

MUSIC ROYALTY PRACTICES ACT (EXCERPT)
Act 430 of 2000

445.2105 Contract for payment of royalties; requirements.

Sec. 5. (1) A contract for the payment of royalties between a proprietor and a performing rights society executed, issued, or renewed in this state shall comply with all of the following:

- (a) Be in writing.
- (b) Be signed by both parties to the contract.
- (c) Include at least the following information:
 - (i) The proprietor's name and business address and the name and location of each place of business to which the contract applies.
 - (ii) The name and business address of the performing rights society.
 - (iii) The duration of the contract.
 - (iv) The schedule of rates and terms of royalties to be collected under the contract including, but not limited to, any sliding scale, discount, or schedule for any increase or decrease of those rates for the duration of the contract.

(2) A contract between a performing rights society and a proprietor for the payment of royalties shall be offered for a term of 1 year but the parties may agree to a contract for a term other than 1 year. This section does not apply to a contract for a term negotiated between a performing rights society and a bona fide trade association representing a substantial percentage of proprietors of the same type.

History: 2000, Act 430, Imd. Eff. Jan. 9, 2001.