

**CONTRACT OF UNILATERAL REPRESENTATION BETWEEN**

**Säveltäjien Tekijänoikeustoimisto Teosto r.y.  
(Finland)**

**and**

**Associação de Músicos Arranjadores e Regentes AMAR  
(Brazil)**

By and between the undersigned

**SÄVELTÄJÄIN TEKIJÄNOIKEUSTOIMISTO TEOSTO R.Y.** (hereinafter "TEOSTO")  
whose registered office is at Lauttasaarentie 1, 00200 Helsinki, Finland, and whose contact  
information is as follows:

telephone: +358-9-681011

fax: +358-9-677134

e-mail: [teosto@teosto.fi](mailto:teosto@teosto.fi)

represented by its Chief Executive Officer, Ms. Katri Sipilä

on the one part;

and

**ASSOCIAÇÃO DE MUSICOS ARRANJADORES E REGENTES** (hereafter "AMAR")  
whose registered office is at Av. Rio Branco, 18 / 19th Floor – Centro, ZIP 20.090-000, Rio  
de Janeiro, RJ – Brazil, and whose contact information is as follows:

telephone: +55 21 3043 7777

fax: + 55 21 2263 0921

e-mail: [amar@amar.art.br](mailto:amar@amar.art.br)

represented by its Chief Executive Officer, Mr. William Netto

on the other part.

For the sake of clarity both TEOSTO and AMAR are hereafter also referred to jointly as the  
"Societies" and separately as a "Society".

Now, it is agreed as follows:

## **Article 1.**

**(I)** By virtue of the present contract, AMAR confers on TEOSTO the non-exclusive right, in the territory in which the latter Society operates (as defined and delimited in Article 6 (I) hereafter), to grant the necessary authorisations for all public performances (as defined in paragraph (II) 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 during the term of this contract.

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 term of this contract, 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".

**(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 territory in which TEOSTO 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 term of this contract. "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.).

For the avoidance of doubt, for the purpose of this contract the notion "Public performance" shall include any form of communication to the public as well as making available to the public.

## **Article 2.**

**(I)** The right to authorise performances, as referred to in Article 1, entitles TEOSTO, within the limits of the powers granted 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 AMAR and to grant the necessary authorisations for such performances;

b) to collect all royalties required in turn for the authorisations granted by TEOSTO (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 needed for the purpose of ensuring the protection of the public performance right in the works covered by the present contract.

(II) Due to the personal nature of this contract, the Societies acknowledge and agree that they shall in no circumstances have the right to assign or transfer to a third party, in whole or in part, the prerogatives, faculties or other rights conferred by Society to the other under this contract, particularly those mentioned in Article 2 above, without prior express written consent of the other Society. Any assignment or transfer effected regardless of this clause shall be null and void without the need to fulfil any formalities.

### **Article 3.**

(I) By virtue of the powers conferred by Articles 1 and 2, TEOSTO undertakes to enforce, within its territory, 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, by virtue of the present contract, such protection not being specifically provided in law, it is possible to ensure an equivalent protection. Moreover, TEOSTO undertakes 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 between the members of both Societies, even where by the effect of local law foreign works are subject to discrimination.

In particular, TEOSTO shall apply to works in the repertoire of AMAR the same tariffs, methods and means of collection and distribution of royalties (subject to provisions in Article 7 hereafter) as those which it applies to works in its own repertoire.

(II) Each of the 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 public performance in its own territories.

### **Article 4.**

AMAR shall place at the disposal of TEOSTO all pertinent documents and other information for the purpose of enabling the latter to justify the royalties it is responsible for collecting under the present contract and to take any necessary legal or other action, as provided for in Article 2 (I) above.

### **Article 5.**

(I) Each Society shall place at the disposal of the other Society all documents, records and other information needed in order to enable the latter 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, each Society shall inform without undue delay the other of any discrepancy which it notes between the documentation and other information received from the other Society and its own documentation or that furnished by another society not party to this contract.

(II) In addition, AMAR shall have the right to audit all TEOSTO's records and to obtain all information relating to the collection and distribution of royalties designated to AMAR from TEOSTO, in order for AMAR to inspect the administration of its repertoire by TEOSTO.

(III) AMAR may accredit a representative for the purpose of carrying out on its behalf the audit provided for in paragraphs (I) and (II) above. Similarly, TEOSTO shall have the same right in relation to paragraph (I). The appointment of this representative shall be subject to the approval of the Society to which the representative is to be accredited. Refusal of such approval must be duly motivated.

## **TERRITORY**

### **Article 6.**

(I) TEOSTO operates in the territory of Finland.

(II) During the term of this contract, AMAR shall refrain from any intervention within the territory of TEOSTO in the latter's exercise of the mandate conferred by the present contract.

For the sake of clarity the Societies acknowledge and agree that Article 6 (II) shall not be interpreted as imposing any form of exclusivity but that it shall be interpreted in compliance with the non-exclusive nature of the mandates conferred in Article 1 (I) and (II).

## **DISTRIBUTION OF ROYALTIES**

### **Article 7.**

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

(II) The allocation of sums collected in respect of works performed in the territory of TEOSTO shall be made in accordance with Article 3 and the distribution rules of TEOSTO, having regard, nevertheless, to the following paragraphs:

a) Where all the parties interested in a work are members of a single society other than TEOSTO, 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 case the parties interested in a work are not all members of the same society but of whom none is a member of TEOSTO, the royalties shall be distributed in accordance with the international index cards.

In the case of contradictory index cards or notifications, TEOSTO may distribute the royalties in accordance with its rules, except where different interested parties claim the same share, in which case such share may be put into suspense until an agreement has been reached between the societies concerned.

c) In the case of a work of which one of the right holders is a member of TEOSTO, it may distribute the royalties in accordance with its own rules.

d) 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.

AMAR shall, when receiving royalties distributed according to the foregoing rules, be responsible, in the case of mixed works, for making any necessary transfers to other societies interested in the work and for informing TEOSTO by means of international index cards or equivalent documentation.

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

## **Article 8.**

(I) TEOSTO 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 TEOSTO, and the latter Society shall always endeavour in this respect to keep within reasonable limits, having regard to local conditions in the territory/territories in which it operates.

(II) When TEOSTO 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, it 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) No part of the royalties collected by TEOSTO for the account of AMAR in consideration of the authorisations which it grants solely for the copyright works it is authorised to administer may be regarded as not distributable to AMAR. With the exception 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 TEOSTO for the account of AMAR shall be entirely and effectively distributed to the latter.

#### **Article 9.**

(I) TEOSTO 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 in duly ascertained cases outside TEOSTO's control.

(II) Every payment shall be accompanied by a distribution statement in such form as to enable AMAR to allocate to each rightholder, whatever his membership or category as member, the royalties accruing to him.

(III) Settlements shall be made by each Society in euros (EUR).

(IV) TEOSTO shall remain liable in relation to AMAR for any error or omission which it may make in the distribution of the royalties accruing to works in the repertoire of the latter Society.

(V) The mere fact that the date for settlement of accounts agreed upon between the 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. This provision is, however, 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, between the countries of the Societies, TEOSTO shall:

a) without undue 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 the other the statements mentioned in paragraph (II) of the present Article.

#### **Article 10.**

(I) AMAR shall, through the medium of the IPI (CAE) list, provide TEOSTO with complete and detailed information of the real names and the pseudonyms of its members.

(II) 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 the other Society of any subsequent modifications made thereto during the term of this contract.

**Article 11.**

(I) The members of AMAR shall be protected and represented by TEOSTO under the present contract without the said members being required by TEOSTO to comply with any formalities and without them being required to join TEOSTO.

(II) Each 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.

(III) Any disputes or difficulties which may arise between the Societies relating to the membership of an interested party or assignee shall be settled amicably between them in the widest spirit of conciliation.

**CONFEDERATION**

**Article 12.**

When necessary and as separately agreed between the Societies, the present contract may be reviewed bilaterally in case the Societies deem that provisions of the statutes or decisions of the International Confederation of Societies of Authors and Composers give rise thereto.

**DURATION**

**Article 13.**

The present contract shall enter into force retroactively as from 1 January 2010 and, subject to the terms of Article 14, shall continue until 31 December 2010. The contract shall thereafter continue in force from year to year by automatic extension, unless terminated by either Society giving the other a written notice thereof no later than three (3) months prior to the expiration date of the then current period, in which case the contract expires at the end of that period.

**Article 14.**

Notwithstanding the terms of Article 13, the present contract may be terminated with immediate effects by either of the Societies giving the other a written notice thereof:

a) if an alteration is made to 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 Board of Directors may allow the representing Society a period of three



(3) 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 a 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 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 Societies puts into practice measures resulting in a boycott of the works in the repertoire of the other Society.

### **LEGAL DISPUTES – JURISDICTION**

#### **Article 15.**

(I) Each of the Societies may seek the advice of the Confederation's Board of Directors about any difficulties which may arise between the Societies regarding the interpretation or performance of this contract.

(II) The Societies may, if need be, agree to resort to arbitration by the Confederation's appropriate authority in order to settle any disputes that may arise between them with regard to the present contract.

(III) If the Societies do not deem appropriate to resort to arbitration by the Confederation, or to commence other arbitral proceedings between them, 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.

This contract has been drawn up and executed in good faith and in the same number of copies as there are parties to this contract.

Signed in Helsinki on the 25 of August 2010

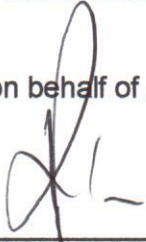
For and on behalf of TEOSTO



\_\_\_\_\_  
Katri Sipilä, CEO

Signed in Rio de Janeiro on the 17 of agosto 2010

For and on behalf of AMAR



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