

## Mutual Representation Agreement on Collective Management of Performers' Rights

The undersigned Parties:

Associação de Músicos Arranjadores e Regentes (hereafter - AMAR), whose registered office is at: Av. Río Blanco 18/19th Floor Centro, 20.090-000 Río de Janeiro - Brazil, represented by its President Mr. Marco Venício Mororó de Andrade acting on basis of the Statute,

on the one hand

and

All-Russian Non-Governmental Organization "Collective Management Society of Neighbouring Rights "Russian Copyright Owners' Union" (hereafter – RCU), whose registered office is at: Russian Federation, 123290, Moscow, Shelepikhinskaya embankment 8a, represented by its Chairman of the Board Mr. Andrey Krichevsky, acting on basis of the Statute,

on the other hand

hereinafter referred to as Contracting Parties

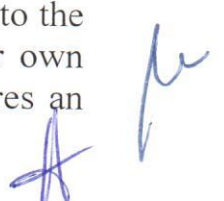
declare that

whereas the Contracting Parties will cooperate in order to strengthen the performers' rights and ensure an effectively functioning international management of such rights through bilateral agreements between performers' collective management organisations (PMOs),

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

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

whereas the Contracting Parties are able to pay individual remuneration to the members of the respective PMOs according to same rules as for their own members as from the entering into force of this Agreement, that ensures an



accurate distribution under an individual basis and in a proportional way to the uses of the performances in the territory of the other Contracting Party for each performer.

Contracting Parties have agreed the following:

### **Art. 1 Territory of the Agreement**

AMAR is operating in the territory of Brazil.

RCU is operating in the territory of the Russian Federation.

### **Art. 2 Authorisation to Manage**

The Contracting Parties have been empowered by their respective members to represent them beyond abroad by signing bilateral agreements with corresponding performers' collective management organisations (PMOs) in other countries.

The Contracting Parties warrant that they are entitled to represent their respective members within the territory determined in Art. 1 of the Agreement and in respect of the rights as specified in Annex I to this Agreement.

In accordance with the mandates given by their members, the Contracting Parties empower each other to represent, in their respective countries, the members of the other PMO as to the use of recorded performances protected under national law and the applicable international conventions, in respect of the performers' rights specified in Annex I to this Agreement.

### **Art. 3 Membership**

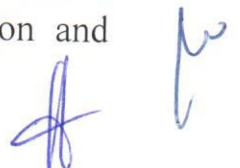
This Agreement only covers the rights of those performers (members) who have authorised their PMO to represent them within the territories of both the Contracting Parties.

### **Art. 4 Code of Conduct**

When necessary the Contracting Parties agree to renegotiate and update this Agreement accordingly in good faith and in a spirit of collaboration.

### **Art. 5 Liability**

The Contracting Parties will cooperate to ensure that their members receive the rightful remuneration in accordance with the national legislation and distribution rules that apply in the respective countries.



Members of the Contracting Parties can not claim any remuneration from the PMO of the other country directly.

#### **Art. 6 Mutual Recognition of Rules**

The Contracting Parties mutually recognize the statutes or by-laws and the distribution rules of the other Party.

#### **Art. 7 Co-Operation**

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

Once a year the Contracting Parties shall inform each other of any changes in the applicable national legislation, the societies' statutes or by-laws, collecting practices or distribution rules and shall pass on copies of the audited annual accounts or any other documents required by law.

On a practical and economic reciprocal basis and in co-operation with the performers' professional organisation the Contracting Parties express their mutual interest to initiate and carry through joint projects or otherwise assist each other in order to promote the performing arts and the professional interests of the performers.

#### **Art. 8 Management Costs**

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

#### **Art. 9 Settlement of Disputes**

the Contracting Parties shall make every effort to settle by negotiation any dispute that might arise from or in connection with this Agreement or its application.

#### **Art. 10 Force Majeure and Hardship**

If for reasons of force majeure or hardship a Contracting Party cannot fulfil its obligation in accordance with this Agreement the necessary consequences shall be negotiated by the Parties or settled in accordance with Art. 9. The Parties will renegotiate this Agreement in good faith in order to take into account the changes that have occurred.

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**Art. 11 Non-Assignability of this Agreement**

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

**Art. 12 Revision of Legislation**

In the event of amendments to the applicable national legislation or international conventions, or the adoption of new international instruments aiming at introducing new rights or extending existing ones, the Parties hereby agree to amend this Agreement so that the mutual powers of management may reflect the new provisions or the new rights.

**Art. 13 Data Protection**

Each Contracting Party shall ensure that it complies with the provisions and obligations imposed on by the applicable data protection legislation or required by the other Party.

Each Contracting Party shall be responsible for obtaining any necessary consent for the collection and use of personal data that it may transfer to the other Contracting Party.

**Art. 14 Confidentiality**

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

**Art. 15 Duration**

This Agreement shall enter into force on the day of its signing and shall continue to be in force until the end of the third calendar year following this date. After this the Agreement 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 contracting period.



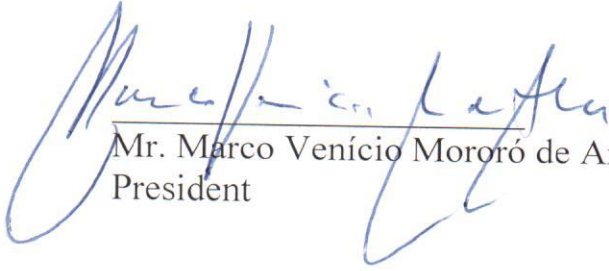
Executed in two copies, in Russian and English languages, both texts are equally valid.

Date \_\_\_\_\_

Date 14/08/2008

For AMAR

For RCU



Mr. Marco Venício Mororó de Andrade  
President



Mr. Andrey Ilichevsky  
Chairman of the Board

## **Annex I to the Mutual Representation Agreement on Collective Management of Performers' Rights signed between AMAR and RCU**

### **Art. 1 Performers' Rights covered by the Agreement**

This Agreement covers the performers' rights, conferred to the members of the Contracting Parties under their national legislation, to receive remuneration for the use of their phonograms published for commercial purposes.

### **Art. 2 Objective of this Agreement**

The objective of this Agreement is the transfer between the Contracting Parties of remuneration distributed to individual performers represented by the other Party according to Art. 1.

The Contracting Parties start the individual distribution based on sufficient information on the actual use of recordings and the participating featured and non-featured performers (See Article 3).

### **Art. 3 Exchange of Information**

#### **Art. 3.1 Information on Membership**

The Contracting Parties shall provide each other with the following and full data based information on their members which are covered by this Agreement to substantiate the claims for remuneration:

- The surname, the first name, the date of birth, the identification number of the performer, the pseudonym(s), the nationality and place of residence and the name(s) of the group(s) to which he/she belongs.

#### **Art. 3.2 Recording information**

Furthermore, when possible and upon agreement, once a year, before the end of (month to be agreed upon annually) the Contracting Parties exchange information regarding tracks being communicated to the public or otherwise used in the year before. In order for the Contracting Parties to be able to distribute on track level the individualised remuneration due to the performers of the other society, the Contracting Parties need information regarding the specific track and the participating performer(s). This information shall include:



The Track:

- Title of track
- Main artist
- Album/single title(s)
- Catalogue/reference no(s)
- Name for record company
- Label
- Year of publication
- Year of recording
- Date and place of first fixation
- Composer

The Performer:

- Performer Name
- Date of birth
- Country of birth
- Role code and/or performer role
- Featured/non-featured artist count (In case Contracting Parties do not get information about all participants but only members of the organisation in question)

The above information shall comprise all participating performers, irrespective of their membership and nationality.

The Contracting Parties should store the exchanged information regarding the specific tracks and the participating performers in their national recording databases after finalising the annual exchange. This ensures a constant increase in the efficiency of the annual exchanges, as the information for a specific track will only have to be exchanged once, unless the respective Parties since the last exchange have received additional information for a specific track.

**Art. 4 Transfer of Remuneration**

The Parties have agreed upon a transfer of remuneration once a year, at least not later than to its own members. The Contracting Parties exchange lists in digital format of data based information on the amounts to be passed on to named performers of the other PMO (statement).

The Contracting Parties shall transfer the total amount due to the members of the other Contracting Party within 30 days after the communication of the statement and the necessary documents required by law.

The transfer of the remuneration shall be made in the currency agreed by the Parties. The costs of the transfer shall be covered by the collecting party

If in any given year the amounts to be exchanged are not in proper proportion to the costs involved, the Parties shall agree on the best method to handle this.

#### **Art. 5 Non-Transfer of Remuneration**

Individual remuneration reserved for right owners 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.

Individual remuneration to performers 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.

#### **Art. 6 Control Procedures**

The Contracting Parties shall have access to all relevant information on the performers, registered recordings and documents within the office premises of the other Party. This enables the Parties to ensure a proper functioning of this Agreement.

Upon request, the Contracting Parties are obliged to supply the other Party with all specific information available on the actual use of the performers' recordings.

#### **Art. 7 Duration**

This Annex shall come in force and stay in force simultaneously with the Agreement.

Executed in two copies, in Russian and English languages, both texts are equally valid.

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Rio de Janeiro

Moscow

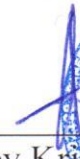
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