MI3P GRid Compliance Agreement

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<th>Document</th>
<th>MI3P-IGA-002-001</th>
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<td>Date</td>
<td>February 2007</td>
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The International GRid Authority

IFPI Secretariat
54 Regent Street
London W1R 5PJ
UK
grid@ifpi.org
GRid COMPLIANCE AGREEMENT

This agreement is entered into between:

(1) The Applicant

and

(2) RITCO

The 'Parties'

WHEREAS:

(A) The Global Release Identifier ("GRid") was developed by the member organisations of the Recording Industry Association of America (RIAA) and IFPI as part of the Music Industry Integrated Identifiers Project (MI3P). It provides an efficient means of identifying Releases in computer databases, in related documentation and in electronic messages for the exchange of information between record companies, rights societies, music publishers, electronic retailers of music and other interested parties on an international basis.

(B) GRid is maintained by the International GRid Authority and any eligible person or organisation that wishes to issue a GRid must apply to the International GRid Authority for an Issuer Code.

(C) IFPI has the exclusive right to use and license all intellectual property assets developed for the MI3P to perform the functions of registration authority for the issuance of GRids and has been appointed as the International GRid Authority.

(D) RITCO is a wholly owned subsidiary of IFPI which has been appointed by the International GRid Authority to undertake its responsibilities including, but not limited to, the allocation of Issuer Codes to eligible persons or organisations.

(E) The Applicant wishes to obtain an Issuer Code and RITCO wishes to allocate an Issuer Code to the Applicant on the terms of this Agreement.

The Parties agree as follows:

1. Definitions

The use of the following terms in this Agreement will have the following meanings. Any term in this document which is not defined below will have the meaning assigned by the Definitions sections of the GRid Standard.

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
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<tbody>
<tr>
<td>Affiliate</td>
<td>Any legal entity owned or controlled, directly or indirectly, by an Applicant so long as such ownership or control shall exist. For</td>
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<tr>
<td>Term</td>
<td>Definition</td>
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<tr>
<td>Applicant</td>
<td>Any person or organisation applying to RITCO to become an Issuer.</td>
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<tr>
<td>Digital Resource</td>
<td>A digital fixation of an expression of an abstract work, such as a sound recording, an audio-visual recording, a photograph, software, a graphic image or a passage of text.</td>
</tr>
<tr>
<td>GRid Standard</td>
<td>The MI3P Global Release Identifier Standard developed within the Music Industry Integrated Identifier Project (MI3P), as amended from time to time.</td>
</tr>
<tr>
<td>GRid Handbook</td>
<td>A document published from time to time by the International GRid Authority containing further information about the GRid Standard and providing explanation about how the GRid Standard shall be applied and implemented.</td>
</tr>
<tr>
<td>IFPI</td>
<td>IFPI Secretariat (registered number 1402091), 54 Regent Street, London, W1B 5RE</td>
</tr>
<tr>
<td>International GRid Authority</td>
<td>The organisation responsible for maintaining the integrity of the GRid system and for issuing Issuer Codes.</td>
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<tr>
<td>ISRC</td>
<td>The International Standard Recording Code (ISO 3901:2001)</td>
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<tr>
<td>Issuer</td>
<td>The organisation responsible for compiling the Release and allocating the Global Release Identifier.</td>
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<tr>
<td>Issuer Code</td>
<td>A unique identifier of the Issuer, issued by the International GRid Authority.</td>
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<tr>
<td>Metadata Repository</td>
<td>A computer system which meets the requirements of the International GRid Authority for Reference Descriptive Metadata storage, maintenance and access. It may be operated by an Issuer or by a third party offering registration services to Issuers.</td>
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<tr>
<td>Purpose</td>
<td>The allocation of GRids to Releases and the use of GRids to identify Releases in computer databases, in related documentation and in electronic messages for the exchange of information between record companies, rights societies, music publishers, electronic retailers of music and other interested parties.</td>
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<tr>
<td>Reference Descriptive Metadata</td>
<td>The set of data elements (as specified in Annex B of the GRid Standard) that describes the Release and the Digital Resources it comprises and that shall be stored and maintained in a Metadata Repository.</td>
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</table>
Release | A Release is an abstract entity representing a bundle of one or more Digital Resources compiled by an Issuer for the purpose of electronic distribution to individual consumers, directly or through intermediaries. The Digital Resources in Releases are normally primarily sound recordings or music audiovisual recordings, but this is not invariably the case. The Release is not itself the item of trade (or “Product”). Products have more extensive attributes than Releases; one Release may be disseminated in many different Products.

Release Number | The number comprised of ten Valid Characters that uniquely identifies the specific bundle of Digital Resources compiled by the Issuer.

RITCO | Recording Industry Trading Company Limited (registered number 3852503), 54 Regent Street, London, W1R 5RE

2. Obligations of RITCO

2.1 Subject to clause 3 below, RITCO, on behalf of the International GRid Authority agrees that it will register the Applicant as an Issuer and notify the Applicant of the Issuer Code which has been allocated to the Applicant.

3. Representations and Obligations of the Applicant

3.1 The Applicant confirms that it is:

(a) the owner of copyrights in sound and/or music audiovisual recordings; and/or
(b) the exclusive licensees of copyrights in sound and/or music audiovisual recordings and/or
(c) otherwise specifically authorised by the International GRid Authority to be an Issuer.

3.2 The Applicant agrees that it will only allocate GRids to Releases in accordance with this Agreement and the GRid Standard.

3.3 Compliance with clause 3.2 will include but not be limited to:

(i) Ensuring that in respect of each Release to which it allocates a GRid that it (with respect to the Digital Resource(s) included in that Release):

(a) is the owner of the copyrights in the Digital Resources or
(b) is an exclusive licensee in respect of the copyrights in the Digital Resources or
(c) has been specifically authorised by either the copyright owner or the exclusive licensee to compile a Release containing the Digital Resources;
(ii) Ensuring that the syntax of all GRids allocated to Releases conforms with the syntax set out in the GRid Standard;

(iii) Ensuring that all Release Number elements within all GRids allocated to Releases by the Applicant are unique;

(iv) Ensuring that Reference Descriptive Metadata in respect of all GRids allocated to Releases is stored and maintained in a compliant Metadata Repository;

(v) Ensuring that an ISRC is allocated to all sound recordings and music audio-visual recordings contained in Releases to which a GRid has been allocated and that Reference Descriptive Metadata in respect of all ISRCs so allocated is stored and maintained in a compliant Metadata Repository;

(vi) Ensuring that, in the event that no compliant Metadata Repository is available at the time of allocation of a GRid to a Release, sufficiently good records are kept to enable the storing and maintenance of Reference Descriptive Metadata (as set out in the GRid Standard) in respect of all GRids allocated and all ISRCs allocated in respect of sound recordings and music audio-visual recordings contained in Releases in a compliant Metadata Repository when one becomes available;

(vii) Ensuring that the implementation guidelines as published by the International GRid Authority from time to time in the GRid Handbook are complied with.

3.4 The GRid Standard and the GRid Handbook are subject to revision and the Applicant agrees that it will, within a period of six (6) months from the publication of any revisions, amend its systems and processes to take account of any changes to the GRid Standard or the GRid Handbook provided always that such changes have been agreed through the normal governance procedures of the International GRid Authority.

3.4 The Applicant agrees that it will pay all fees to RITCO, on behalf of the International GRid Authority, as and when they fall due as specified in the GRid Handbook.

4. Use of Issuer Codes by Affiliates

4.1 The Applicant’s Affiliates may use the Issuer Code allocated to the Applicant, provided that the Applicant procures that any such Affiliate complies with the GRid Standard and the terms of this Agreement.

4.2 The Applicant shall at all times remain responsible for any failure by its Affiliate(s) to comply with the GRid Standard and/or the terms of this Agreement.
5. Licence to allocate GRids

5.1 RITCO grants to the Applicant and its Affiliates a limited, non-exclusive, non-transferable licence solely to:

(i) reproduce and distribute within the organisation of the Applicant and/or its Affiliates; and

(ii) use the GRid Standard for the Purpose, subject at all times to such further disclaimers, requirements and restrictions as set out in this Agreement and as may be published from time to time by RITCO, the International GRid Authority and/or IFPI.

5.2 RITCO makes or offers no representations or warranties (either express or implied) in relation to the GRid Standard. In particular (but without limitation), RITCO makes no representations or warranties in relation to:

(i) the suitability or fitness of the GRid Standard for any particular purpose;

(ii) the merchantability of the GRid Standard;

(iii) the accuracy, completeness, relevance or validity of the GRid Standard;

(iv) the non-infringement of any third party intellectual property rights related to the GRid Standard.

5.3 The Applicant assumes all responsibility relating to the use of the GRid Standard and RITCO will not be liable for any direct, indirect, special, incidental, consequential, exemplary or punitive loss or damages of any kind that arises or might arise out of or in connection with the use of the GRid Standard. RITCO will have no liability in the event that the Applicant infringes the intellectual property rights of any third party by exercising any rights granted under this Agreement.

6. Inspection

The Applicant agrees that RITCO, on behalf of the International GRid Authority, will on written notice of 30 days be entitled to inspect, or to appoint a duly authorised third party to inspect, any appropriate systems or databases of the Applicant and/or the Applicant’s Affiliates solely for the purposes of ensuring that the Applicant and/or its Affiliates are complying with the GRid Standard and the GRid Handbook. RITCO agrees that any information obtained during such inspection will be used only for the purpose of ensuring compliance with the GRid Standard and GRid Handbook and that it will not be disclosed to any party not bound by appropriate confidentiality agreements with RITCO.

7. Non-compliance

In the event that the Applicant and/or a Affiliate of the Applicant fails to comply with any of the terms of this Agreement, the GRid Standard or the GRid Handbook, RITCO, on behalf of the International GRid Authority, will give 30 days written notice to the Applicant to undertake corrective action. In the event that the corrective action does not
take place within this period, RITCO shall be entitled to immediately undertake such actions as it deems fit regarding the Applicant’s failure to take corrective action as permitted within the governance procedures of the International GRid Authority which include the revocation of the Applicant’s registration as an Issuer and the termination of the licence granted herein. A written notice from RITCO to the Applicant shall effect such revocation and termination. In the event of such revocation and termination, the Applicant agrees immediately to cease, and procure that its Affiliates cease, allocating any further GRids and from storing any Reference Descriptive Metadata relating thereto in any compliant Metadata Repository. All actions undertaken in accordance with this Clause shall comply with the appropriate governance procedures of the International GRid Authority.

8. General

8.1 If any of the terms in this agreement are unenforceable, the enforceability of the other terms of this agreement shall not be affected.

8.2 This agreement shall not be interpreted so as to create any agency, partnership, joint venture or employment relationship between the parties.

8.3 The failure by RITCO to exercise any right or privilege arising under this agreement shall not be deemed to constitute a waiver of such right or privilege.

8.4 Nothing in this agreement creates any right that is enforceable by any party that is not a party to the contract.

8.5 This agreement shall be governed by and interpreted in accordance with the laws of England and Wales and shall be subject to the jurisdiction of the courts of England and Wales.