

**CONTRACT OF UNILATERAL REPRESENTATION
BETWEEN
SOCINPRO AND SOCAN**

Between the undersigned:

Society of Composers, Authors and Music Publishers of Canada - Société Canadienne des Auteurs, Compositeurs et Éditeurs de Musique, (SOCAN), whose registered office is at 41 Valleybrook Drive, Toronto, Ontario, M3B 2S6, Canada; represented by its Chief Executive Officer, André LeBel, specifically authorized for the purposes of the present contract to bind the society

on the one part;

and

Sociedade Brasileira de Administração e Proteção de Direitos Intelectuais, (SOCINPRO) whose registered office is at Av. Beira Mar, 406 – Gr. 1205 – Centro – 20021-060 Rio de Janeiro – RJ., represented by its General Director, Jorge S. Costa, specifically authorized for the purposes of the present contract to bind the society

on the other part;

it is agreed as follows:

Art. 1 (I) By virtue of the present contract, **SOCINPRO** assigns to **SOCAN** the performing right (as defined in Paragraph II of this Article), in Canada and the right to authorize 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 while the present contract is in force.

The assignment of the performing right referred to in the preceding paragraph is assigned insofar as the performing 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 **SOCINPRO** by its members, in accordance with its Articles of Association and Rules, the said works collectively constituting "the repertoire of **SOCINPRO**".

(II) Under the terms of the present contract, the expression "performing right" includes any right that now exists or may exist in the future of performance of any musical work in public by any means whether now known or later invented and in any manner, or of communication of any musical work to the public by telecommunication or authorizing or prohibiting any public performance or any communication of any work to the public by telecommunication within the territories in which each of the contracting Societies operates. "Public performance" shall have a corresponding meaning and without limiting the generality of the foregoing, includes performances whether instrumental or vocal or both and whether provided by live means, by mechanical means (including but not limited to analog or digital



sound recordings whether phonographic recordings, discs, wires, tapes, sound tracks and similar devices capable of reproducing sound); by processes of projection (including but not limited to videogrammes, whether sound film, tape, and similar devices capable of reproducing sound); by means of telecommunication (including but not limited to wire, radio, visual, optical or other electromagnetic system) and whether by radiocommunication, broadcast, diffusion or other transmission; and by any process whatsoever whether wired or wireless, (including but not limited to radio, television, telephonic apparatus, cable, fibre optic, satellite and similar means and devices); and whether made directly, relayed, rebroadcast or retransmitted.

With regard to direct broadcasting by satellite, the contracting Societies agree that the rights conferred by virtue of Article 1 of this Contract are not limited to Canada but are valid for all countries within the footprint of the satellite of which the transmissions are effected from Canada, subject to having obtained **SOCINPRO's** prior agreement as to the conditions under which the authorizations required for such transmissions may be delivered, insofar as the territories in which **SOCINPRO** operates are situated within the satellite's footprint.

(III) Nothing in the present contract shall imply authorization, consent or grant of any licenses in respect of mechanical reproduction rights or synchronization rights.

Art. 2 (I) The assignment of performing rights as referred to in Article 1, entitles **SOCAN**, within the limits of the powers pertaining to it by virtue of the present contract, and of its own By-Laws, Articles of Association and Rules, and of the national legislation of Canada:

- a) to permit or prohibit, whether in its own name or that of the copyright owner concerned, public performances of works in the repertoire of **SOCINPRO** and to issue the necessary authorizations for such performances;
- b) to collect all royalties required in return for the authorizations issued by it as provide in a) above;
- c) to receive all sums due as indemnification or damages for unauthorized performances of the works in question;
- d) to commence and pursue, either in its own name or that of the copyright owner 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,
- e) to transact, compromise, submit to arbitration, refer to any Court of Law, special or administrative tribunal;
- f) to take 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 authorization of **SOCINPRO**, **SOCAN** may not assign or transfer to a third party all or part of the exercise of the prerogatives or faculties to which it is otherwise entitled under the said contract and in particular under Article 2 (I). Any transfer effected contrary to this clause shall be null and void without the fulfilment of any formality, except as regards a transfer limited to the administration of rights for purposes of



diffusion by means of a fixed service satellite or similar device and operated in favour of a Society having concluded a reciprocal representation contract with each of the contracting Societies.

Art. 3 (I) By virtue of the powers conferred by Articles 1 and 2, **SOCAN** undertakes to enforce within Canada the rights of members of **SOCINPRO** in the same way and to the same extent as it does for its own members, and to do this within the limits of legal protection afforded to a foreign work in Canada, unless by virtue of the present contract, such protection not being specifically provided in law, it is possible to ensure an equivalent protection. Moreover, **SOCAN** 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 as between the members of both Societies, even where by the effect of local law, foreign works are subject to discrimination.

In particular, **SOCAN** shall apply to works in the repertoire of **SOCINPRO** the same tariffs, methods and means of collection and distribution of royalties as those which it applies to works in its own repertoire.

(II) **SOCAN** undertakes to send to **SOCINPRO** any information for which it may be asked concerning the tariffs it applies to different kinds of public performance in Canada

(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, each society undertakes, at the request of the other Society, to seek the most effective means to this end.

Art. 4 **SOCINPRO** shall place at the disposal of **SOCAN** all documents enabling it to justify the repertoire it is responsible for licensing and the royalties it is responsible for collecting under the present contract and to take any legal or other action, as mentioned in Article 2 (I) above.

Art. 5 (I) **SOCINPRO** shall place at the disposal of **SOCAN** 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 verifying performance programmes. In particular, **SOCAN** shall inform **SOCINPRO** of any discrepancy which it notes between the documentation received from **SOCINPRO** and its own documentation or that furnished by another Society.

(II) In addition, **SOCINPRO** shall have the right to consult all **SOCAN**'s records and to obtain all information from **SOCAN** relating to the collection and distribution of royalties to enable **SOCINPRO** to verify the administration of its repertoire by **SOCAN**.

(III) **SOCINPRO** may accredit a representative to **SOCAN** to carry out on its behalf the verification provided for in paragraphs (I) and (II) above. The choice of this representative shall be subject to the approval of **SOCAN**. Refusal of such approval must be motivated.



TERRITORY

Art. 6 (I) The territories in which **SOCAN** operates is Canada.

(II) For the duration of the present contract, **SOCINPRO** shall refrain from any intervention within Canada in **SOCAN's** exercise of the mandate conferred by the present contract.

DISTRIBUTION OF ROYALTIES

Art. 7 (I) **SOCAN** undertakes to do its utmost to obtain programmes of 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.

(II) The allocation of sums collected in respect of works performed in Canada shall be made in accordance with Article 3 and the distribution rules of **SOCAN**, having regard, nevertheless, to the International Documentation and Distribution Procedures established by the International Confederation of Societies of Authors and Composers (hereinafter designated "CISAC") and approved by the Administrative Council of CISAC, and any subsequent amendments to or new versions of those procedures.

Art. 8 (I) **SOCAN** shall be entitled to deduct from the sums it collects on behalf of **SOCINPRO** 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 **SOCAN** and **SOCAN** shall always endeavour in this respect to keep within reasonable limits, having regard to local conditions in Canada.

(II) **SOCAN** shall be entitled to deduct from the sums collected by it on behalf of **SOCINPRO** 10% at the maximum, which shall be allocated to the encouragement of the national arts, or in favour of any funds serving similar purposes.

(III) Any other deductions, apart from taxes, that **SOCAN** may make or be obliged to make from the net royalties accruing to **SOCINPRO** would require special arrangements between the contracting parties.

(IV) No part of the royalties collected by **SOCAN** for the account of **SOCINPRO** in consideration of the authorizations which it issues solely for the copyright works which it is authorized to administer may be regarded as not distributable to **SOCINPRO**. 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 **SOCAN** for the account of **SOCINPRO** shall be entirely and effectively distributed to the latter.

Art. 9 (I) **SOCAN** shall distribute to **SOCINPRO** 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 **SOCAN's** control.



(II) Each payment shall be accompanied by a distribution statement in such form as to enable **SOCINPRO** to allocate to each interested party, whatever his membership or category as member, the royalties accruing to him. These statements shall be uniform in style and content and conform as far as possible to the standards recommended from time to time by the Technical Committees of CISAC and approved by the Administrative Council of CISAC.

(III) Settlements shall be made by **SOCAN** in a transferable currency at international rates current on the date of payment.

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

(V) The fact that the date for settlement of accounts agreed upon by **SOCAN** has fallen due shall constitute without any formality, a formal demand on **SOCAN**. This provision shall be subject to force majeure.

(VI) If 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 two contracting Societies, **SOCAN** shall:

- a) without delay, immediately after drawing up the distribution accounting for **SOCINPRO**, take all necessary steps and comply with all formalities as required by its Canadian authorities in order to ensure that the said payments can be effected at the earliest possible moment;
- b) inform **SOCINPRO** that the said steps have been taken and formalities complied with when sending to **SOCINPRO** the statements mentioned in paragraph (II) of the present Article.

Art. 10 (I) **SOCINPRO** undertakes to supply on a regular basis to the CAE Centre of CISAC (SUISA), Interested Party Index (IPI), and other similar database or databases, complete and detailed information on the real names and the pseudonyms of its members, including dates of decease, deletions and alterations. Furthermore, **SOCAN** undertakes to use the information contained in such database or databases to assist in its identification of and distribution in respect of the membership of **SOCINPRO**.

(II) **SOCAN** shall also provide **SOCINPRO** with a copy of its current Articles of Association, By-Laws and Rules, including its Distribution Plan, and shall inform **SOCINPRO** of any subsequent modifications made thereto while the present contract is in force.

Art. 11 (I) **SOCINPRO** shall be protected and represented by **SOCAN** under the present contract without the said members being required by **SOCAN** to comply with any formalities and without their being required to join **SOCAN**

(II) While this contract is in force, **SOCAN** may not, without consent of **SOCINPRO**, accept as a member any member of **SOCINPRO**.



(III) **SOCAN** undertakes not to communicate directly with members of **SOCINPRO**, but, if the occasion arises, to communicate with them through the intermediary of **SOCINPRO**.

(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.

Art. 12 The contracting Societies shall have regard to the provisions of the Statutes and decisions of the International Confederation of Societies of Authors and Composers (CISAC).

ENTRY INTO FORCE

Art. 13 The present contract shall come into force for an initial period of five years as from the 1st day of June, 2009, and subject to the terms of Article 14, shall continue in force from year to year by automatic extension if it has not been terminated by certified mail at least six months before the expiration of each period.

Art. 14 Notwithstanding the terms of Articles 13, the present contract may be terminated by one of the contracting Societies:

- a) if an alteration is made in the Articles of Association, By-Laws or Distribution Plan of **SOCAN** 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 **SOCINPRO**. Any change of this nature shall be verified by the competent body of CISAC. After such verification, the Administrative Council of CISAC may allow **SOCAN** a period of three months to remedy the situation thus created. When this period has expired without the necessary steps having been taken by **SOCAN** the present contract may be terminated by the unilaterally expressed wish of **SOCINPRO**, if it so decides;
- b) If such a legal or factual situation arises in Canada that the members of **SOCINPRO** are placed in a less favourable position than the members of **SOCAN**, or if **SOCAN** puts into practice measures resulting in a boycott of the works in the repertoire of **SOCINPRO**.

LEGAL DISPUTES – JURISDICTION

Art. 15(I) Each of the contracting Societies may seek the advice of the Administrative Council of CISAC 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, and after attempting conciliation before the body mentioned in Article 10 b) 6th paragraph of the Statutes, agree to resort to arbitration by

the CISAC'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 CISAC, or to arrange between them for arbitration, even independently of CISAC, 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 the English language, in two copies.

Dated in Toronto

on the 19th of May 2009

And in Rio de Janeiro

on the 26th of May 2009

SOCIETY OF COMPOSERS, AUTHORS
AND MUSIC PUBLISHERS OF CANADA /
SOCIÉTÉ CANADIENNE DES AUTEURS,
COMPOSITEURS ET ÉDITEURS DE
MUSIQUE (SOCAN)

SOCIEDADE BRASILEIRA DE
ADMINISTRAÇÃO E PROTEÇÃO DE
DIREITOS INTELECTUAIS (SOCINPRO)



André LeBel
Chief Executive Officer



Jorge S. Costa
Director General