CONTRACT FOR UNILATERAL REPRESENTATION RIGHTS OF MECHANICAL REPRODUCTION

BETWEEN:

ASSOCIAÇÃO DE MÚSICO, ARRANJADORES E REGENTES – SOCIEDADE MUSICAL BRASILEIRA, whose registered office is at Av. Rio Branco 18, 19/20 and ar-Centro – Rio de Janeiro –RJ, CEP: 20090-000, Brazil, represented by MARCO VENÍCIO MORORÓ DE ANDRADE, specifically authorised for the purposes of the presente contract.

of the one part:

AND:

the Society: Society ARTISJUS Hungarian Bureau for the Protection of Authors' Rights (seat: H-1016 Budapest, Mészáros u. 15-17., Hungary) represented by dr. András Szinger director general of the other part, hereinafter called "ARTISJUS"

hereinafter called the "contracting Society/Party/Societies/Parties"

IT IS AGREED AS FOLLOWS:

-1-

- 1) By the present Contract, **AMAR** assigns to **ARTISJUS** for its territory of exploitation the management of the rights hereafter defined on a non-exclusive basis.
- 2) The management of the rights mentioned above comprises recording and mechanical reproduction of works of the repertoire of **AMAR** in Hungary as well as the putting into circulation in any form of recordings and copies so reproduced in Hungary.
- 3) The repertoire of AMAR comprises musical works previously made public with the consent of the author with or without text except for musico-dramatical works in respect of which the owners of the recording and mechanical reproduction rights have entrusted **AMAR** with the control of these rights or will do so within the duration of this agreement.
- 4) The recording and mechanical reproduction rights covered by this Contract apply to all forms of recording and reproduction of musical works and of recorded musical works or parts thereof ("mechanical rights"), such as:
- recording and reproduction of musical works on sound carriers (e.g. CD, DVD, vinyl);
- recording and reproduction of musical works as part of communication to the public uses (eg. on demand and broadcast mechanical rights);
- recording and mechanical reproduction of musical works included in films or other audiovisual content;
- collection of private copy remunerations;
- licensing of rental and public lending of recordings of musical works;
- collection of equitable remuneration on public lending by public libraries of musical works in graphic.

por

82

Private copy remunerations and lending and rental rights are covered by this Contract in such extent as local laws in either of the territories defined in part III stipulates for those rights.

- 5) The management of rights as referred to in Article I paragraph 1-2) entitles **ARTISJUS** 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 Hungary:
- a) to permit or prohibit, whether in its own name or that of the author concerned, uses of works listed in paragraph 4) above in the repertoire of the other Society and to grant the necessary authorizations for such uses:
- b) to collect all royalties required in turn for the authorizations granted by it (as provided in a) above); to receive all sums due as indemnification or damages for unauthorized uses 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 uses 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 works covered by the present contract.
- 6) **ARTISJUS** 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 I.
- 7) AMAR is not only entitled but also obliged to place at the disposal of ARTISJUS 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 Article I (5) above.

- II -

- 1) Each contracting Society shall ascertain the real and current extent of representation, limitation of any of the rights listed in Article 1) paragraph (4) of the other Society from the IPI database or from the notification received directly from the other Society.
- 2) In virtue of the powers conferred by Article I **ARTISJUS** undertakes to enforce in Hungary the rights of the members of the other party in the same way and to the same extent as it does

82

M

for its own members, and to do this within the limits of the legal protection afforded to a foreign work in Hungary, unless, in virtue of the present contract, such protection not being specifically provided in law, it is possible to ensure an equivalent protection.

- 3) In particular, **ARTISJUS** shall apply to works of **AMAR**'s the repertoire the same tariffs, methods and means of collection and distribution of royalties as those which it applies to works in its own repertoire.
- 4) 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 this Contract, Societies undertake at the request of the other society, to concert with the other society in seeking the most effective means to this end.

- III -

The territory of exploitation of ARTISJUS comprises: Hungary

- IV -

- 1) In all cases where block-sum licences are collected, each Society shall determine the share due to the works of the other Society's repertoire in accordance with the rules applicable to its own repertoire.
- 2) Where such a block-sum licence covering performing and mechanical rights is collected from users (especially from radio-television organisations) the collecting Society shall allocate a share of this block-sum licence in accordance with the rules applicable to the repertoire of the licensing Society to mechanical rights as remuneration for all recordings made or used by those users.
- 3) In case of exports of sound carriers, the licensing Society undertakes to apply the terms and conditions of the country of destination i.e. the terms and conditions of the country where the copies are effectively marketed. The licensing Society shall apply the tariffs of the country of destination only if those tariffs are higher than its domestic tariffs.
- 4) In order to apply the right tariffs the licensing society shall insist on the record label making a statement on the country where the copies will finally be put into circulation as a precondition of issuing the license.
- 5) The societies agree that the rights-owners in the country of destination should be the beneficiaries of the distribution of the license-fees. Having been a work from the given repertory sub-published the publishers' share shall be distributed and remitted to the sub-publisher in accordance with the stipulations of such sub-publishing agreement and the

80

m

applicable rules of the distributing Society. The publisher's and sub-publisher's share together may not exceed 50% of the author's original share.

- V -

- 1) Contracting Societies undertake to supply on a regular basis to the Interested Parties Information (IPI) complete, detailed and accurate information on the real names and the pseudonyms of its members, including the date of decease, deletions and alterations. Furthermore each Society undertakes the use of IPI outputs as the basis for its identification of and distribution in respect of the membership of the other Society.
- 2) Upon request of the other society one society also provides 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.
- 3) Furthermore, each Society undertakes to supply regularly the documentation necessary for carrying out this agreement to the other Society directly.
- 4) The documentation shall be supplied in the latest version of CRD applied by BIEM/CISAC.

- VI -

- 1) The distribution of the amounts collected by **ARTISJUS** on behalf of **AMAR** shall be made by **ARTISJUS** itself in accordance with the documentation supplied as laid down in Article V above.
- 2) The distribution of the amounts collected by **ARTISJUS** on behalf of **AMAR** shall be reported in the form of the latest version of CRD applied by BIEM/CISAC.
- 3) **ARTISJUS** undertakes to complete the work for the distribution of **AMAR**'s repertoire not later than two months after the completion of the work of distribution for its own repertoire. The work undertaken by Societies who may be charged by them with the distribution of the international repertoire is not included in this period.
- 4) The amounts due to AMAR are payable when ARTISJUS knows the results of the distribution in accordance with ARTISJUS' distribution rules and with CISAC's professional rules. Therefore, ARTISJUS shall as soon as practicable transfer in its national currency (HUF) the amounts due to the other Society.

g

- 5) ARTISJUS might establish a minimum amount of money transfer in its distribution rules. Amounts due below this limit might be regarded as non-transferable for economic reasons
- 6) In order to complete money transfers from **ARTISJUS** to **AMAR** the beneficiary of the money transfer shall fulfil all statutory especially tax law requirements binding in Hungary, and submit all necessary documents thereto. Societies shall inform each other about these requirements.

- VII -

- 1) ARTISJUS shall be entitled to deduct from the gross amount of collections on behalf AMAR 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 its members, and ARTISJUS shall endeavour in this respect to keep within reasonable limits, having regard to local conditions of Hungary.
- 2) The overall commission should under no circumstances exceed 25% of the gross amount of its collections.

- VIII -

- 1) Each of the contracting Societies is entitled to check all operations of the other Society which have a bearing on the carrying out of this Contract.
- 2) In accordance with this Contract Societies might share confidential information with each other such as information regarding their repertoire, documentary and financial data. Societies agree that they shall keep information regarding the other Society confidential and they shall refrain from disclosing them to third persons without the prior consent of the other Society.

- IX -

- 1) The members of AMAR shall be protected and represented by ARTISJUS under the present contract without the said members being required by ARTISJUS to comply with any formalities and without their being required to join ARTISJUS.
- 2) Each contracting Society undertakes not to communicate directly with members of the other society, but, if the occasion arises, to communicate with them through the intermediary of the other Society.
- 3) Any disputes or difficulties which may arise between the two contracting Societies relating to the membership of an interested party of assignee shall be settled amicably between them in the widest spirit of conciliation.

- X -

The present Contract is subject to the provisions of the BIEM Statutes and to the decisions taken by the competent organs of BIEM in applying them.



M

- XI -

The present Contract is concluded for a duration of a specified term from January 1,2015 until 31 December, 2015 and it shall be renewable by tacit consent for periods of one year unless notice be given by registered letter with acknowledgement of receipt three months before the end of the current period.

Budapest, on 2015.

Budapest, on 2015.

Dr. András Szinger
Director General

For AMAR

Rio de Janeiro, January, 1st, 2015

MARCO VENÍCIO MORORÓ DE ANDRADE

President

