



UNILATERAL AGREEMENT

By and between:

A **SOCIEDADE INDEPENDENTE DE COMPOSITORES E AUTORES MÚSICAIS** (hereinafter referred to as "**SICAM**"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Brazil, with registered office at Largo do Paissandu, 51 - 10º andar, CEP: 01034-010, and represented herein by its President, Mr. Chrysóstomo Pinheiro de Faria,

- and -

SOCIEDAD DE AUTORES Y COMPOSITORES DE COLOMBIA (hereinafter referred to as "**SAYCO**"), a corporation duly organized and existing under and by virtue of the laws of the Republic of Colombia, with registered office at calle 95 No. 11-31, and represented herein by its General Manager, Mr. Jairo Enrique Ruge Ramirez.

The parties hereby agree as follows:

ARTICLE 1

- (1) By virtue of the present contract, SICAM confers on SAYCO the exclusive right, in the territories in which the latter society operates (as they are defined and delimited in Article 6 (1) below), to grant the necessary authorizations for all public performances (as defined in paragraph (3) 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 rights of authors/copyright owners (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 exclusive right referred to in the preceding paragraph is conferred insofar 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 to SICAM by its members in accordance with its Articles of Incorporation and By-Laws, the said works collectively constituting the "repertoire of SICAM".

- (2) Under the terms of the present contract, the expression "public performance" includes all sounds and performances rendered audible to the public in any place within the territory in which SAYCO operates, by any means and in any way whatsoever, 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



Sayaco unilateral

OTAVO

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.

- (3) The licensed society (SAYCO) shall use the Common Information System Network database, or such other database as may hereafter be agreed to be used by the parties, to record and update the musical works under its respective repertoire.

ARTICLE 2

- (1) The exclusive right to authorize performances, as referred to in Article 1 above, entitles SAYCO, 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/copyright owner concerned, public performances of works in the repertoire of the other society and to grant the necessary authorizations or licenses for such performances;
 - (b) to collect fees or royalties as consideration or payment for the licenses or authorizations granted by it under (a) above and to issue receipts therefor;
 - (c) to receive all sums due as indemnification or payment for damages for the unauthorized or illegal public performances of the works covered by the present contract;
 - (d) to commence and pursue, either in its own name or that of the author/copyright owner concerned, any legal action against any person or entity responsible or liable for the unauthorized or illegal public performances of the works covered by the present contract;
 - (e) to compromise, submit to arbitration, or refer to mediation or other alternative modes of dispute resolution, any legal demand, claim or action pertaining to unauthorized or illegal public performances of works covered by the present contract; and
 - (f) to do all acts necessary or required to ensure the protection of the public performance right in the works covered by the present contract.
- (2) 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 one of the parties, the other contracting society may not under any circumstance 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 contrary to this clause shall be null and void without the fulfilment of any formality.

ARTICLE 3

- (1) By virtue of the powers conferred by Articles 1 and 2, SAYCO undertakes to enforce within the territory in which it operates the rights of the members of the other society 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. Moreover, SAYCO 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, SAYCO shall apply to works in the repertoire of the SICAM the same tariffs, methods and means of collection and distribution of royalties (subject to what is agreed hereafter in Article 7) as those which it applies to works in its own repertoire.

- (2) SAYCO undertakes to send to SICAM any information which it may be asked concerning the tariffs it applies to different kinds of public performance in its own territory.
- (3) 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, the contracting societies undertakes, to cooperate with the other society in seeking the most effective means to achieve this end.

ARTICLE 4

SICAM shall place at the disposal of the SAYCO all documents necessary to enable the latter to justify the royalties or fees it is responsible to collect under the present contract and to take any legal or other action mentioned in Article 2 (1) above.

ARTICLE 5

- (1) SICAM shall place at the disposal of the SAYCO all documents, records and information necessary to enable SAYCO to exercise effective and thorough control over the interests of the SICAM to supply the said documents, records and information, particularly with regard to notification of works, collection and distribution of royalties, and obtaining and checking of performance programmes.

SAYCO shall inform to SICAM of any discrepancy which it notes between the documentation received from It and its own documentation or that furnished by another society.

- (2) In addition, SICAM shall have the right to consult or examine all SAYCO'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 the SAYCO.
- (3) *Each contracting society may accredit a representative to the other society to carry out on its behalf the verification or examination provided for in paragraph (1) and (2) above. The choice of this representative shall be subject to the approval of the society to which he is to be accredited. Such approval must not be unreasonably withheld.*

ARTICLE 6

- (1) The territory in which SAYCO operates is the Republic of Colombia.
- (2) For the duration of the present contract, SICAM shall refrain from any interference in the exercise by the SAYCO of the rights conferred by the present contract.

ARTICLE 7

- (1) SAYCO undertakes to do its utmost effort to obtain programmes of all public performances which take place in its territory and to use these programmes as the effective basis for the distribution of the total net royalties collected for these performances.
- (2) The allocation of sums collected in respect of works performed in the territory of SAYCO shall be made in accordance with Article 3 and its distribution rules, subject, however, 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 or allocated 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 none of whom is a member of the distributing society, the royalties shall be distributed in accordance with the international index cards (*i.e.*, 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, in which case such share may be put into suspense until agreement has been reached between the societies concerned.

- (c) In the case of a work where at least one of the original creators belongs to the distribution society, the said 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 or allocated 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 or allocated 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").

ARTICLE 8

- (1) SAYCO shall be entitled to deduct from the sums it collects on behalf of the SICAM 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 the distributing society, and the latter society shall always endeavour in this respect to keep the administration expenses within reasonable limits, having regard to local conditions in the territories in which it operates.
- (2) 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, SAYCO shall be entitled to deduct from the sums collected by it on behalf of the co-contracting society 10% at the maximum, which shall be allocated to the said purposes.
- (3) No part of the royalties collected by SAYCO for the account of the SICAM in consideration of the authorizations or licenses which it grants solely for the copyrighted works which it is authorized to administer may be regarded as not distributable to the SICAM. With the exception, therefore, only of the deduction mentioned in paragraph

(1) of this Article, and subject to the provisions of paragraphs (2) and (3) of the said Article, the net total of the royalties or fees collected by SAYCO for the account of the SICAM shall be entirely and effectively distributed to the latter.

ARTICLE 9

- (1) SAYCO shall distribute to the other the sums due under the terms of the present contract as and when distributions are made to its own members at least once a year. Payment of these sums shall be made within 90 days following each distribution, barring duly ascertained cases outside SAYCO's 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 aforementioned contractual period, the SAYCO shall use the amount of its national currency necessary in order to provide the SICAM 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 aforementioned contractual period provided that the SICAM has complied with all the administrative procedures needed to enable the SAYCO to fulfil its commitment.

- (2) Each payment shall be accompanied by a distribution statement in such form as to enable the SICAM to allocate to each interested party the share of royalties due them. The said statements shall be uniform in style and material and shall at least indicate the following:
- (a) The titles of the works;
 - (b) The names of the authors and other interested parties with their respective shares;
 - (c) The total points or sum credited to each work; and
 - (d) The category of fees and the period covered by the remittance;
- (3) Settlements shall be made by SAYCO in the currency of its country.
- (4) SAYCO shall remain responsible to the SICAM for any error or omission which it may make in the distribution of the royalties accruing or allocated to works in the repertoire of the SICAM.
- (5) 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 the SAYCO which has failed to make the payment due to the SICAM on the date in question. Failure or delay in payment shall be excused, however, if caused by force majeure or circumstances beyond SAYCO's control.

(6) 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 two contracting societies, SAYCO shall:

- (a) without delay, immediately after drawing up the distribution accounting for the SICAM, take all necessary steps and comply with the formalities as required by the national authorities in order to ensure that the said payments can be effected at the earliest possible time;
- (b) Inform the SICAM that the said steps have been taken and formalities complied with when sending to it the statements mentioned in paragraph (2) of the present Article.

ARTICLE 10

(1) SICAM shall provide the SAYCO with a complete and detailed list of the real names and the pseudonyms of its members, including the date of death of those members who are deceased at the time when the present contract is concluded but whose rights are still being represented by SICAM. It shall from time to time send to the SAYCO, in similar form, supplementary lists indicating additions, deletions or alterations to the principal list. It shall also submit at least once a year to the SAYCO a list of its members who have resigned, died or been expelled or removed as a member in the course of the year.

ARTICLE 11

- (1) The members of SICAM shall be protected and represented by the SAYCO under the present contract without the said members being required by SAYCO to comply with any formalities and without their being required to join SAYCO.
- (2) SAYCO undertakes not to communicate directly with members of the SICAM. Should it become necessary to communicate with any of the said members, the communication must be made through the SICAM as intermediary.
- (3) Any dispute or difficulty 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.

ARTICLE 12

The present contract is subject to the provisions of the statutes and decisions of the Confederation.

ARTICLE 13

The present contract shall come into force on 01 January, 2009 and, subject to the terms of Article 14 hereof, shall continue in force from year to year by automatic extension if it has not been terminated by registered letter at least six (6) months before the expiration of each period.

ARTICLE 14

Notwithstanding the terms of Article 13 hereof, the present contract may be terminated immediately by one of the contracting societies:

- a) If an alteration is made in the articles of association, rules or distribution plan of the other society which modifies in an appreciably unfavourable way the enjoyment or exercise of the patrimonial rights of the present owners of the copyrights administered by the SICAM. Any change of this nature shall be verified by the competent body of the Confederation. After such verification, the Confederation's Board of Directors may allow the SAYCO a period of three 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 the unilateral expressed wish of the society represented, if it so decides;
- b) If such a legal or factual situation arises in the country of SAYCO such that the members of the SICAM are placed in a less favourable position than the members of the SAYCO of the said country, or if one of the contracting societies puts into practice measures resulting in a boycott of the works in the repertoire of the other contracting society.

ARTICLE 15

- (1) 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 contracting societies regarding the interpretation or performance of this contract.
- (2) 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.
- (3) If the two contracting societies do not think it appropriate to resort to arbitration by the Confederation, or to arrange between them for arbitration, even 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.

IN WITNESS WHEREOF, the parties duly authorized representatives have hereunto affixed their signatures on the dates and at the places indicated below.

**SOCIEDADE INDEPENDENTE
DE COMPOSITORES E
AUTORES MUSICAIS (SICAM)**

By:

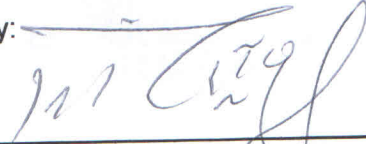


Chrysóstomo Pinheiro de Faria,
President

Date : Feb, 05, 2010
Place : Sao Paulo, Brasil



By:



Jairo Enrique Ruge Ramirez
General Manager

Date : 16th April, 2010.
Place : Bogotá, Colombia

**SOCIEDAD DE AUTORES Y
COMPOSITORES DE
COLOMBIA (SAYCO)**

