

CONTRACT OF UNILATERAL REPRESENTATION

Between

Società Italiana degli Autori ed Editori (SIAE), whose registered office is in Rome, Viale della Letteratura 30, represented by its President, Mr Francesco Migliacci of the one part, and

Sociedade Brasileira de Administração e Proteção de Direitos Intelectuais (SOCINPRO), whose registered office is Av. Beira Mar, 406, Gr. 1206-Centro 20021-060, Rio de Janeiro, represented by its General Director, Mr. Jorge S. Costa.

of the other part;

IT IS AGREED AS FOLLOWS

Article 1

By the present contract SOCINPRO confers on SIAE the exclusive right in the territories administered by the latter Society (as defined in Art. 7) to authorize all public performances (as defined in Art. 2 hereafter) of musical works, with or without lyrics, which are protected according to the provisions of national laws, bilateral agreements and multilateral international conventions relating to the author's right (copyright, intellectual property, etc.) which at present exist or which may come into existence and into effect during the period of the present contract.

This exclusive right as defined in the preceding paragraph, is conferred in so far as the performing right in the work concerned has been or shall be, during the period of the present contract, assigned to, transferred to, or conferred upon SOCINPRO, by whatever means, by its members, for the purpose of its administration, in accordance with its Rules and Articles of Association, the said works collectively forming the *repertoire of SOCINPRO*.

Article 2

In the terms of the present contract the phrase *public performance* includes all performances audible to the public in any place within the territory administered by SIAE, by whatever means, whether the said means be already known and used or whether hereafter discovered and put into use during the period of the present contract. Public performances include in particular performances given by live means, instrumental or vocal; by mechanical means, such as gramophone records, wires, tapes and sound-tracks (magnetic and otherwise); by any process of projection (sound film), or diffusion and transmission (such as radio and television broadcasts, whether direct, relayed or retransmitted), as well as by any process of wireless reception (radio, television and television receiving apparatus, etc.); and by similar means and devices.

etc.

Article 3

The exclusive right to authorize performances, as stated in Art. 1, entitles SIAE, within the limit of the powers it enjoys by virtue of the present contract, of its own Rules and Articles of Association and of the national legislation of the country or countries in which it exercises its activities:

- (a) to permit or prohibit whether in its own name or that of the interested author, public performances of works in the repertoire of SOCINPRO and to grant the necessary authorization for such performances;
- (b) to collect all fees stipulated by virtue of these authorizations (as provided in (a) above); to receive all sums due as indemnification or damages for unauthorized performances of the works concerned; to give due and valid receipts for the aforementioned collections;
- (c) to sue, either in its own name or in that of the interested author, all persons or corporate bodies and all authorities, administrative or otherwise, responsible for illegal performances of the works concerned;
- (d) to transact, compromise, submit to arbitration, refer to any Court of Law, special or administrative tribunal;
- (e) to take any other action necessary to ensure the protection of the performing right in the works covered by the present contract;

Article 4

By virtue of the powers conferred by Articles 1 and 3, SIAE undertakes to enforce within the territory which it administers the rights of the members of SOCINPRO in the same way and to the same extent as those of its own members and to do so 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 by law, it is possible to ensure an equivalent protection.

In particular, SIAE shall apply to works in the repertoire of SOCINPRO the same tariffs, methods and means of collection and distribution of royalties (subject to the provisions of Art. 8 below) as it applies to the works in its own repertoire.

Article 5

SOCINPRO shall place at the disposal of SIAE all documents enabling the latter to justify the royalties which it is called upon to collect in virtue of the present contract and to take any legal or other action in accordance with Art. 3 above.

Article 6



SIAE shall place at the disposal of SOCINPRO all documents, records and other information related to the notification of works, the collection and distribution of royalties and the obtaining and verification of programme returns that could be necessary in order to allow the latter the checking of the administration of its repertoire.

Article 7

- 7.1 In application of the present contract, the territory administered by SIAE is: Italy, the Republic of San Marino and the Vatican City.
- 7.2 For the duration of the present contract, SOCINPRO shall refrain from any interference within the territory of the other Society in the latter's exercise of the mandate conferred by the present contract.

Article 8

The allocation of the sums collected in respect of performances in SIAE's territory shall be carried out in accordance with Art. 4 and SIAE's distribution rules, due regard being given, however, to the provisions of the following paragraphs:

- (a) When one of the interested parties in a work is member of SIAE, this latter will distribute the royalties on the basis its own rules;
- (b) In the case of a work of which the interested parties are members of a Society other than SIAE, the latter will distribute the royalties, to the maximum possible extent, in accordance with International Index Cards (or equivalent declarations) sent and accepted by the interested Societies; however, the publisher's share shall in no case exceed 50%.
- (c) When a member of SIAE has acquired the right to adapt, arrange, re-publish or exploit a work in the repertoire of SOCINPRO, the royalties shall be distributed with due regard to the recommendations of CISAC International Confederation of Societies of Authors and Composers as far as accepted by SIAE.

Article 9

- 9.1 SIAE shall distribute SOCINPRO the sums due to it by virtue of the provisions 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, except in duly ascertained cases of force majeure.
- 9.2 Every payment shall be accompanied by a distribution statement in such form as to enable SOCINPRO to allocate to each right holder the royalties accruing to him.
The statements for general fees and for radio and television fees will contain:
1. the names of the composers (in alphabetical order)
 2. for each composer the titles of his works (in alphabetical order)
 3. the names of the right holders

4. the share of SOCINPRO
5. the amount of the fees indicated, preferably in the currency of the country of SIAE or, if not possible, in points. Note: the column "right holders" can be cancelled if it implies difficulties for the distributing Society.

The statements for sound film shall contain:

1. the title of the film in the language of the country of exploitation;
2. the original title.

- 9.3 The payments will be made in Italian currency.

Article 10

- 10.1 SIAE shall be entitled to deduct from the sums it collects for the account of SOCINPRO the percentage necessary to cover its effective administrative expenses. This percentage shall not exceed that which is deducted for this purpose from the sums collected for its own members.
- 10.2 SIAE is also entitled to deduct from the sums it collects for the account of SOCINPRO a maximum of ten per cent (10%) for social and cultural purposes or in favour of any funds serving similar purposes.
- 10.3 Any other deductions, apart from taxes, that SIAE may make or be obliged to make from the net royalties accruing to SOCINPRO shall give rise to special arrangements between the contracting parties.

Article 11

SOCINPRO shall provide SIAE with a complete and detailed list of the real names and pseudonyms of its members, including the date of decease of those author and composer members who are dead at the time when this contract is signed, and whose rights it continues to represent. From time to time it shall send to SIAE supplementary lists of the same nature, showing additions, deletions or changes which have occurred in the main list and, at least once a year, a list of its author and composer members who have died in the course of the year.

Article 12

- 12.1 The members of SOCINPRO shall be represented and protected by SIAE under the present contract without the said members being required to comply with any formalities whatever, and without their being required to join SIAE.
- 12.2 SIAE undertakes not to communicate directly with members of SOCINPRO but, if the occasion arises, to communicate with them through the intermediary of SOCINPRO.
- 12.3 Any disputes or difficulties which may arise between the two contracting Societies relating to the claims of an interested party or assignee shall be settled amicably in a spirit of conciliation.

Article 13

The present contract shall come into force with effect from January 1st 2004 for a period of one year and shall subsist thereafter from year to year by tacit renewal unless determined with registered letter by either party at least three (3) months before the expiration of each period thereafter.

Article 14

If the two contracting Societies do not consider it appropriate to resort to arbitration between themselves in order to settle any dispute arising between SIAE and SOCINPRO regarding the interpretation or performance of this contract, then the Courts competent to decide the question at issue shall be those of the country of the defendant Society.

For SOCINPRO



Jorge S. Costa
General Director

Rio de Janeiro, 29 septembre 2003

For SIAE



Francesco Migliacci
President

Rome, October 22nd, 2003