



**SOUTH AFRICAN
RECORDING RIGHTS
ASSOCIATION LIMITED**

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87 De Korte Street
Braamfontein 2001

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Fax: +27 11 339 1403
Email: info@sarral.org.za

SOUND RECORDING OWNER MEMORANDUM OF AGREEMENT

Made and entered into by and between

(Company Name)

REG# or CK#: _____

Of _____
(Physical address)

Being a **SOUND RECORDING OWNER** (“**SRO**”) of sound recordings containing the performance and production of musical and/or literary works,

AND

SOUTH AFRICAN RECORDING RIGHTS ASSOCIATION LIMITED

A company with limited liability duly incorporated in accordance with the laws of the Republic of South Africa (hereinafter referred to as “**SARRAL**”).

1. Current Law

1.1 Section 9 of the Copyright Act 98 of 1978 as amended, together with Section 5 of the Performers Protection Act 11 of 1967 as amended, read with the Regulations (collectively the “Act”), provision for the rights of SROS in respect of sound recordings, the right of a SRO’S to receive royalties, and the restrictions of use on performances.

1.2 **SARRAL** is subject to, and conforms to the accreditation and regulation of collecting societies by the CIPRO (Department of Trade and Industry), and is accredited in respect of the Act. This agreement is construed in accordance with the rules and regulations applicable to the accreditation, by Government, of **SARRAL**.

2. Rights and description of SRO

2.1 The rights which are the subject matter of this agreement are the public performance rights which any **SRO** has in respect of their ownership of a sound recording, throughout the world (“**TERRITORY**”). For the avoidance of doubt, public performance of a sound recording includes broadcasts of any audio nature, as well as transmission through any diffusion services, and any form of streaming in respect of the making available by electronic means rights (internet).

2.2 The **SRO** acknowledges that in the event that it has performers signed to it, **SARRAL** will be entitled to approach such performer in respect of their respective public performance rights.

- 2.3 For the avoidance of doubt, a dancer or choreographer is not considered a performer on a sound recording (in respect of the Act), unless there exists an agreement between the **SRO** and the dancer/choreographer to the contrary.
- 2.4 Where **SARRAL** deems it necessary to protect, enhance and / or collect **SRO'S** royalties due to the **SRO**, the **SRO** shall be deemed to have ceded, transferred and assigned his **SRO'S** rights to **SARRAL** for the sole purpose of instituting action for the necessary legal relief in **SARRAL'S** or it's **SRO'S** name. In such event **SARRAL** shall bear all legal costs and disbursements in regard to the action brought. After the action referred to has been entirely disposed of, **SARRAL** shall cede, transfer and assign all and any rights it might have received in terms of this clause to the Author.
3. License
 - 3.1 **SARRAL** is granted a license by the **SRO**, specifically in respect of the **SRO'S** performance rights in sound recordings, as per the Act to:
 - 3.1.1 administer said rights;
 - 3.1.2 liaise with performers and performers rights societies;
 - 3.1.3 collect the **SRO's** share of royalties generated by the public performance of sound recordings
 - 3.1.4 distribute the **SRO's** share of royalties generated by the public performance of sound recordings to the **SRO**
 - 3.1.5 interact with other **SRO's** rights societies, and where necessary with other sound recording owners rights organizations, throughout the world;
 - 3.1.6 negotiate and issue licenses when and where applicable and required, on behalf of the **SRO**
 - 3.2 The **SRO** hereby authorizes **SARRAL** to collect and distribute any income that may be generated, by users of public performance rights in the sound recordings, and further where applicable, to negotiate and license all and each and every exploitation of the **SROS** rights in regard thereto, including but not limited to all performances of and by sound recordings, whether publicly performed, or broadcast through radio and/or other media, (also know as needle time) and to pay any collected remuneration due to the **SRO** as may accrue or become payable to him there from during the term of this agreement
4. Royalty Payments, Statement Reporting and **SARRAL** Fees
 - 4.1 Royalties due to a SRO hereunder (subject always to clause 4.4 below), will be paid in respect of sound recording performances actually reported and paid to SARRAL, on the following basis:
 - 4.1.1 100% of the sound recording owners share, which will always be 50% of the total amount generated, as the other 50% will always, as guided by the Act, be paid to respective performers.
 - 4.2 **SARRAL** has the right from time to time, to review the percentage amounts, as per clause 4.1 above, in respect of either international trends, or government directives, or **SARRAL** Board decisions or changes in national legislation.
 - 4.3 **SARRAL** agrees to forward the **SRO** statements of royalties collected and credited to it's account, accompanied by monies shown to be due, twice per annum at the end of May and November of each year. All royalties will be paid by electronic fund transfer.
 - 4.4 In accordance with the Act, **SARRAL** will charge a maximum of twenty percent of the income received in respect of the tasks and functions **SARRAL** will carry out as per clause 3 above.
 - 4.5 For the avoidance of doubt, a SRO will only ever receive royalties hereunder for an actual reported performance of a sound recording actually owned by the SRO, for which SARRAL has been paid and reported to. A SRO will not receive any royalty in respect of a sound recording it does not own.

5. Warranties

5.1 The **SRO** warrants its right to offer **SARRAL** the license contained herein, and will not act in any manner that will derogate from the terms and conditions contained herein, consistent with the Act

5.2 **SARRAL** warrants that it is accredited in terms of the Act, and that it will not act in any manner that is inconsistent with the either this agreement or the Act

5.3 The **SRO** warrants that it will notify **SARRAL** of all sound recordings it owns or controls for the Territory. The **SRO** accepts that **SARRAL**, without receipt of the **SRO'S** notification, will have no basis or knowledge, as which sound recordings to administer and collect upon, and **SARRAL** will thus not be held liable or accountable, for any collections, as the case may be, in the absence of a duly filled notification. Membership at **SARRAL** with respect to the rights hereunder, is not sufficient alone, to ensure accountable collection by **SARRAL**, without notification.

6 Term

6.1 This agreement shall remain in force on an ongoing basis from the date hereof and shall thereafter remain in force unless terminated by either party giving the other notice in writing by registered pre-paid post at least six months prior to the expiration of the periods referred to earlier in this clause

7. Miscellaneous

7.1 This Agreement is governed under South African law.

DATED AT _____ THIS _____ OF _____ 2009

AS WITNESS

SRO SIGNATURE

FOR OFFICE USE

DATED AT _____ THIS _____ OF _____ 2009

AS WITNESS

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BANK DETAILS FOR SOUND RECORDING OWNER

SR (LABEL) NAME : _____

TYPE : (CC/PTY LTD) _____

BANK NAME : _____

ACCOUNT HOLDER _____

TYPE OF ACCOUNT : _____

BRANCH NAME: _____

BRANCH CODE : _____

OWNER DETAILS

SURNAME : _____

NAMES : _____

CONTACT NUMBERS : 1) _____

2) _____

Please attach a copy of CK certificate

In providing the above information, I hereby acknowledge that SARRAL shall not be held liable if any of the information provided is incorrect in any respect whatsoever.

SIGNATURE : _____

DATED : _____

Visit us : www.sarral.org.za for more info.

Enquiries : info@sarral.org.za

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