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Copyright Owner Authorization Letter

Dear Copyright Owner:

The Alliance of Artists and Recording Companies ("AARC") is a non-profit organization that administers hometaping royalties, both domestic (Audio Home Recording Act of 1992 - AHRA) and foreign hometaping royalties for sound recording copyright owners and featured artists and foreign sound recording rental royalties for featured artists and sound recording copyright owners.

AARC will also represent you in foreign countries in connection with royalties you have earned for the hometaping and/or rental of your sound recordings in such countries. Such services will include the negotiations with the society or organization designated to administer the royalties in the foreign country, delivery of any required data to the foreign society or organization, collection of such royalties and distribution of them to you.

Audio Home Recording Act Royalties

The Audio Home Recording Act ("Act") established a royalty payment system with respect to digital audio recording devices and digital audio recording media. Under the Act, you ("Copyright Owner") are a potential "interested copyright party" eligible for a share of the royalty payments. In order to facilitate distribution of the royalty payments, the Alliance of Artist and Recording Companies ("AARC") has been formed. AARC will represent you before the Copyright Royalty Board ("CRB"), and any subsequent agency, process your claim before the CRB, distribute the royalty payments received from the CRB, and render other services described below.

In recognition of these services, you agree to authorize AARC to be your sole representative in connection with the copyright owners subfund under the Act and grant to AARC the right to act on your behalf in connection with any and all activities related to this subfund. AARC is authorized to perform certain services on your behalf in connection with any and all activities related to this subfund. AARC is authorized to perform certain services on your behalf, including the filing of claims before the CRB, and the initiation or settlement of, and participation in, any proceedings, hearings, litigation, appeals or other actions before the CRB, and any other U.S. agencies or courts in connection with the Act.



AARC may also initiate and participate in any settlements of controversies or arbitration decisions in connection with the Act.

By authorizing AARC to represent you, you agree to allow AARC to establish the mechanisms and operating procedures necessary to accurately and efficiently acquire data for purposes of calculating royalty distributions, processing claims before the CRB and distribution to you of the funds received from the CRB. In addition, you agree to provide to AARC such accurate and timely information regarding your entitlement to royalty fees, such as sound recording titles, release dates and configuration types. In order to maximize your receipts under the Act, AARC will deposit the royalties received from the CRB in an interest-bearing account until such time as the royalties are distributed to claimants. AARC will also verify and audit the royalty fee payments made and statements submitted by manufacturers and importers of digital audio recording devices and media to the CRB.

By designating AARC as your representative, you agree to accept the distribution methodology described in “Methodology To Be Used In Distributing Sound Recording Funds Royalties” which will be employed to determine each claimant's royalty share and agree to be bound by AARC's determinations. However, you understand that the current distribution methodology may be refined by AARC in accordance with its bylaws. Questions or disputes pertaining to the distribution of your funds will be resolved by a panel comprised of record company representatives, and you agree to be bound by the decision of this panel.

Foreign Hometaping Royalties

In recognition of the services provided to you in connection with the administration of foreign hometaping royalties, you agree to authorize AARC to be your sole representative regarding foreign hometaping royalties. By authorizing AARC to represent you in connection with foreign hometaping royalties, you agree to allow AARC to establish the mechanisms and operating procedures necessary to accurately and efficiently acquire data for purposes of calculating hometaping royalty distribution, represent you before the relevant bodies in foreign countries for any hearings, proceedings, litigation or appeals, and distribute your portion of the hometaping royalties to you. You agree to grant AARC the right to act on your behalf in connection with any and all activities related to foreign hometaping royalties. You agree to provide us, where necessary, accurate and timely information regarding your entitlement to these royalties.



Foreign Sound Recordings Rental Royalties

In recognition of the services provided to you in connection with the administration of foreign rental royalties, you agree to authorize AARC to be your sole representative regarding foreign rental royalties. By authorizing AARC to represent you in connection with foreign rental royalties, you agree to allow AARC to establish the mechanisms and operating procedures necessary to accurately and efficiently acquire data for purposes of calculating rental royalty distribution, represent you before the relevant bodies in foreign countries for any hearings, proceedings, litigation or appeals, and distribute your portion of the rental royalties to you. You agree to grant AARC the right to act on your behalf in connection with any and all activities related to foreign rental royalties. You agree to provide us, where necessary, accurate and timely information regarding your entitlement to these royalties.

Fees

AARC will deduct a prorata share of its expenses ("administrative expenses") in connection with representation of your interests. AARC will not deduct, from your royalty distribution for a particular year, expenses in excess of the administrative expenses for that year. You will have access to AARC records which detail computation of your prorata share of expenses.

You hereby grant to AARC the following rights in your share of any royalties: If AARC is unable to distribute your share of any royalties (e.g., because you do not provide necessary information or AARC is unable to locate you at the time a distribution is to be made), AARC shall retain your royalties, and solicit such information or try to locate you, for a period of three years from the date the royalties shall have become payable. At the end of such period, all right, title and interest to such royalties shall fully and absolutely vest in AARC, which may use the unclaimed funds to all copyright owners and to pay expenses as described above, and the Copyright Owner will have no further right, title, interest or claim to such royalties.

Finally, this Letter Agreement will remain in effect until terminated in writing via registered mail by either party. Such termination will be effective 30 days from receipt, provided however, that AARC will continue to be authorized to represent you under the terms of this Letter Agreement with respect to any claims filed or proceedings commenced prior the effective date of termination.



AGREED BY THE COPYRIGHT OWNER:

Copyright Owner _____
(Print or Type)

Form Completed By _____
(Printed)

Form Completed By _____
(Signature)

Affiliation with Copyright Owner _____
(Printed)

Telephone _____ Date _____