

## **NORM – LETTER OF UNDERTAKING PERTAINING TO THE USE OF NORM MEMBERS' PRODUCTION MUSIC LIBRARIES**

Note that the facility signing this Letter of Undertaking will from now on be known as the Producer.

1. NORM enters into this on behalf of itself and its current and future Production Music Library members ("Production Music Publishers").
2. NORM hereby authorises the Producer to use Musical Works and Sound Recordings known as Production Music controlled or administered by the Production Music Publishers ("Production Music Works"). Said Production Music supplied by Production Music Publishers in the form of sound carriers ("Production Music CD's"/ "Production Music Files"). Note that all Production Music disc/Production Music Files remain the property of the Production Music Publishers.
3. In return for the above authorisation, the Producer agrees that it will at all times comply with the terms and conditions set out in this Letter of Undertaking. The authorisation is conditional upon the Producer doing this.
4. For the avoidance of doubt, no authorisation is granted to the Producer under this Letter of Undertaking to either copy or distribute Production Music Works. Such authorisation may only be granted by the issuing of a licence. Any such licence is, for the further avoidance of doubt, subject to the conditions set out in this Letter of Undertaking as well as those set out in the licence itself.
5. In order to apply for a licence to copy and/or distribute Production Music Works, the relevant NORM Cue Sheet must be fully and accurately completed by the Producer and received by NORM prior to or as soon as possible after completion of the relevant production. This specifically excludes broadcast as SABC, ETV and MNET require cue sheets prior to broadcast. This must be carried out for each separate production incorporating any Production Music Work, and the Producer must submit the properly completed Cue sheet to NORM immediately upon completion of the production.
6. Blanket licence arrangements between NORM and TV broadcasters SABC, MNET and ETV cover fees for the use of the music in general programming broadcasts, provided accurate music cue sheets are completed and supplied to the broadcasters along with each new recording or episode. These arrangements do not apply when using the music for the production of advertising spots, product branding, sponsored programs, corporate events and programs, radio, international broadcasts, or other types of usage where a separate licence should be applied for directly to NORM.
7. Note that SARRAL (South African Recording Rights Association Limited) do not represent NORM member's catalogues and any applications submitted, or payments made to that organization will be without force or effect.

8.(a) Licences for the recording of Production Music Works are granted in the form of invoices at rates, terms and conditions published in the NORM Production Music Rate Card. However, where the relevant cue sheet applicable to a music license has not been received by NORM in accordance with the provisions of this Letter of Undertaking, NORM on behalf of the Production Music Publishers reserves the right to charge penalties and interest.

(b) Licences are at all times conditional upon full compliance with the terms and conditions set out including the payment of the royalties and other fees specified in the invoice and VAT thereon within the period stated in the invoice.

9.(a) NORM may give written notice of not less than 5 working days that it wishes to carry out verification procedures at the Producer's premises. Where this notice has been given, the Producer will allow NORM through its authorised representatives to attend any of the Producer's premises, and inspect and take copies of productions, books, documentary records and supporting documentation (for example, the Client's production details) as they consider are required to check that the Producer is fulfilling its obligations under this Letter of Undertaking and any licences granted by NORM. The Producer undertakes that it will maintain books and documentary records and such underlying documentation as will enable the representatives to carry out their task satisfactorily. This Clause applies even after this Letter of Undertaking has been terminated, but only for a period of one year thereafter.

(b) Where inspections carried out as referred to in (a) above (or any other inspections, verifications or other monitoring exercises that NORM undertakes) reveal that the Producer has failed to properly license its productions according to this Letter of Undertaking (or any licence issued under it), then NORM reserves the right to charge the Producer in relation to its costs incurred in undertaking such inspection, verification or other monitoring exercise (in addition to any further licence fees that may be payable).

10(a) This Letter of Undertaking may be terminated by either party upon 4 weeks written notice. On termination NORM and its authorized representations reserve the right to collect all Production Music discs/Production Music files or hard drives supplied by Production Music Publishers.

(b) In addition, NORM shall have the right to terminate this Letter of Undertaking immediately by written notice to the Producer if: (i) the Producer commits a material breach of this Letter of Undertaking which is not capable of remedy; or (ii) the Producer commits a material breach of this Letter of Undertaking which is capable of remedy but which has not been so remedied within 2 weeks of notice thereof; or (iii) the Producer goes into receivership or any resolution is passed for its winding-up or liquidation (other than for the purposes of reconstruction or amalgamation) or is otherwise unable to pay its debts.

(c) NORM may amend this Letter of Undertaking by giving four weeks notice to the Producer, at which point such amended Letter of Undertaking will become binding on the Producer. The Producer may in such circumstances terminate the Letter of Undertaking by giving notice to NORM prior to the date on which the amendment was to take effect.

(d) If this Letter of Undertaking is terminated between NORM and the Producer, then the Producer shall no longer have the right to apply, nor use Production Music Library in any manner of form.

11. Hard copies of the NORM Production Music Rate Card and Cue sheet are available on application to NORM (on Word or PDF versions of these documents also being available) and the Producer hereby confirms that it is familiar with these documents. All references to such documents are references to the documents as published and updated from time to time by NORM.

12. This Letter of Undertaking is only between NORM on behalf of its members and the Producer, and its terms and conditions may not be relied on by any other party. It may not be assigned.

Note that Production Music discs may not be distributed to any other party.

13. This Licence shall be construed according to the laws of South Africa and the parties agree to submit to the jurisdiction of the courts of the Republic of South Africa.

I hereby agree to the above letter of undertaking.

Signed: \_\_\_\_\_

Print Name: \_\_\_\_\_

Production Facility: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_