

in. Valença

SIM



CONTRACT

OF RECIPROCAL REPRESENTATION

BETWEEN

SUISA

AND

A D D A F

Between the undersigned:

- SUIISA (~~Swiss Copyright Society for Music~~) Société suisse pour les droits.....
des auteurs d'oeuvres musicales.....
.....
whose registered office is at Zurich, Bellariastrasse 82, Postfach 782,
8038 Zurich
represented by Jean Cavalli.....
Deputy Managing Director.....
.....

on the one part ;

and

ADDAF Associacao Defensora de Direitos Autorais.....
.....
whose registered office is at Rio de Janeiro, Avenida Rio Branco - 18
12 Andar CEP 20090-000
represented by Dalton Vogeler.....
President.....
.....

on the other part ;

it is agreed as follows:

Art. 1 (I) By virtue of the present contract, SUIISA assigns to ...**ADDAF**.. the exclusive right, in the territories in which this latter Society operates (as they are defined and delimited in Art. 6 (1) hereafter, to grant the necessary authorisations for all recordings and reproductions (as defined in paragraph III of this Article) of non-theatrical musical works, with or without lyrics, which are protected under the terms of national laws, bilateral 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 in so far as the recording and reproduction 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 the SUIISA by its members, in accordance with its Articles of Association and Rules; the said works collectively constituting „the repertoire of SUIISA.“

(II) Reciprocally, in virtue of the present contract, the ..**ADDAF**.. assigns to SUIISA the exclusive right, in the territories in which this latter Society operates (as these territories are defined and delimited in Art. 6 (I) hereafter the necessary authorisations for all recordings and reproductions (as defined in paragraph III of this Article) of non-theatrical 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 in so far as the recording and reproduction 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 the**ADDAF**..... by its member, in accordance with its Articles of Association and Rules, the said works collectively constituting „the repertoire of the....**ADDAE**.....“.

(III) Under the terms of the present contract, the recording and reproduction rights include:

- all the recordings and reproductions produced by any means within the territories in which each of the contracting Societies operates;
- the circulation in any form and in any place whatever of the produced recordings and reproduction copies excluding the graphic reproductions.

(IV) In the following cases**ADDAF**..... will authorise the uses of the musical works constituting the repertoire of SUIA only after having consulted SUIA and received its consent:

- association with works of another kind like films, texts, pictures etc, with the exception of cases of use of musical works offered by catalogues, specially meant for synchronising sound and video carriers or data carriers (mood music, archives' music, library music etc.) and that with the exception of cases of manufacturing sound and video carriers or data carriers used for broadcasting purposes only by broadcasting organisms;
- use for advertising or sponsoring purposes like producing advertisement spots or sponsoring billboards.

(V) Each of the contracting Societies will notify the other Society in writing of any limitation or reservation in the contents of its repertoire and in its administrative rights.

Art. 2.-- (I) The exclusive right to authorise recordings and reproductions as referred to in Art. 1, entitles each of the contracting Societies, 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, recordings and reproductions of works belonging to the repertoire of the other Society;
- b) to collect all royalties bound to the authorisations granted by it;

to receive all sums due as indemnification or damages for unauthorised recordings and reproductions of the works in question;

to give legally binding receipts on the encashments and on the above mentioned collections;
- 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 recordings and reproductions of the works in question;
- d) to take any other action for the purpose of ensuring the protection of the recording and reproduction right of the works covered by the present contract, as well as to enter an action against the use of the works concerned.

(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 one of the contracting Societies, the other contracting Society 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 fulfilment of any formality.

DOCUMENTATION / EXCHANGE OF INFORMATION

Art. 3.- (I) In virtue of the powers conferred by Articles 1 and 2, each of the contracting parties undertakes to enforce within the territory in which it operates the rights of the members of the other party 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, each Society shall apply to works in the repertoire of the other Society the same tariffs, methods and means of collection and distribution of royalties as those which it applies to works in its own repertoire.

(II) Each of the contracting Societies undertakes to send to the other Society any information for which it may be asked concerning the tariffs it applies to different kinds of recordings and reproductions in its own territories.

Art. 4.- Each of the contracting parties shall place at the disposal of the other 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) Each contracting party shall place at the disposal of the other 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.

In particular, each contracting party shall inform the other of any discrepancy which it notes between the documentation received from the other Society and its own documentation or that furnished by another Society.

(II) In addition, each of the Societies shall have the right to consult all the other Society'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 the other Society.

(III) Each contracting Society may accredit a representative to the other Society to carry out on its behalf the check provided for in paragraphs (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.- (I). The territories in which SUISA operates are as follows:

Switzerland.....

Principality of Liechtenstein

The territories in which the ...**ADDAF**..... operates are as follows:

Brazil

.....

.....

(II) For the duration of the present contract, each of the contracting Societies shall refrain from exercising directly the rights acquired from its members within the territory of the other Society.

DISTRIBUTION OF ROYALTIES

Art. 7.- (I) Each Society undertakes to do its utmost to obtain notifications of all recordings and reproductions which take place in its territories and to use these notifications as the effective basis for the distribution of the total net royalties collected.

(II) The allocation of sums collected in respect of works recorded and reproduced in the territories of each Society shall be made in accordance with Article 3 and the distribution rules of the distributing Society, having regard, nevertheless, to the following paragraphs:

- a) Where all the parties interested in a work are members of a single Society other than the distributing Society, 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 the distributing Society, the royalties shall be distributed in accordance with the international index cards, or equivalent notifications.

In the case of contradictory index cards or notifications, the distributing Society 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.

- c) In the case of a work one of the parties interested in which is a member of the distributing Society, this latter Society may distribute the royalties in accordance with its own Rules.
- d) 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 distributing Society will:

- regarding phonographic and videographic rights, send requests for documentation to all Societies which presumably dispose of some before distributing the phonographic royalties;

- regarding radio/TV recordings, send the total of the royalties to the composer's Society.

- e) Where a blanket licence is collected from radio and television companies for public performance and reproduction rights the collecting Society will allocate at least a third of the total amount of this blanket licence to the reproduction right for the payment of all the recordings produced or used by the aforesaid companies.

Art. 8.- (I) Each Society shall be entitled to deduct from the sums it collects on behalf of the other Society the following percentages:

- recording rights regarding phonographic and videographic uses: ...15...%
- recording rights regarding any other use, especially radio and television: ..25...%

(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, each of the Societies shall be entitled to deduct from the sums collected by it on behalf of the co-contracting Society 10 % at the maximum, which shall be allocated to the said purposes.

Exceptions to that rule are the recording and reproduction royalties collected from the phonographic and videographic uses.

(III) Any other deductions, apart from taxes, that either of the contracting Societies may make or be obliged to make from the net royalties accruing to the other Society would give rise to special arrangements between the contracting parties so as to enable the Society not making such deductions to recoup itself as far as possible from the royalties collected by it for the account of the other Society.

(IV) No part of the royalties collected by either Society for the account of the other in consideration of the authorisations which it grants for the copyright works which it is authorised to administer may be regarded as not distributable to the other Society. With the exception, therefore, only of the deduction mentioned in paragraph (I) of this Article, and subject to the provisions of para-

graphs (II) and (III) of the said Article, the net total of the royalties collected by one of the contracting Societies for the account of the other shall be entirely and effectively distributed to the latter.

Art. 9.- (I) Each of the contracting Societies shall remit to the other the sums due under the terms of the present contract at least once a year and within a delay of two months after the distributions have been made to its own members.

(II) Each payment shall be accompanied by a distribution statement and a magnetic tape in such a form to enable the other Society to allocate to each interested party, whatever his membership or category as member, the royalties accruing to him. These lists shall be uniform in style and material.

(III) Settlements shall be made by each Society in the currency of its country.

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

(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 the Society which has failed to make the payment due to the other Society on the date in question. Naturally, this provision is subject to force majeure.

(VI) So long as legislative, statutory or conventional measures impede the free exchange of international payments each Society shall:

- a) without delay, immediately after drawing up the distribution accounting for the other Society, 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 the other Society 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) Each Society shall provide the other with a complete and detailed list of the real names and the pseudonyms of its members, including the date of decease of those author and composer members who are deceased at the time when the present contract is concluded whose rights it continues to represent. It shall from time to time send to the other Society, in similar form, supple-

mentary lists indicating additions, deletions or alterations to the principal list, and, at least once a year, a list of its author and composer members who have died in the course of the year.

(II) The above mentioned obligations are considered as fulfilled if both contracting Societies are using the CAE-list.

(III) Each Society shall also provide the other 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 each contracting Society shall be protected and represented by the other Society under the present contract without the said members being required by the Society representing them to comply with any formalities and without their being required to join the other Society.

(II) While this contract is in force, neither of the contracting Societies may, without the consent of the other, accept as member any member of the other Society or any natural person, firm or company having the nationality of one of the countries in which the other Society operates.

(III) Nevertheless, the preceding clause shall not be interpreted as prohibiting either of the contracting Societies from representing in its own territories of operation persons who enjoy refugee status in those territories, as well as, in virtue of a unilateral mandate, other recording and reproduction royalty-collecting bodies existing in the territories of the other Society.

(IV) 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.

(V) 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 and of the BIEM.

DURATION

Art. 13- The present contract shall come into force as from 15 sept. 03 and, subject to the terms of Art. 14, shall continue in force from 2 years to 2 years by automatic extension if it has not been determined by registered letter at least⁶ months before the expiration of each period.

Art. 14.- Notwithstanding the terms of Article 13. the present contract may be determined 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 the International Confederation of Societies of Authors and Composers. After such verification the Confederation'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 one of the contracting Societies that the members of the other Society are placed in a less favourable position than the members of the Society of the said country, or if one of the contracting Societies puts into practice measures resulting in a boycott of the works in the repertoire of the other contracting Society.

LEGAL DISPUTES - JURIDICTION

Art. 15.- (I) Each of the contracting Societies may seek the advice of the Confederation's Administrative Council and of the BIEM 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, 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 and the BIEM's appropriate authorities 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, 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.

Executed in the same number of copies as there are parties

at Zurich on September 15, 2003

signed:

For S U I S A

For ADDAF

read and approved,

read and approved,

Jean-Claude...

[Handwritten signature]

Deputy Managing Director