

CONTRACT OF UNILATERAL REPRESENTATION (Mechanical Reproduction Right)

Between the undersigned:

The ASSOCIAÇAO DE MÚSICOS, ARRANJADORES E REGENTES (hereinafter designated "AMAR") whose registered office is at Av. Rio Branco 18/19th Floor Centro CEP 20090 000, Río de Janeiro, RJ, Brasil, represented by its President, Mr. MARCUS VENICIUS ANDRADE, especially authorized for the purposes of the present contract, of the one part; and

The SOCIEDAD CHILENA DEL DERECHO DE AUTOR (hereinafter designated "SCD") whose registered office is at Condell N°346, Providencia, Santiago de Chile, represented by its Director General, Mr. SANTIAGO SCHUSTER VERGARA, especially authorized for the purposes of the present contract, of the other part;

IT IS AGREED AS FOLLOWS:

ARTICLE I

- 1) By virtue of the present contract, AMAR assigns to SCD, for the territories of exploitation defined and delimited in Article III hereafter, the exclusive management of the rights hereafter defined.
- 2) The management of the rights mentioned above comprises recording and mechanical reproduction in the respective territories of exploitation of SCD of works of the repertoire of AMAR, as well as the putting into circulation in any form and in any place of recordings and copies so reproduced.
- 3) The repertoire of AMAR comprises literary, dramatic, dramatic-musical and musical works, with or without text, in respect of which the owners of the recording and mechanical reproduction rights have entrusted it 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 agreement apply to all forms of recording and reproduction with the exclusion of graphic reproduction.







ARTICLE II

AMAR shall notify SCD in writing of any limitation or reserve in the composition of its repertoire and its rights of administration.

ARTICLE III

For the purposes of the implementation of the present contract the territory of exploitation of the mandate assigned by AMAR to SCD comprises: The Republic Of Chile.

ARTICLE IV

- 1) In all cases where block-sum licenses are collected, SCD shall determine the share due to the works of AMAR's repertoire in accordance with the rules applicable to its own repertoire.
- 2) Where such a block-sum license covering performing and mechanical rights is collected from radio-television organizations, SCD shall allocate at least one third of this block-sum license to mechanical rights as remuneration for all recordings made by those organizations.

ARTICLE V

AMAR undertakes to supply regularly to SCD the documentation necessary for carrying out this agreement.

ARTICLE VI

1) SCD will carry out the distribution of the amounts collected on behalf of AMAR within the same term as it does for its own repertoire, in the form of liquidation (list of works by titles alphabetical order) according to the documentation provided in virtue of the preceding Article V.

These amounts are payable as soon as SCD knows the results of the distribution. Therefore, SCD shall, without delay, transfer the amounts due to AMAR.

ARTICLE VII

1) On the gross amounts of the collections made in carrying out the present Contract SCD shall apply the following rates of commission:

Phonographic exploitation	15%
Radio-Television exploitation	20%
Blank Tape	15%







The above-mentioned rates of commission have been evaluated by mutual agreement between the parties as corresponding to real expenses.

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

ARTICLE VIII

AMAR is entitled to check all operations of SCD which have a bearing on the carrying out of this contract.

ARTICLE IX

The present Contract is concluded for the period from January 1, 2003 to December 31, 2003. It is renewable by tacit consent for periods of one year unless notice be given by registered letter with acknowledgement of receipt six months before the end of the current period.

Executed in good faith, in two copies: one copy in the possession of **AMAR** and one copy in the possession of **SCD**.

In Santiago de Chile on October 14, 2003

For SCD

In Rio de Janeiro

on

For AMAR

SANTIAGO SCHUSTER VERGARA

DIRECTOR GENERAL

MARCUS VENICIUS ANDRADE

PRESIDENT





ADDITIONAL CLAUSES

CLAUSE I

SCD and AMAR expressly state that the administration of the rights set out in Article I, paragraph 2), of the contract of unilateral representation for mechanical reproduction rights, subscribed between both contracting Societies on this date, involves the power of SCD to retroactively collect all which can be due to AMAR by such concept.

CLAUSE II

SCD makes express reservation that Article IV, paragraph 2), of the contract of unilateral representation for mechanical reproduction rights, subscribed between AMAR and SCD on this date, is not applicable since SCD does not perceive any license by way of mechanical reproduction rights, as remuneration of the recordings carried out by the radio-television organizations.

CLAUSE III

SCD hereby undertakes to inform immediately **AMAR** as soon as it is in the position to carry out such collections from the said organizations.

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In Santiago de Chile on October 14, 2003

For SCD

In Rio de Janeiro

on

For AMAR

SANTIAGO SCHUSTER VERGARA

DIRECTOR GENERAL

MARCUS VENICIUS ANDRADE

PRESIDENT

AUTORIZACION AL DORSO