

RIGHTS ADMINISTRATION AGREEMENT FOR MUSIC VIDEOS

Entered into between **LSG Wahrnehmung von Leistungsschutzrechten GesmbH**
Seilerstätte 18-20/Mezzanin, A-1010 Vienna („LSG“)

and the **owner of exclusive rights, remuneration rights and/or participation claims of the producer of music videos** (“rights holder”) indicated in the master data sheet (Annex)¹:

1. Assignment of rights

- 1.1. Music videos shall be deemed as film works and/or moving pictures with a playtime of less than 10 minutes, where musical works with and without lyrics and their performance (presentation) is shown by means of a film by involving performing artists, provided that the performance has been published on sound recordings for commercial purposes or is intended for publication. Subject to the terms and conditions of this Rights Administration Agreement, and provided that a film producer is a rights holder, the rights holder shall assign to LSG, for the purpose of fiduciary administration, any original or derivative rights, remuneration rights and/or participation claims in music videos. The assignment of rights to LSG shall be exclusive and extend to the scope described hereinafter and relates to the entire current and future music video repertoire of the rights holder. In the case of future changes to the assigned rights repertoire, there is consequently no need for any separate right assignments.
- 1.2. The assignment of rights pursuant to item 2 shall be unlimited regarding its subject matter and territorial scope, i.e. worldwide for all rights, remuneration rights and/or participation claims managed by LSG, for their statutory term of protection, unless the contracting parties have agreed to a limitation of the assignment of rights to LSG (see item 8). LSG shall be entitled to administer and assert such rights and entitlements assigned to it under this Rights Administration Agreement in the interest of the rights holder, but also in its own name, and, wherever necessary, to do so in court.
- 1.3. The rights holder shall remain entitled to grant authorisations for the non-commercial use of his repertoire (Art. 26 VerwGesG [Collection Societies' Act] 2016) pursuant to the conditions resolved by the Board in this context and published on the LSG website. Exploitations carried out indirectly or directly neither for commercial nor profit-making purposes shall be deemed as non-commercial.

2. Scope of the rights assignment

- 2.1. The rights, remuneration rights and/or participation claims of the producer of music videos (item 1.1.) shall be assigned to LSG for administration purposes pursuant to Art. 24 para. 1 VerwGesG 2016, for the cases of:
 - 2.1.1. Reproduction and distribution via an audiovisual or sound recording (data medium) for the purpose of broadcast or communication to the public pursuant to Articles 15 and 16 UrhG [Austrian Copyright Law];
 - 2.1.2. Rental and/or lending of works (Art. 16a UrhG);
 - 2.1.3. Broadcast via radio or similar means, including linear transmission (streaming) in the form of simulcasting, webcasting and IP TV pursuant to Art. 17 UrhG (see item 2.2.);

¹ For ease of legibility, this document does not refer to both male and female gender forms; notwithstanding this, all details shall relate to members of both sexes.

- 2.1.4. Communication to the public, resp. public performance, including linear transmission (streaming) in the form of simulcasting, webcasting and IP TV pursuant to Art. 18 UrhG (see item 2.2.);
- 2.1.5. Reproduction/copying for private or personal use on a storage medium pursuant to Art. 42b para. 1 UrhG (private copying levy);
- 2.1.6. Reproduction for and distribution and making publicly available to disabled persons pursuant to Art. 42d UrhG, unless the rights holder is a broadcaster;
- 2.1.7. Reproduction and making available for purposes of instruction and/or teaching by schools, universities and other educational institutions pursuant to Art. 42g in conjunction with Art. 74 para. 7 UrhG, unless the rights holder is a broadcaster;
- 2.1.8. Re-transmission of radio broadcasts including satellite broadcasts by means of cables pursuant to Art. 59a UrhG as well as participation claims pursuant to Art. VI para. 3 UrhGNov 1996 [Austrian Copyright Act Amendment], and Art. 38 para. 1a UrhG;
- 2.1.9. Use of audiovisual and sound recordings (data media) in publicly accessible institutions (libraries, collections for audiovisual or sound recordings and similar media) pursuant to Art. 56b UrhG;
- 2.1.10. Communication to the public in lessons/training pursuant Art. 56c UrhG;
- 2.1.11. Communication to the public in lodging establishments pursuant Art. 56d UrhG;
- 2.1.12. Making available to the public for usage purposes in the form of podcasting and catch-up services as well as background music videos for websites pursuant to Art. 18a, 73 para. 2 in conjunction with Art. 74 para. 1 UrhG (see item 2.2);
- 2.1.13. Claiming of remuneration rights in the case of an extension of the copyright terms of protection including already implemented copyright extensions pursuant to Art. VIII UrhGNov [Austrian Copyright Act Amendment] 1996;
- 2.1.14. Asserting independent entitlements to information and financial accounts pursuant to Art. 87a and 87b UrhG;
- 2.1.15. Limited to cases of rights infringement, any further rights of the producer of music videos, including moral rights, shall be assigned; this affects, in particular, the right of reproduction and distribution as well as the making available to the public rights pursuant to Art. 15, 16, 18a, 73 para. 2 in conjunction with Art. 74 para. 1 UrhG.
- 2.2. On demand access to specific music videos or specific artists' repertoires as well as individualised and/or personalised types of offerings shall not form part of the assignment of rights pursuant to items 2.1.3, 2.1.4. And 2.1.12. In line with the provisions of the relevant reciprocal agreements in place, LSG may set out specific conditions for the management of the rights assigned under items 2.1.3, 2.1.4 and 2.1.12; these have to be published on LSG's website.
- 2.3. The contractual assignment of rights shall also cover the rights in sound recordings linked to the film works or moving pictures pursuant to Art. 76 UrhG. Exempt of the assignment of rights shall be works of film art which shall be deemed as fine arts or constitute parts of works of fine arts. In cases where a wider scope for the management of rights, remuneration rights and/or participation claims abroad is stipulated by law or common practice, the assignment of rights shall be extended to include these areas.
- 2.4. In cases where new rights, remuneration rights and/or participation claims arise, new ways of exploitation are added which mainly correspond with or substitute the contents of the subject matter of the assignment of rights, or where the terms of protection are extended or reinstated for the rights holder, at national or international level, this Rights Administration Agreement shall cover them as well. This shall apply mutatis mutandis for a change in the legal situation.

- 2.5. LSG may transfer all or part of the assigned rights and entitlements to third parties provided that this is legally required or necessary or appropriate for it to fulfil its duties. In particular, this shall include entering into reciprocal and/or representation agreements with similar foreign societies and into cooperation agreements with domestic collective management organisations.
- 2.6. Changes to the conditions for rights administration agreements shall enter into force for rights holders unless they give notice within four weeks upon written notification on the nature of the amendment and do so by adhering to the formal requirements as stipulated in item 6.1. Any extensions of the scope of the rights, remuneration rights and/or participation claims managed by LSG shall enter into force, unless the rights holder objects to them within the same deadline, and in the formal requirements for notices; limitations shall, in any case, take effect (Art. 24 para. 2 VerwGesG 2016).

3. Warranty

- 3.1. Regarding the rights, remuneration rights and/or participation claims assigned respectively transferred for administration to LSG under this rights administration agreement, the rights holder declares that he is the owner and can freely dispose of them, and has not already passed them on to third parties. In cases where the rights holder has already disposed of them, LSG is entitled to make use of dissolution and termination rights on behalf of the rights holder.
- 3.2. The rights holder shall inform his contractual partners on the objective assignment of rights to LSG and shall commit not to grant the rights and entitlements assigned to LSG for administration to any other collective management organisation, independent collecting societies, agencies, organisations or any other third parties in future for the duration of this rights administration agreement; he shall therefore hold harmless and indemnify LSG.

4. Duties of the rights holder

- 4.1. Regarding the implementation of this rights administration agreement as well as the perception of the assigned rights and entitlements, the rights holder shall provide LSG with any required information and submit any details and documentation (contracts etc.), where applicable, in written format. He shall inform LSG without delay and in writing of any changes to the postal or e-mail address as well as any other changes of the master data. Until such a notification is made by the rights holder, all communication and payments may be made to the previously provided address, respectively bank connection, with legal effect and discharging LSG of its liabilities. There is no obligation to deposit such amounts in court which could not be transferred due to a lack of valid bank details for the rights holder.
- 4.2. The rights holder undertakes to provide details on the assigned music video repertoire to LSG as well as to inform LSG of any changes thereto. As long as the distribution remains label-based, the respective label form sheet provided by LSG shall have to be used for this repertoire application. Once a individual track-based distribution has been introduced, repertoire registration shall be made based on individual titles using the IT-based format provided by LSG for these purposes (interface). Repertoire registration shall be valid from the start of each calendar quarter where the registration has been submitted, or from the start of a later calendar quarter as indicated by the rights holder. For any repertoire that has not been properly registered, there shall be no entitlement or claim to a distribution and/or pay-out against LSG. In the event of duplicate or multiple registrations of the same repertoire, the rights holder shall accept the clarification process provided in the LSG distribution rules for such cases. The rights holder shall be liable for the correctness and completeness of the details he provided, including his repertoire registrations and shall hold harmless LSG of any claims that may arise in this context.
- 4.3. The conclusion of the rights administration agreement or the acceptance of repertoire registrations shall not constitute an acknowledgement by LSG in terms of the existence of rights and/or entitlements of the rights holders. If there is a lack of any required evidence necessary to potentially establish the existence of a right or entitlement, LSG's duty to manage them shall no longer apply. This shall also apply analogously for any necessary details or documents required for the distribution. Express attention is drawn to the distribution rules as amended from time to time and as published on LSG's website.

- 4.4. Instructions relating to the entitlements of rights holders vis-a-vis LSG (e.g. by way of assignment) requires the production of a written deed on the respective legal business. The contractual transfer of payment claims from individual types of exploitation or protected subject matter (works) shall not trigger any legal effects vis-a-vis LSG. Payment based on contractual transfers may only relate to the total amount of a pay-out or payment on account.
- 4.5. The rights holder declares that he is acquainted with and accepts LSG's organisational rules, such as - in particular- the Articles of Association, any other membership terms and conditions, the distribution rules and guidelines on social and cultural funds, any other conditions as well as the relevant resolutions by the responsible LSG governing bodies - as amended from time to time and as published on the LSG website.
- 4.6. In cases where the rights holder is a natural person, the rights administration agreement shall also remain in force after the rights holder has passed away and the legal successor(s) shall step into his place. He/they is/are obliged to provide evidence for his/their legal succession by transmitting suitable public deeds (e.g. Legally binding Einantwortungsbeschluss/Erbschein - devolution certificate or certificate of inheritance); if such documents are issued in a foreign language, they must include a certified translation into German. Prior to the receipt of any such documentation, LSG shall not be obliged to execute any pay-outs. Moreover, this shall apply in the case of several legal successors unless these have unanimously appointed a joint representative vis-a-vis LSG and provided the relevant documentation.
- 4.7. Upon conclusion of the rights administration agreement, a one-off joining fee shall apply whose amount shall be determined by the LSG Board.

5. Duties of LSG

- 5.1. LSG shall be obliged to undertake all efforts to manage and assert the rights, remuneration and participation claims due to the rights holder and based on Austrian or international copyright, on his behalf as best as possible. This shall include the conclusion of agreement with users or parties liable to pay and/or their organisations as well as with domestic and international sister societies, furthermore the identification of protected subject matter (works) of the rights holder, if he has provided the necessary information for them, the collection and distribution of income and earnings which are yielded from rights management activities. For the assertion of entitlements as well as the distribution of the amounts the principle of economic efficiency shall apply, i.e. that the respective costs arising must be commensurate and economically justified.
- 5.2. Income and collections shall be distributed and paid out regularly, diligently and correctly, namely - at least in relation to domestic collections - once a year, at least nine months after the business year where the collections have been made has lapsed, unless this is impossible due to objective reasons. In relation to foreign distributions, pay-outs shall be made within six months after the amounts in question have actually been received by LSG. All of the above shall apply in consideration of the relevant provisions of the VerwGesG 2016 in its version as amended from time to time, as well as tax and exchange rate regulations.
- 5.3. The rights holder shall agree to the storage (processing) and transfer of his data to other collective management organisations as long as this is necessary or appropriate for LSG to fulfil its duties.
- 5.6. LSG shall be entitled to deduct the costs for the administration of the rights and any other expenses of the society at an adequate level from the collected remuneration. It shall also be entitled to allocate parts of the collected remuneration to social and cultural funds, pursuant to statutory duties or based on resolutions of the respective governing bodies of LSG.

6. Duration

- 6.1. This Agreement shall be valid for an unlimited period and shall come into force once a valid countersignature has been made by LSG, subject to all necessary details having been provided in full and that the one-off joining fee has been paid. It may be terminated in whole or in part (in relation to its contents and/or the respective territories) by each of the contracting parties subject to adhering to a period of notice of six months prior to the end of a calendar year, in writing, bearing a personal or company signature (by post or as a pdf) or via e-mail with an electronic signature. LSG shall be entitled to give notice particularly in such cases where there are no usage reports for the rights holder's repertoire which are relevant for distribution purposes, over a period of three consecutive years. In the case of a termination by means of a registered letter, the date of the postmark shall be authoritative, otherwise evidence of an electronic dispatch. It is possible to dissolve the agreement for exceptional reasons at any time.

6.2. Any usage licences already issued by LSG in the case of a partial or complete termination of the rights administration agreement shall remain unaffected. The rights holder shall retain his claims and entitlements vis-a-vis LSG in relation to income which pertain to usages prior to the end of the agreement or usage licences which have been issued before the end of the agreement.

7. Information for the rights holder

7.1. The rights holder confirms with his signature of this rights administration agreement that he has been sufficiently informed by LSG prior to entering into the agreement on the contents and scope of the rights assignment, that he can choose to limit the rights assignment of his choice to individual rights, remuneration rights and/or participation claims or specific territories managed by LSG. Such limitations shall be in force from the date the agreement is entered into. In cases where limitations are set up while the contractual relationship is in force, the effectiveness of such limitations shall be subject to the contractual termination provisions. LSG may take such limitations in relation to the allocations from its social and cultural funds adequately into consideration.

7.2. Furthermore, the rights holder confirms that he has been informed on any amendments to the conditions of the rights administration agreements (item 2.6.) and the conditions for the termination of the agreement (item 6).

7.3. The rights holder also confirms that he has been advised on administration costs, deductions of the revenue generated from investing the collected remuneration and deductions in favour of social and cultural funds as well as on the guidelines for the grants from such institutions (guidelines for social and cultural funds).

7.4. The rights holder agrees that all notifications, invitations or information, including distributions, information on agreements and contractual changes will be legally effective when submitted electronically (e.g. via e-mail). Furthermore, many of LSG's notifications and announcements are made on its website and therefore shall be deemed to be properly communicated unless otherwise specified by law. LSG, for its part, enables its members to communicate electronically with it, too (e.g. via e-mail).

8. Special arrangements

8.1. The rights holder shall have the possibility to limit the scope of the assignment of rights to LSG in terms of the subject matter. Where appropriate and necessary, the rights or entitlements excluded from the agreement must be individually listed hereinafter, indicating the respective contractual provisions (items 2.1.1 to 2.1.15.):

* If you do not wish to exclude any rights or entitlements from the agreement, please do not write anything in this section!

8.2. The rights holder shall have the possibility to limit the scope of the assignment of rights to LSG in terms of its territory (where applicable, please clearly indicate the limitations by ticking the relevant boxes)*.

Rights only for Austria

Worldwide rights, excluding the following countries
(where applicable, please clearly list the countries in question)*:

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* If you do not wish to exclude any countries from the agreement, please do not tick any boxes or write anything in this section!

9. Final provisions

9.1. In cases where a rights administration agreement or a similar contractual relationship has already existed between the rights holder and LSG, this Agreement shall supersede any prior arrangements.

9.2. This Agreement shall be subject to Austrian law. Place of performance shall be Vienna. In the case of any disputes arising from this Agreement, commercial jurisdiction shall be placed with the executing court in A-1010 Vienna, unless alternative dispute resolution mechanisms have previously been established by law.

Vienna, (dated), , dated

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LSG

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Rights holder