

**CONTRACT OF UNILATERAL REPRESENTATION  
BETWEEN PUBLIC PERFORMANCE RIGHTS SOCIETY**

Between the undersigned:

**GEORGIAN COPYRIGHT ASSOCIATION**, hereafter GCA, whose registered office is at 63 Kostava str.0171, Tbilisi, Georgia, represented by Giga Kobaladze, Chairman of Board, on the one part,

and

**Associação de Músicos Arranjadores e Regentes - Sociedade Musical Brasileira**, hereafter AMAR, whose registered office is at Av. Rio Branco, 18/19º e 20º andar - Centro - Rio de Janeiro – RJ, CEP: 20.090-000 – Brasil, represented by President, Mr. Marco Venicio Mororó de Andrade, on the other part,

IT IS AGREED AS FOLLOWS:

**Art. 1.-**

(I) By virtue of the present contract, AMAR confers on GCA the non-exclusive right, in the territories in which this latter society operates (as they are defined and delimited in Art. 6 (I) hereafter), to grant the necessary authorisations for all public performances (as defined in paragraph (III) of this Article) of 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 non-exclusive right referred to in the preceding paragraph is conferred in so far as the public performance 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 AMAR by its members, in accordance with its articles of association and rules the said works collectively constituting "the repertoire of AMAR".

The rights granted include the right to enforce the author's rights before any competent authority, including the courts and the Prosecution Authority. In the event that the rights granted under this Article do not entitle GCA to enforce such rights, then AMAR will assign to GCA all rights necessary for enforcing the author's rights.

(II) Under the terms of the present contract, the expression "public" includes all sounds and performances rendered audible to the public in any place whatever within the territories in which each of the contracting societies operates, by any means and in any way whatever, whether the said means be already known and put to use or whether hereafter discovered and put to use during the period when this contract is in force. "Public performance" includes in particular performances provided by live means, instrumental or vocal ; by mechanical means such as phonographic records, wires, tapes and sound tracks (magnetic and otherwise); by processes of projection (sound film), of diffusion and transmission (such as radio and television broadcasts, whether made directly or relayed, retransmitted etc.) as well as by any process of wireless reception (radio and television receiving apparatus, telephonic reception etc. and similar means and devices, etc.).

(III) With regard to direct broadcasting by satellite, the contracting Societies agree that the rights conferred by virtue of Art. 1 of this Contract are not limited to the territories of operation but are

valid for all countries within the footprint of the satellite of which the transmissions are effected, subject to having acquired the other contracting Society's agreement beforehand as to the conditions under which the authorisations required for such transmissions may be delivered, insofar as the territories in which it operates are situated within the satellite's footprint.

**Art. 2.-**

(I) The non-exclusive right to authorise performances, as referred to in Art.1, entitles GCA, 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, public performances of works in the repertoire of the other society and to grant the necessary authorisations for such performances;
- b) to collect all royalties required in turn for the authorisations granted by it (as provided in a) above), to receive all sums due as indemnification or damages for unauthorised performances 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 performances 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 public performance right in the works covered by the present contract.

(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 AMAR, GCA 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 Art. 2. Any transfer effected in despite of this clause shall be null and void without the fulfilment of any formality.

**Art. 3.-**

(I) In virtue of the powers conferred by Articles 1 and 2, GCA undertakes to enforce within the territory in which it operates the rights of the members of AMAR 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, GCA shall apply to works in the repertoire of AMAR the same tariffs, methods and means of collection and distribution of royalties (subject to what is agreed hereafter in Art. 7) as those which it applies to works in its own repertoire.

(II) GCA undertakes to send to AMAR any information for which it may be asked concerning the tariffs it applies to different kinds of public performance in its own territories.

(III) 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 the present contract, GCA undertakes, at the request of AMAR, to concert with the other society in seeking the most effective means to this end.

**Art. 4.-**

GCA shall place at the disposal of AMAR 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) GCA shall place at the disposal of AMAR 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, and obtaining and checking performance programmes.

In particular, GCA shall inform AMAR of any discrepancy which it notes between the documentation received from AMAR and its own documentation or that furnished by another society.

(II) In addition, AMAR shall have the right to consult all the GCA'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 GCA.

(III) AMAR may accredit a representative to GCA to carry out on its behalf the check provided for in paragraph (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.-**

The territory in which GCA operates is GEORGIA.

**DISTRIBUTION OF ROYALTIES**

**Art. 7.-**

(I) GCA undertakes to do its utmost to obtain programmes of all public performances which take place in its territories and to use these programmes as the effective basis for the distribution of the total net royalties collected for these performances.

(II) The allocation of sums collected in respect of works performed in the territories of GCA shall be made in accordance with Article 3 and its distribution rules 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 (that is, the index cards or equivalent notifications sent and accepted by the Societies of which the interested parties are members).

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 at least of whose original creator belongs to the distribution Society, this latter Society may distribute the royalties in accordance with its own Rules.

d) The publisher's share of the royalties accruing to a work, or the total share of all the publishers or sub-publishers of a work, no matter how many, shall in no case exceed one half (50%) of the total royalties accruing to the work.

e) 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 total of the royalties accruing to that work is to be sent to the composer's Society. If the work is an arrangement of a non-copyright work, the royalties are to be paid to the arranger's Society insofar as he is known. In the case of lyrics adapted to a non-copyright work, the royalties are to be sent to the lyric writer's Society.

The Society receiving royalties distributed according to the foregoing rules is responsible, in the case of mixed works, for making any necessary transfers to other Societies interested in the work and for informing the distributing Society by means of international index cards or equivalent documentation.

f) Where a member of one of the Societies has acquired the rights to adapt, arrange, re-publish or exploit a work in the repertoire of the other Society, the distribution of royalties shall be made with due regard to the provisions of the present Article and of the "Confederal Statute of Sub-publication" established by the International Confederation of Societies of Authors and Composers (hereafter designated "the Confederation").

#### **Art. 8.-**

(I) GCA shall be entitled to deduct from the sums it collects on behalf of 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 members of GCA, and GCA shall always endeavour in this respect to keep within reasonable limits, having regard to local conditions in the territories in which it operates.

(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, GCA shall be entitled to deduct from the sums collected by it on behalf of AMAR 10% at the maximum, which shall be allocated to the said purposes.

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

(IV) No part of the royalties collected by GCA for the account of AMAR in consideration of the authorisations which it grants solely for the copyright works which it is authorised to administer may be regarded as not distributable to AMAR. With the exception therefore, only of the deduction mentioned in paragraph (I) of this article, and subject to the provisions of paragraphs (II) and (III) of the said article, the net total of the royalties collected by GCA for the account of AMAR shall be entirely and effectively distributed to the latter.

#### **Art. 9.-**

(I) GCA shall distribute to AMAR the sums due under the terms of the present contract as and when distributions are made to its own members and at least once a year. Payment of these sums shall be made within 90 days following each distribution, barring duly ascertained cases outside the societies' control.

In the case of modification in the monetary parity of the countries of the contracting societies (national currencies relative to the usual currency of payment), if this modification represents an effective devaluation and if the payment is made outside the afore-mentioned contractual period, the debtor society shall use the amount of its national currency necessary in order to provide the creditor society with the same amount of its own currency that it would have received if the settlement had been made at the exchange rate applicable on the ninetieth day of the afore-mentioned contractual period provided that the creditor society has complied with all the administrative procedures needed to enable the debtor society to fulfil its commitment.

(II) Each payment shall be accompanied by a distribution statement in such form as to enable the other Society to allocate to each interested party, whatever his membership or category as member, the royalties accruing to him. These statements, in principle, shall be three in number:

- one for general royalties
- one for radio-television
- one for sound films

They shall be uniform in style and material.

**The statements of general royalties and radio-television royalties** shall be established in six columns, the last of which is left blank at the disposal of the addressee Society (if possible). The other Five columns shall contain:

- 1) composers' names (in alphabetical order);
- 2) for each composer, work titles (in alphabetical order);
- 3) interested parties;
- 4) share accruing to the addressee Society;
- 5) royalty amounts, preferably indicated in currency of the transmitting organisation, or in default thereof, in points.

**The statement concerning sound films** shall also have six columns, like the preceding statements, but the first two columns, instead of indicating the names of composers and works, shall indicate respectively:

- 1) the film title, in the language of the country of exploitation;
- 2) the original title of the said film.

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

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

(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 GCA to make the payment due to AMAR on the date in question. Naturally, this provision is subject to force majeure.

(VI) So long as legislative or statutory measures impede the free exchange of international payments, or exchange control agreements have been or will be concluded in the future by GCA, the latter shall:

- a) without delay immediately after drawing up the distribution accounting for AMAR, take all necessary steps and comply with the 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 AMAR 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) AMAR undertakes to provide on a regular basis the IPI registry with complete and detailed information on the real names and the pseudonyms of its members, including dates of decease, additions, deletions and alterations. Furthermore, GCA undertakes to use the output of the IPI registry as the basis for its identification and distribution in respect of the membership of AMAR.

(II) GCA shall also provide AMAR 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 AMAR shall be protected and represented by GCA under the present contract without the said members being required by GCA to comply with any formalities and without their being required to join GCA.

(II) Nevertheless, the preceding clause shall not be interpreted as prohibiting either of the contracting societies from accepting as members natural persons who enjoy refugee status in its own territories of operation, or who have been authorized to settle there and have actually been resident there for at least one year and to do so as long as they continue to reside there. Such membership shall not apply to the territory of the society operating in the country of which the author is a national

(III) 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.

(IV) 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 (CISAC).

**DURATION**

**Art. 13.-**

The present contract shall come into force as from **1 January 2016 to 31 December 2016** and subject to the terms of Art. 14 shall continue in force from year to year by automatic extension if it has not been determined by registered letter at least three months before the expiration of each period.

**Art. 14.-**

Notwithstanding the terms of Art. 13, the present contract may be determined immediately by AMAR:

- a) If an alteration is made in the articles of association, rules or Distribution Plan of GCA 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 AMAR. 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 Board of Directors may allow GCA a period of three months to remedy the situation thus created. When this period has expired without the necessary steps having been taken by GCA the present contract may be terminated by the unilaterally expressed wish of AMAR, if it so decides;
- b) If such a legal or factual situation arises in the territories administered by GCA that the members of AMAR are placed in a less favourable position than the members of GCA, or if GCA puts into practice measures resulting in a boycott of the works in the repertoire of AMAR.

### LEGAL DISPUTES – JURISDICTION

#### Art. 15.-

(I) Each of the contracting societies may seek the advice of the Confederation's Board of Directors 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, agree to resort to arbitration by the Confederation's appropriate authority 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, event 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 good faith in two copies, one for each of the contracting parties.

Tbilisi, 7.10. 2015

Rio de Janeiro, 01-12, 2015

For GCA:  
Read and approved,

For AMAR:  
Read and approved,

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**Giga Kobaladze**  
Chairman of Board

**Marco Venicio Mororó de Andrade**  
President

