

License Agreement Between Record Producer And Music Aggregator (Study on Frm Musik)

Alfina Rahmania Latif

Universitas Islam Negeri Maulana Malik Ibrahim Malang

Alfinarahmanialatif@gmail.com

Abstract:

In the fast-growing music industry, agreements between record producers and music aggregators form a vital framework for the distribution and marketing of musical works. To ensure legality, a cooperation contract is required, covering aspects such as copyright, licensing, agreement duration, revenue sharing, and the obligations and responsibilities of each party. This research aims to analyze whether these agreements comply with positive law and Islamic law. The research method is empirical legal research analyzed qualitatively, with data collected through interviews with record producers at FRM Musik and observations of documents related to the agreement between music aggregators and FRM Musik. The data is analyzed by reviewing relevant legislation, such as the Copyright Law, ITE Law, and the Compilation of Sharia Economic Law (KHES). The analysis shows that the license agreement, signed electronically, meets the requirements of Article 11 of the ITE Law, making it valid and legally binding. According to the Copyright Law, the agreement regulates the economic and moral rights of the creator. Based on KHES, the agreement fulfills principles of voluntariness, trustworthiness, mutual benefit, equality, and transparency, and is included in the *ijarah* contract. In conclusion, the agreement meets the elements of positive law and the principles of Islamic law.

Keywords: License Agreement, Music Aggregator, Sharia Law.

Introduction

The internet has covered various human areas. These areas include health, education, advertising, and entertainment. Its benefits are clear as it has become a major means of communication. The internet meets the global need for faster, efficient, and economical communication, as well as advanced information. However, the internet also brings certain impacts and problems. One significant issue is Intellectual Property Rights (IPR). IPR refers to the legal rights to intellectual property created through human intellectual abilities, such as copyrights and brands, which generate economic value for the creator.¹

Part of intellectual property rights is copyright. Copyright aims to protect human works in art, literature, and science. Copyright is an exclusive right granted to creators to

¹ Lindsey, *Hak kekayaan intelektual*, Bandung: Asian Law Group, 161.

control the use of their work. It includes moral rights and economic rights for the creator, giving them recognition and financial benefits. Law No. 28 of 2014 on Copyright defines copyright in detail, including the right to publish, duplicate, and grant permission regarding the work. Copyright is granted automatically to the creator without prejudice to any existing legal restrictions. Such restrictions are set by applicable laws to ensure protection and fair use.²

Exclusive rights consist of economic and moral rights. These rights are defined in Article 4 of Law Number 28 Year 2014 on Copyright (UUHC). This law grants exclusive rights to the creator. With this exclusive right, no other party can use the right without the authorization of the creator. Economic rights relate to the financial benefits derived from the work. Meanwhile, moral rights protect the integrity and reputation of the creator. Hence, these two rights ensure that the creator has full control over the use of his/her work.

The creation of music and songs is a type of copyrighted work that illustrates the process of developing a work into a copyrighted work, which requires a long time, dedication, knowledge of the art of music, creative ideas, and financial resources. To create music and songs, it requires feeling, continuous effort, in-depth knowledge of music, creative inspiration, and financial resources³. Therefore, as a form of appreciation for the musical works that have been created, the state recognizes the importance of songwriters and provides legal protection through copyright, which is included in Article 40 UUHC.

The internet, a recent innovation, has revolutionized music distribution. It has significantly aided the growth of the music industry. Songwriters, musicians, and record labels no longer need to rely on physical distribution.⁴ The main advantage is the ability to promote songs online. They can now use social media for wider reach. Additionally, songs can be released on digital music platforms. This shift has made music distribution more efficient and accessible.

In the music industry, digital music media is essential. This includes digital music stores like Apple Music, Deezer, Spotify, Tidal, and Joox. While these platforms are key for distribution, independent musicians often struggle to access them. Music aggregators play a crucial role as mediators. They help musicians distribute their music online to a wide audience. Aggregators also establish relationships with various online music stores globally. This support is vital for independent artists seeking broader exposure.⁵

Music aggregators are companies that distribute music. They allow copyright owners and artists to distribute their music to various digital platforms, such as streaming and downloads. Some well-known music aggregators in Indonesia include Music Blast, Tunecore, IDE Music, and Netrilis. While these aggregators make music distribution easier, they also introduce legal issues. Copyright ownership and licensing are significant concerns. These elements regulate the rights of copyright owners and royalty payments.

² Ningsih dan Maharani, "Penegakan Hukum Hak Cipta Terhadap Pembajakan Film Secara Daring," *Jurnal Meta-Yuridis*, Vol. 2 No. 1 (2019): 2. DOI 10.26877/m-y.v2i1.3440

³ Elsa Fitria, "Analisis Yuridis Tentang Pembayaran Royalty Pemegang Hak Cipta Karya Lagu" (diploma, Universitas Islam Kalimantan MAB, 2022), <http://eprints.uniska-bjm.ac.id/10756/>.

⁴ Dewatara dan Agustin, "Pemasaran Musik Pada Era Digital Digitalisasi Industri Musik Dalam Industri 4.0 Di Indonesia." *WACANA: Jurnal Ilmiah Ilmu Komunikasi* Vol. 18 No. 1 (2019): 3. <https://journal.moestopo.ac.id/index.php/wacana/article/view/729>

⁵ Dewatara dan Agustin. "Pemasaran Musik Pada Era Digital Digitalisasi Industri Musik Dalam Industri 4.0 Di Indonesia.": 5

They also govern the relationships between copyright owners, music aggregators, and distribution platforms.⁶

In the rapidly evolving music industry, agreements are essential for maintaining order and fostering growth. Agreements between record producers and music aggregators provide a vital framework for the distribution and marketing of music. These agreements enable record producers to access the digital market through music aggregators, which play a crucial role in facilitating wider and faster distribution to various streaming platforms and online music stores. By leveraging the extensive networks and technological capabilities of aggregators, record producers can ensure their music reaches a global audience more efficiently and effectively.

The agreements cover important aspects such as copyrights, licenses, and the duration of the agreement, ensuring that both parties understand their rights and obligations. This legal clarity helps prevent disputes and provides a solid foundation for the partnership. Additionally, these agreements include detailed provisions on revenue sharing, outlining how profits from music sales and streams will be divided between the producers and the aggregators. This financial arrangement ensures that all parties are fairly compensated for their contributions.

Moreover, these agreements specify the obligations and responsibilities of each party, from marketing efforts to compliance with legal and regulatory requirements. This includes ensuring that the music content meets all necessary legal standards and that marketing campaigns are effectively executed to maximize reach and engagement. By clearly defining these roles, the agreements help streamline operations and foster a collaborative environment.

Together, these elements form the basis for successful cooperation in the dynamic music industry. They allow record producers to focus on creating high-quality music while aggregators handle the complexities of distribution and marketing. This synergy not only benefits the parties involved but also enhances the overall accessibility and availability of music for consumers worldwide. Consequently, these agreements contribute significantly to the growth and sustainability of the music industry as a whole, adapting to the ever-changing landscape and ensuring that the industry continues to thrive.

In this study, researchers found that FRM Musik is an active player in the music industry. FRM Musik operates as both a music production company and a recording studio. It serves as a record producer and also creates its own music. Additionally, FRM Musik collaborates with various singers, songwriters, and record producers to produce, record, and distribute music. However, instead of distributing directly, FRM Musik relies on music aggregators to distribute its music to various streaming platforms and digital music stores. Therefore, the agreement between FRM Musik and music aggregators is crucial in this distribution process.

Previous research has highlighted the important role of agreements in the music industry. These agreements are crucial for royalty and copyright sharing between songwriters and music aggregators. However, there has been no specific research examining the agreements between song producers and music aggregators. Therefore, it is necessary to analyze these agreements in detail. This study focuses on the context of FRM Musik, a music production company and recording studio. By examining FRM

⁶ Amanda Febrianthi Soeyatno, "Perlindungan Hak Cipta Lagu Terhadap Layanan Agregator Musik" (skripsi, Universitas Pembangunan Nasional Veteran Jakarta, 2022), <https://doi.org/10/RIWAYAT%20HIDUP.pdf>.

Musik's agreements, we can better understand the dynamics of these relationships. This analysis aims to fill the gap in existing research.

This research will focus on analyzing the agreement. The aim is to understand how the rights, obligations, and other terms affect the relationship between FRM Musik, songwriters, and music aggregators. Additionally, this research will identify potential conflicts or inequalities within the agreement. It will seek ways to rectify any issues found. Therefore, the author chose to explore this topic in detail by the title "License Agreement Between Record Producer and Music Aggregator (Study on FRM Musik)".

Based on the above background, this research focuses on two main aspects. First, how the license agreement between FRM Musik and music aggregators is reviewed according to positive law. Second, how the agreement is reviewed according to the Compilation of Sharia Economic Law. This research aims to evaluate the suitability of the agreement with the applicable legal regulations in Indonesia as well as the relevant principles of Islamic law. By analyzing these two legal perspectives, the research is expected to provide a comprehensive understanding of the legality and fairness of licensing agreements in the context of the digital music industry.

The purpose of this research is to analyze the agreement between FRM Musik and music aggregators in terms of positive law and the Compilation of Sharia Economic Law. This research not only has analytical purposes, but also theoretical and practical benefits. Theoretically, this research contributes to the understanding of contract law and copyright in the dynamic music industry, as well as enriching contract law theory with empirical evidence and insight into the application of copyright principles in the digital age. Practically, this research provides guidance for stakeholders in the music industry, such as record producers, songwriters, and music aggregators, to create fairer and more sustainable agreements. It also provides guidance on copyright, royalty sharing and other contractual rights, as well as tools to protect the interests of music industry players.

Method

In this research, the author will use empirical legal research. Empirical legal research focuses on collecting and analyzing empirical data. This approach is also known as field evidence research. It aims to understand how the law functions in practice. By gathering real-world data, researchers can gain insights into legal processes and outcomes. This method emphasizes practical evidence over theoretical analysis. The goal is to see how laws are applied and interpreted in real-life situations.⁷

This approach uses scientific methods to observe, analyze, and measure various aspects of law, including policy effectiveness, regulatory implementation, and the interaction between law and society.⁸ An empirical legal approach can provide a strong methodological foundation in analyzing the license agreement between FRM Musik and Music Aggregators. By using scientific methods, this research can observe, analyze, and measure the effectiveness and implementation of legal provisions in the agreement. Techniques such as interviews with FRM Musik parties, case studies of similar agreements, and data analysis can be used to collect relevant evidence. From this, empirical legal research can provide a deeper understanding of business practices in the music industry, including the impact of license agreements on creators, music aggregators, and society as a whole.

⁷ Soekanto, *Pengantar Penelitian Hukum*. Jakarta: UI-Press, 2006: 54.

⁸ Suyanto, *Metode Penelitian Hukum Pengantar Penelitian Normatif, Empiris dan Gabungan*. Gresik: UNIGRES PRESS, 2023: 35.

This research will be conducted at the music production office and recording studio of FRM Musik in Bunul, Malang, East Java. Primary data is obtained through interviews with the owner of FRM Musik and observation of the agreement between FRM Musik and related music aggregators. Secondary data is obtained from the 1945 Constitution of the Republic of Indonesia, the Civil Code, and Law Number 28 of 2014 concerning Copyright (UUHC).

Result and Discussion

Analysis of the License Agreement Between FRM Musik and Music Aggregator in View of Positive Law

In today's digital era, technological developments have had a major impact on various fields, including music and marketing strategies. With this technological advancement, it can support someone to pour their ideas, where these ideas will become a work of creation produced through digital media, one of which is the copyrighted work of music and songs⁹. The internet is the latest innovation that has contributed greatly to the development of the music industry, especially in terms of distribution. The main advantage of the internet is that it makes it easier for songwriters, musicians, and record labels to promote and distribute music without having to physically sell it. Digital music media, such as Apple Music, Deezer, Spotify, Tidal, and Joox, are examples of tools in this industry. However, for independent musicians, it is difficult to directly distribute their music to these platforms. Music aggregators serve as a crucial intermediary in helping musicians submit their music to online platforms and build relationships with online music stores around the world.

This research focuses on the agreement between record producers and music aggregators, which plays an important role in music distribution. FRM Musik, as one of the active record producers, acts as a creator and producer of music, cooperating with various parties for music distribution through streaming platforms and online music stores, with the help of music aggregators. In distributing its work, FRM Musik chooses to use the services of a music aggregator because it is free of charge in its services as stated by Fandi Firdaus.¹⁰

“Dalam pendistribusian karya, saya menggunakan jasa agregator musik. Agregator musik sendiri banyak sekali ada yang membayar dan tidak, di Indonesia juga banyak aggregator musik tapi kebanyakan membayar. Disini saya menggunakan aggregator dari luar negeri yang tidak membayar, tetapi harus menandatangani perjanjian.”

That mean In distributing his works, Fandi Firdaus uses music aggregators. There are many music aggregators available, both paid and unpaid. In Indonesia, most music aggregators require payment for their services. Fandi Firdaus, however, uses a free overseas music aggregator. Even though it is unpaid, he is required to sign an agreement. This agreement outlines the terms and conditions of the distribution. Using a free aggregator allows him to reach a wider audience without incurring high costs.

Thus, the agreement between FRM Musik and music aggregators is crucial. It serves as an important foundation in digital music distribution. The significance of this agreement extends beyond the business aspect. It also aims to safeguard the interests of

⁹ Hidayah, *Hukum Hak Kekayaan Intelektual*. Malang: Setara Press, 2020: 42.

¹⁰ Fandi Firdaus, interview, (Malang, March 28, 2024)

all parties involved. By clearly outlining terms, the agreement helps prevent potential legal conflicts. In the digital era, such agreements ensure smooth and fair operations. Protecting rights and responsibilities, they are vital for future stability.

From this explanation, it can be seen that the agreement between FRM Musik and the music aggregator is a license agreement because through this agreement, FRM Musik grants permission or license (Licensor) in writing in accordance with article 80 (1) UUHC which states that copyright holders or owners of related rights have the right to grant licenses to other parties based on written agreements, to music aggregators (Licensee) to use their musical works. In this case, FRM Musik as the copyright owner gives the right to the music aggregator to distribute the songs to various digital platforms, such as music streaming services or online music stores. With the license, the music aggregator has the legal right to use the musical work without violating copyright. In addition, the license agreement also stipulates various provisions related to the use of musical works, including agreed-upon limitations, royalty distribution, and other rights regulated in accordance with applicable laws¹¹. Thus, this agreement is a license agreement because it regulates the right to use musical works owned by FRM Musik by the music aggregator.

Rights And Obligations

The license agreement between FRM Musik and the music aggregator grants various rights to FRM Musik as the licensor. First, FRM Musik has the right to express consent to the licensee or music aggregator. This is affirmed in Article 1 of the license agreement which states that if someone does not agree to the terms and conditions in the agreement, then they are asked not to give their consent or electronic signature.

In addition, FRM Musik also has the right to upload the licensed content, which is music or songs. Article 3(a) of the license agreement states that service users can upload the licensed content through their service account to be utilized by the company and its affiliates for a period of time and in all regions in accordance with the terms of the agreement.

Furthermore, after uploading the licensed content and fulfilling the terms and conditions, FRM Musik is entitled to receive payment or royalties. This royalty sharing is described in Article 7 of the license agreement regarding license payments, ensuring that the licensor receives fair compensation for the licensed content. Lastly, FRM Musik has the right to terminate the license agreement. The agreement is valid for thirty-six months and is automatically renewed every twelve months. The licensor can terminate the agreement by sending a notice of termination at least forty-five days before the expiry of the term of the agreement, as stipulated in Article 5(b) of the license agreement.

FRM Musik has some important obligations to comply with in the license agreement with the music aggregator. First, FRM Musik is obliged to comply with all the provisions in the signed agreement. This is confirmed in Article 1 of the license agreement which states that by accessing the "SoundOn" digital distribution platform and signing this agreement, FRM Musik agrees to be bound by the existing conditions.

Furthermore, FRM Musik has the obligation to grant reproduction, transmission and distribution rights of the licensed content to the aggregator. Article 6A(h) of the license agreement states that FRM Musik grants the company and its affiliates all necessary rights in the licensed content, including reproduction, distribution, transmission, adaptation, synchronization, public performance, and communication to the public.

¹¹ Hidayah, *Hukum Hak Kekayaan Intelektual*. 21

FRM Musik also has an obligation not to distribute the content with third parties during the term of the agreement. Article 3c of the license agreement explains that FRM Musik must not enter into agreements with third parties that grant the right to distribute the licensed content to ByteDance's platform or any other third-party platform. In addition, FRM Musik is responsible for fulfilling the tax obligations related to this agreement. Article 9 of the license agreement states that the licensor is responsible for all taxes related to the agreement, and all payments to the licensor from the company should be inclusive of taxes if any.

In the contract practice between FRM Musik and Music Aggregators, there is a structured and gradual process as conveyed by Fandi Firdaus.¹²

“Proses distribusi pada aggregator ini diawali dengan registrasi pada platform digital milik aggregator, kemudian verifikasi identitas, pembuatan dan tanda tangan perjanjian lisensi, unggah konten pada platform, distribusi, pembayaran royalti, perpanjangan kontrak (jika ingin memperpanjang), pengakhiran kontrak.”

The following will explain in more detail about the license agreement process between FRM Musik and the music aggregator; In the registration process, musicians must create an account or log in with an existing TikTok account. This step is important to allow music to be uploaded and discovered by TikTok users. With the account, musicians can access various platform features such as content upload, performance analysis, and interaction with other users. Registration also involves agreeing to the Terms of Service and Privacy Policy, which govern user rights and obligations as well as the protection of personal data.

After registering, the next step is identity verification. This involves uploading an official document such as an identity card to ensure the validity of the user's information. This is important to enhance platform security and reduce the risk of account misuse. Identity verification also ensures that the registered account belongs to the actual individual, in accordance with the provisions of the Electronic Information and Transaction Law (UUITE) Article 35, which prohibits the manipulation of electronic information. The next step is the creation and signing of the license agreement. Once the user's identity is verified, FRM Musik and the Music Aggregator create an agreement that sets out the rights and obligations regarding the use and distribution of music. The signing is done electronically through the DocuSign platform, which has legal validity equivalent to a conventional signature as per Article 11(1) of UUITE. DocuSign simplifies the process and accelerates cooperation between the two parties.

Once the agreement is signed, the next step is to upload the music content to the platform. FRM Musik uploads its music to the aggregator platform for digital distribution to various streaming platforms and online music stores¹³. The music aggregator offers access to 34 digital platforms, including ByteDance stores, social platforms, and other streaming platforms, making FRM Musik's music accessible to listeners around the world. After music distribution, the next important step is royalty payment. Fandi Firdaus explained that royalty payments are made through the SoundOn service website. Royalties are calculated based on the use of music by digital platform users. The terms of royalty payments are stipulated in the license agreement, which explains the percentage

¹² Fandi Firdaus, interview, (Malang, March 28, 2024)

¹³ Ningsih dan Maharani, “Penegakan Hukum Hak Cipta Terhadap Pembajakan Film Secara Daring.”

of payment for each utilization, playback, or download of the recording. Transparency in royalty payments ensures FRM Musik gets fair compensation. The term of the contract between FRM Musik and Music Aggregators is set out in Article 5(a) of the License Agreement. The contract lasts for thirty-six months and renews automatically every twelve months. If FRM Musik wishes to terminate the contract, they must notify the aggregator at least 45 days prior to the end of the term. This provision ensures the process of terminating the contract is done in a structured and transparent manner, safeguarding the interests of both parties.

FRM Musik, as the creator, has economic rights over its works as per Article 8 of UUHC. This economic right gives FRM Musik the exclusive right to benefit from its works, including distributing them through music aggregators. The license agreement is an important instrument to regulate the rights and obligations of both parties, providing a strong legal basis for FRM Musik to distribute its works and protect its rights from unauthorized use. The importance of the license agreement is also affirmed by Article 80(1) of the UUHC, which requires the agreement to be in writing. This shows the importance of clarity and legal certainty in the relationship between creators and distributors. The license agreement not only protects the rights of FRM Musik but also ensures fair and sustainable cooperation between both parties. Thus, this agreement plays a crucial role in maintaining the integrity of FRM Musik's works and ensuring that its works are enjoyed by the public in a legal and structured manner.

Analysis of the License Agreement Between FRM Musik and Music Aggregator Reviewed by the Compilation of Sharia Economic Law

In this study, the authors will analyze the License Agreement between FRM Musik and Music Aggregators based on the Compilation of Sharia Economic Law from the points of the pillars and conditions of the contract, the principle of the contract and the type of contract.

Pillars And Conditions of The Akad

In the Compilation of Sharia Economic Law (KHES) Book II concerning contracts in Chapter III article 22 which is included in the pillars of the contract, namely; The parties to the contract (al-aqidain) in this agreement are Fandi Firdaus as the licensor and the TikTok Technology Limited Company as the licensee. Both parties have fulfilled all the requirements as parties to the contract, namely legal capacity, adulthood, reason, can distinguish between good and right, and are free from coercion. This is emphasized in the agreement which states that if one of the parties does not agree to the terms and conditions stipulated, they are asked not to provide electronic consent or electronic signatures on the agreement. Thus, the agreement between the two parties is reached in a legal manner and without coercion, ensuring the legal validity of the agreement.

The object of the contract (Mahallul 'Aqd) is something that is made the object of the contract and is subject to the legal consequences caused¹⁴. In this license agreement, the object of the contract is the licensed content, including the licensed recordings. This recording is in the form of music and or songs including excerpts, which from the point of view of its form is a tangible object because it can be seen and heard. This is in accordance with the provisions in the agreement article 2(a)vii, which states that "Licensed Recordings" means any sound recordings (including excerpts) uploaded by

¹⁴ Anwar, *Studi Tentang Teori Akad dalam Fikih Muamalah*. Jakarta: Raja Grafindo Persada, 2010: 28.

users to the Service. Thus, the object of the contract in this agreement has a clear and identifiable form.

The purpose of the contract (Maudhu'ul 'Aqd) is to obtain mutual benefit. The licensor gets royalties from any content accessed by the public, as stated in article 7 of this agreement, which explains that every month, the company will credit one hundred percent (100%) of the royalties to the user's Service account. Meanwhile, the licensee benefits from the applications accessed by the public. This objective does not contradict Islamic law, as it emphasizes the principles of mutual benefit and fairness in the distribution of proceeds. Thus, this license agreement is structured to ensure fair economic benefits for both parties.

Ijab and Kabul (Shigat al-'aqd) is the result of ijab kabul that causes legal effects on the object¹⁵. In this license agreement, ijab and kabul are realized through the signing of the agreement by both parties. This signing indicates that both parties agree with the terms and conditions stipulated, so that this agreement has binding legal force. The legal effect of this ijab and kabul is the obligation for both parties to comply with the agreement, including the distribution of royalties and reproduction rights. This ensures that the license agreement provides clear legal protection and a strong commitment for all parties involved.

Principles of Akad in License Agreement

As for the Compilation of Sharia Economic Law, it mentions the principles in a contract, namely in Book II on Acad Chapter II Principles of Acad article 21, which states that the contract is carried out based on the principles of ikhtiyari / voluntary, trustworthiness / keeping promises, ikhtiyati / prudence, luzum / unchanged, mutual benefit, taswiyah / equality, transparency, ability, Taisir / convenience, good faith, halal cause, al-hurriyah / freedom of contract, al-kitabah / writing.

The Ikhtiyari (Voluntary) principle is explained in article 21 (a) KHES, which states that every contract is carried out by the will of the parties, avoiding coercion. In this license agreement, article 1 states that if one of the parties does not agree to the terms and conditions set out, they are asked not to provide electronic consent or electronic signatures on this agreement. From this quote, it can be seen that this agreement is voluntary and there is no coercion between the two parties. This ensures that the agreement reached is done consciously and without pressure.

The Amanah (Keeping Promises) principle emphasizes that every contract must be carried out in accordance with the agreement and avoid breach of promise, as explained in article 21 (b) KHES. This principle demands good faith from each party in the transaction and prohibits the exploitation of the partner's ignorance. In this license agreement, article 6 on granting rights states that the licensor grants rights to the company and its affiliates exclusively. This excerpt shows that the licensor is in good faith in granting rights to the company, reflecting a commitment to keeping promises and executing agreements with integrity.

The principle of Mutual Benefit according to article 21(e) KHES is that every contract is carried out to fulfill the interests of the parties, thus preventing the practice of manipulation and loss. This principle is in line with the principle of benefit in Islam, which aims to realize benefits for all parties without causing harm. This license agreement is clearly mutually beneficial to both parties, where payments are made monthly and quarterly. The company will credit 100% of the royalties to the licensor's service account,

¹⁵ Burhanuddin S., *Hukum kontrak syariah*. Yogyakarta: BPFE-Yogyakarta, 2009: 41.

as stated in articles 7(a)(i) and 7(a)(ii). This ensures that both parties benefit fairly from this deal.

The principle of Taswiyah (Equality) in the world of work and business according to Islam is to be fair to all parties, as explained in article 21 (f) KHES. Each party in the contract has an equal position and balanced rights and obligations. In this agreement, the rights and obligations of the licensor and licensee are described in article 3 regarding the distribution of the licensed content. Article 6 discusses the granting of rights from the licensor to the company, while article 7 outlines the company's obligations in license payments. Thus, the rights and obligations are fully spelled out clearly in this agreement, ensuring equality and fairness for both parties.

The principle of transparency according to article 21(g) KHES is that every contract is carried out with open accountability, without deception. Transparency requires express and clear disclosure of rights and obligations, especially those related to risks that may be faced. In this agreement, all aspects are clearly structured, including rights and obligations as described in the principle of equality. Article 11 also discusses representations, warranties and indemnities. An excerpt from this article indicates that the licensor agrees to defend and indemnify the company and its affiliates against any claims and expenses that may arise. This confirms the commitment to transparency and responsibility in this license agreement.

Conclusion

The agreement between FRM Musik and Music Aggregator reviewed according to positive law has fulfilled the applicable legal elements. This license agreement has been signed electronically by FRM Musik and Music Aggregator. In terms of UUTE article 11, this agreement has fulfilled the conditions stated therein so that this agreement is valid and legally binding. Meanwhile, in terms of the UUHC, this license agreement was made to distribute FRM Musik's work which in this agreement has regulated economic rights, namely the distribution of royalties as stated in article 7 (License Agreement) and the moral rights of the creator, namely listing FRM Musik as the creator of his work.

The agreement between FRM Musik and music aggregators reviewed according to Islamic law has fulfilled the pillars and conditions of the agreement, including clear parties between FRM Musik represented by Fandi Firdaus as licensor and the licensee, namely TikTok Technology Limited. The object of the contract is the music content and songs that are licensed, the purpose of this contract is to obtain mutual benefits. The words *ijab Kabul* are clearly stated in this agreement. So in terms of the pillars and conditions, it is clearly fulfilled. This agreement also fulfills the principles of muamalah contracts, including: the principle of voluntariness, the principle of trust, the principle of mutual benefit, the principle of equality, and the principle of transparency, and fulfills the *ijarah* contract.

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