties or fees applied on the basis of mechanical rights such as for levies on blank tapes and/or recording equipment for private recording purposes, the lending right or any other analogous methods of mechanical reproduction or distribution in accordance with Brazilian law.

3. The mechanical Rights covered by this Agreement:

3(a) include all forms of recording and reproduction for sound carriers, eg. records, tapes, compact discs, recordings for radio stations, the first recording of a Dramatico-Musical Work is subject to prior consent of the copyright owner,

3(b) include all forms of audiovisual recordings made by television organisations for broadcasting purposes only,

3(c) include the right to synchronize sound tracks with cinematograph films and with video productions under the condition that the copyright owners of AUSTRO-MECHANA have given their consent in each individual case,

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3(d) include all forms of reproduction for audiovisual carriers, eg. videocassettes, videodiscs, made from legally produced cinematograph films or television productions,

3(e) exclude any use for advertising purposes,

3(f) exclude graphic reproduction.

3(g) AUSTRO-MECHANA will notify in writing to ADDAF from time to time as necessary the extent to which ADDAF will be able to extend its mechanical fee collections or where such collections may be restricted or altered.

4. The Repertoire of AUSTRO-MECHANA comprises the Musical and Dramatico-Musical Works with or without text or lyrics in respect of which the owners (including licensees) of the mechanical rights have entrusted AUSTRO-MECHANA with the control of these rights, both domestically and internationally, or who will do so within the duration of this Agreement.

5. In all cases where "block-sum" licence fees are collected, ADDAF shall determine the share due to the Works in the Repertoire of ADDAF in accordance with the rules applicable to its own Repertoire.

6. AUSTRO-MECHANA undertakes to supply regularly direct to ADDAF the documentation necessary for carrying out this Agreement (where possible according to BIEM and/or CISAC regulations) and to supply such other information as may be requested for its implementation. The membership-information is provided through the CAE-list.

7. The distribution of the royalties collected by ADDAF on behalf of AUSTRO-MECHANA shall be made in the form of individual statements per copyright owner direct to AUSTRO-MECHANA in accordance with the documentation supplied under the previous Clause or failing this in accordance with any other documentation supplied by any other society contracted to ADDAF or in accordance with any system of documentation adopted by the BIEM/CISAC Societies.

8. With regard to exploitation by Radio/TV (and other multiple-right users if applicable) the distribution of the royalties collected by ADDAF on behalf of AUSTRO-MECHANA shall be made on the basis of the Phono distribution keys.

9(a) ADDAF undertakes to complete the distribution of royalties for the use of Works in the Repertoire of AUSTRO-MECHANA not later than two months after completing the distribution of royalties for its own Repertoire and to make one distribution at least once in every calendar year.

9(b) The royalties due to AUSTRO-MECHANA are payable as soon as ADDAF knows the results of the distribution and will be transferred, without delay, in a negotiable currency to AUSTRO-MECHANA.

9(c) Simultaneously with each remittance a complete and detailed statement of royalties shall be forwarded to AUSTRO-MECHANA.

9(d) On making any distribution ADDAF shall deduct such taxes as are appropriate under its local laws endeavouring where possible to obtain any clearances needed under Double Taxation Treaties and to notify AUSTRO-MECHANA of all changes or requirements of the Fiscal Authorities in Brazil as and when ADDAF may become aware of such changes or requirements.

10. The percentage rate of commission to be charged on the gross royalties collected by ADDAF under this Agreement shall be:

Phono and other uses	Radio/TV
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20%	20%

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X 11(a) This Agreement is concluded for the initial period from the 1st January 1983 to the 31st December 1988.

11(b) If no notice of termination has been given the Agreement shall continue after the 31st December 1988 but may be terminated by AUSTRO-MECHANA giving to ADDAF by registered letter at least three months prior notice to expire on the 31st December in any subsequent year.

11(c) After the termination of this Agreement ADDAF will cease to grant new licences for the use of the Works in the Repertoire of AUSTRO-MECHANA but the terms of the Agreement shall continue to apply to any royalties collected under licences which were granted during the Agreement and to the accounting arrangements for the royalties of those licenses up to the date of termination of this Agreement.

12. AUSTRO-MECHANA shall have the right during the term of this Agreement and any renewals and extensions thereof, during regular business hours, to inspect the books and records of ADDAF insofar as they pertain to any matter or matters comprehended in the terms of this Agreement, provided that AUSTRO-MECHANA shall inform ADDAF of any possible inspection at least 15 days in advance. This right shall survive the termination of this Agreement with respect only to such authorizations which may be issued by ADDAF to manufactures, etc. prior to the time of the termination of this Agreement which authorizations shall remain in effect for the entire period of such authorizations.

In witness hereof each Society has caused its duly authorised officer to set their respective hands and affix their respective seals to the present in duplicate the day and years written below and this Agreement shall not become effective until so authorised by both Parties.

X VIENNA, July 31st. 1987

FOR AND ON BEHALF OF
AUSTRO-MECHANA, GESELLSCHAFT ZUR
WAHRNEHMUNG MECHANISCH-MUSIKALISCHER
URheberRECHTE GESELLSCHAFT M.B.H.

X (Dir. Dr. Helmut Steinmetz)

(Prok. Otto Pfingstner)

FOR AND ON BEHALF OF
ASSOCIACAO DEFENSORA DE DIREITOS AUTORIAS FONOMECHANICOS


DALTON VOGELLE
Presidente