

On the base of Art. 137, 138, 139, 140 and 150 of the Law on Copyright and Related Rights ("Official Gazette" of the Republic of Macedonia, nr. 115/10, 140/10, 51/11, 147/13 and 154/15), in conjunction with Art. 5 and 15 of the Law amending the Law on Copyright and Related Rights ("Official Gazette" of the Republic of Macedonia, nr 27/16), as well as Art. 13, 24, 40, 45 and 46 of the Statute of the Music copyrights Association (hereinafter referred to as: ZAMP), the Assembly of ZAMP, on its session held on 08.06.2016 adopted the following

## **RULE BOOK**

### **with Tariff for use of musical copyright works**

#### **Article 1**

By means of the present Rule Book are determined the terms under which a legal or a natural party (hereinafter referred to as: user) can announce in public, namely publish musical works protected by ZAMP in the territory of the Republic of Macedonia, in compliance with the Law on Copyright and Related Rights (hereinafter referred to as: ZAPSP), the Statute of ZAMP and the Decision for granting license for collective management by the Ministry of Culture of the Government of the Republic of Macedonia.

#### **Article 2**

The repertoire of ZAMP consists of the following published musical non scenic works, such as:

oratorio, cantata, works of the symphony, chamber, solo, chorus, light, children, folk music, jazz etc;

fragments from musical scenic works (opera, ballet, operetta, etc.) irrespectively of their duration, under condition that these extracts are not a dramatic whole;

music of musical - choreography works (concert and radio performances) irrespectively of their duration;

musical works used in dramatic works, irrespectively whether these are used as musical accompaniment, as an illustration, or are included in the dramatic text;

music used in TV series, TV movies and cinematography movies broadcasted by means of television;

non-scenic musical works which are in dramatic - scenic or choreography way broadcasted on the scene or on television;

music for musical - literary programs or show (musical stories, recitals, humoristic or similar programs, performances, etc.);

musical works used for jingles, sound records, intermezzo with sound illustration;

treatment of the traditional work.

#### **Article 3**

ZAMP, under equal conditions, collectively manages the rights of the domestic and foreign authors and copyright holders in the territory of the Republic of Macedonia, according to ZAPSP and the Statute of ZAMP, and in accordance with the international convention and other contracts concluded between R. Macedonia and other countries, as well as according to the reciprocal agreements concluded between ZAMP and the

appropriate foreign associations.

#### **Article 4**

The user is obliged to provide a license by ZAMP for every public communication, namely publishing of the copyright works of the repertoire of ZAMP.

The license in the sense of the previous paragraph, can be issued for a single or repeated (for agreed period of time) use of copyright works.

#### **Article 5**

The user is obligated to inform the organization and to ask for a permission at least 15 days before the day of the usage of the musical copyright works, as well as to submit to the organization the complete data of the used works, the place and the time of usage and to make payment of the royalties within 15 days from the day of use.

The user is responsible for the completeness and the authenticity of the data included in the review of the performed, namely published works.

For electronic recording, processing of data, monitoring and control of broadcast copyright works, RTV organizations are obliged to enable ZAMP to provide and install a system for electronic recording of broadcast copyright works, that is, to submit a review of the broadcast copyright works in other manner provided by law.

Radio and television organizations are obliged to enable ZAMP to install the electronic recording system and provide their own compatible system that will connect to the system.

#### **Article 6**

The level of the royalties for use of the musical copyright works is determined with:

- 1) General agreement between ZAMP and the associations of the specific categories of users, namely their chambers that represent majority of the users (general agreement);
  - 2) Individual agreement between ZAMP and an individual user (individual agreement)
- and
- 3) If the royalties for public announcing are not determined with an agreement (general or individual) they are paid according to the Rulebook with Tariff made by ZAMP for using the musical copyright works.

Contracts must contain details of the amount, terms of use of the copyright, the term and method of payment, the circumstances under which the amount of the fee is increased or decreased, if such increase or decrease can be foreseen.

For the same type and quantity of copyrights use, in a general agreement, higher amounts of royalties for use than those determined with the tariff can not be fixed. In addition, as to the individual agreement, higher amounts of royalties for use than those determined with the general agreement and the tariff can not be fixed too.

## **Article 7**

Use of the copyright works of the repertoire of ZAMP, without paying the royalties, is allowed in the following cases:

- use of a copyright work for illustration in educational or scientific researches up to the level justified with the non-commercial purpose that is to be achieved, under condition the name of the author and the source to be stated, except if it is not possible;
- use of a copyright work for the needs of handicapped persons in a way it is directly connected to the special need, up to the level it is required by and without commercial purpose;
- use of parts of copyright works (extracts) in scientific researches for lectures, critic, debate or review, in scope and up to the level required for precise assignment and under condition to mention the name of the author and the source, except if it is not possible;
- use of works for the purpose of public security or in court, parliamentary or administrative procedure;
- use of a copyright work during religious ceremonies or another official celebrations, organized by the authorities and the units of local government in the frame of the official protocol part, held at the headquarter or in the premises of the organizer;
- adaptation of a work in a parody, caricature, under condition the adaptation does not make confusion in relation to the original of the work and the authorship and if the adaptation is in scope of the permitted use of the work;
- reproduction of the copyright on the tone and image carrier, public communication of the copyright of that carrier, as well as public communication of the work that is broadcasted in shops, fairs and other places where the operation of the appliances for recording, reproduction and transmission of the tone and image is demonstrated, at measure necessary for demonstration of the operation of the appliances. The records made on this base are immediately erased;
- public communication and make the copyright available to the public for the purpose of research or personal improvement on certain places of public, scientific, cultural, educational and other institutions of similar character, if the copyright can not be bought, or a license is not necessary for its use and is a part of the collections/ fund of the institutions.

## **Article 8**

When the works are used at humanitarian manifestations or other activities, the Board of Directors can decide to invest the royalties, completely or partially, in the humanitarian cause, under the following conditions:

- If the organizer (the user) is properly registered as a nonprofit organization for carrying out charitable activity;
- If the organizer (the user) submits a request (information) for musical works use in charitable purpose, at least 15 days before the use;
- In case all of the performers take free participation at the performance;
- If the organizer (the user) mentions in public ZAMP as an entity that makes contribution for the corresponding performance;
- If the organizer (the user) in period of 15 days, from the day of performance, submits all of the financial documentation of which all incomes and expenditures of the performance can be presented.

## Article 9

(1) The royalties for copyright use are determined according to the following bases:

1) when the use of the copyright is necessary for the activity the user is dealing with, namely it depends on its use (public performance of the work, the purpose and concert, such as concert, interpretation, dancing and other types of use, such as making it available for the public) the royalty for use is determined, by rule, in percent of the profit that the user makes, using the copyright work.

2) when the royalty referred to in item 1 of this paragraph cannot be determined as percent in the profit, then it is determined in amount that corresponds to the profit made from the use of the copyright work;

3) when the copyright work, i.e. the subject of related rights is used by radio- television organization that has installed the system for electronic record, the royalty for use is determined in nominal value calculated depending on the duration of the broadcast, i.e. the use recorded in the system for electronic record.

4) when the copyright, i.e. the subject of related rights is used by a radio-television organization that has not installed the system for electronic record, the royalty for use is determined in percentage from the profit that includes the funds from the broadcasting fee and/ or the subscription, advertising, sponsorships, grants and incomes from programs commerce. As profit are not considered incomes from value added tax, incomes from loans and loans interest.

5) The organization for collective management and the radio- television organization in the case of item 3 of this paragraph, upon request of the radio -television organization, may contractually determine the fee for use of the copyrighted work or the object of the related right to be determined in percentage of the income according to item 4) of this paragraph.

6) when the copyright work ie the subject of related rights is used by a non-profit radio-television organization, the compensation shall not be paid;

7) when the copyright work is used by cable operators the fee for use is determined by the number of subscribers of the provider to which the service of retransmission of radio and television programs is provided

8) if with the public use of the copyright works no profit is made (events, manifestations, etc.), the royalty can be determined in percent of the expenses necessary for use of the copyright, the royalties or salaries of the authors, the fee for the performers, the expenses for use of the space during use of the copyright work, as well as other appropriate expenses;

9) when determining the royalties of items 1,2,3 and 6 of the present article, the lowest nominal (absolute) amount of royalty is also fixed and

10) if the use of the copyright work is not necessary for the activity the user is dealing with, but it contributes to increase the pleasantness of the final users regarding their services (accommodation, hotels, exhibition space, restaurants, transportation means, etc.), the royalty is determined in a lump sum.

(2) Beneficiary, within the meaning of paragraph (1) of this Article, is a natural or legal person using a copyrighted work for performing an activity or occupation. If multiple users share a copyright work, they fulfill the obligations towards the organization in solidarity, unless they have agreed otherwise by a previous mutual agreement.

(3) As an end user of the services of the users referred to in paragraph (1) of this Article, within the meaning of this Law, is a natural or legal person who use services with copyrighted works as a consumer of immediate own consumption purposes other than intended for the performance of his profession or for others business,

(4) ZAMP does not have the right to claim compensation from the end-users of paragraph (3) of this article. The contracts referred to in paragraph (1) items 1 and 2 of this Article concluded contrary to this Article shall be null and void.

11) Notwithstanding item 10 of this paragraph a fee shall not be paid for using the copyright in:

- premises in which the craft activity is performed by a natural person-craftsman registered in the Craftsman Register,
- museums, galleries, and other premises that operate organization and public display of originals or specimens of works of art and applied art, originals of literary or musical works and other works of art,
- resorts and mountain homes,
- commercial and other production facilities; and
- public transport in means of passenger line transport and taxi transport.

#### **Article 10**

When establishing the level of the royalties, the following is taken into consideration:

- 1) the rights, kinds and scope of their use;
- 2) the number of the potential users;
- 3) category and size of the space ;
- 4) duration and the number of uses;
- 5) the difference in prices in the operation of the user due to copyright works use;
- 6) the structure and the nature of the program ( format of the broadcasting service), in compliance with the issued license for making broadcasting activity (with the broadcasting);
- 7) religious, cultural, social and economic interests of the users and
- 8) interests of the young and handicapped persons.

#### **Article 11**

The tickets given to the sponsors or to the donors by the organizers of the concert, interpreter, dancing or similar performance, are calculated in the profit of the appropriate performance.

ZAMP accepts up to 10% freeware of the total number of tickets.

#### **Article 12**

The compensation in a lump sum is expressed in points, and the value of the point (1 point) is expressed in denars.

The value of the point in the tariff part of the Rule Book is 4,00 denars.

The value of the point is annually harmonized with the retail prices increase, according to the published statistical data.

If the retail prices increase is higher than 10% in relation to the beginning of the year, the value of the point can also be harmonized during the year.

#### **Article 13**

The user is obliged to keep an accurate evidence for the obtained incomes, namely compensations of the performers that serve as a base for calculation of the compensation for performance, namely publishing.

ZAMP is allowed to make inspection and to control the data of which the amount of the royalty depends on, and the user is obliged to enable it.

#### **Article 14**

If from the financial or any other documentation of the user, there is no access to the data regarding the income, which is base for calculation of the royalty, ZAMP shall make calculation for the royalty according to the highest tariff rate, which is valid for the appropriate use of the copyright works.

#### **Article 15**

The Assembly of ZAMP gives authentic interpretation of the Rule Book with Tariff for using the music copyright works.

#### **Article 16**

At the time when the present Rule Book with Tariff for use of music copyright works enter into force, the Rule Book for public communication and announcement of musical works in public is no longer valid (Official Gazette of R.M., nr.154/11).

#### **Article 17**

The Rule Book with Tariff for use of musical copyright works, after its adoption in compliance with ZAPSP and the Statute of ZAMP, is published in the "Official Gazette" of the Republic of Macedonia.

The Rule Book enters into force on the eighth day from the day of its publishing.

**Nr. 285-1-03**  
**9th of June 2016**  
**Skopje**

**ASSEMBLY OF ZAMP**  
**President**  
**Prof. Zivoin Glishikj**

## TARIFF FOR USE OF MUSIC COPYRIGHT WORKS

### A. COMPENSATION FOR PUBLIC COMMUNICATION OF MUSICAL WORKS AT PERFORMANCES

#### I. MUSICAL PERFORMANCES

##### Tariff number 1

Ord.nr. Kind of performance	Entrance with entry fee charge or other form of payment	Free entrance	Minimal compensation in points
1. Concert of serious music	6% of the income	6% of the performers fee	400
2. Concerts of light music, works of protected authors in the spirit of the folk music, concert of original and treated folk music and music (songs and dances), karaoke (imitations)	10% of the income	10% of the performers fee	1100
Concerts of jazz music	8% of the income	8% of the performers fee	750

The compensation for public communication of musical works according to this tariff number is also charged for entertainments, such as: music festivals, celebrations, music competition, etc., and the rate is fixed according to the kind of music.

If more kinds of music are performed at the same entertainment (serious, light, folk music, jazz) the average rate of the present tariff number is applied.

#### II. ENTERTAINMENTS

##### Tariff number 2

For public communication of musical works:

a) at parties, dances, friendly night, celebration, banquet, graduation celebration, freshman, club evening, etc., with entry fees charges or another kind of charges, the compensation is 8% of the income.

At parties, dances, friendly night, celebration, banquet, graduation celebration, freshman, club evening, etc. when the celebration is without the stated entry fee, the royalty is 8% of the costs for the use, such as costs for the authors, the use of space and other similar costs.



- b) at seasonal celebrations, such as ball, a masquerade, carnival, New Year celebration, 8th of March, etc. with entry fees charge or any other kind of charges, the compensation is 9,60% of the income.

At seasonal celebrations such as ball, a masquerade, carnival, New Year celebration, 8th of March, etc. when the celebration is without the stated entry fee, the royalty is 9,60% of the costs for the use, such as costs for the authors, the use of space and other similar costs.

- c) at celebrations such as weddings, christening, circumcision with entry fees charges or another kind of charges, the compensation is 4% of the income.

At celebrations such as weddings, christening, circumcision when the celebration is without the stated entry fee, the royalty is 4% of the costs for the use, such as costs for the authors, the use of space and other similar costs.

### III. OTHER ENTERTAINMENTS

#### Tariff number 3

For public communication of musical works:

a) At dancing competition, figure skating, cabaret, ballet, academy or similar entertainment with entry fees charge, the compensation is 6% of the income, and at least 500 points as much as is the compensation when the entertainment is without the mentioned charge;

b) at fashion show, beauty election, demonstration of products or similar entertainments with entry fees charge, the compensation is 4% of the income, and at least 500 points when the entertainment is without the mentioned charge.

c) at circus, artistic or any similar entertainment with entry fees charge, the compensation is 3% of the income, and at least 500 points as much as is when the entertainment is without the above mentioned charge.

d) at sports events, the compensation is as it follows:

- |                             |             |
|-----------------------------|-------------|
| - up to 1.500 seats         | 100 points  |
| - from 1.500- 3.000 seats   | 150 points; |
| - from 3.001-10.000 seats   | 200 points; |
| - from 10.001- 30.000 seats | 300 points; |
| - above 30.000 seats        | 400 points; |

**B. COMPENSATION FOR TEMPORARY OR PERMANENT  
PUBLIC COMMUNICATION OF MUSICAL WORKS**

**IV. RESTAURANTS**

**Tariff number 4**

1. For public communication of musical works by means of mechanical music in the catering objects, disco clubs and night bars, the monthly compensation is determined on the base of the number of the potential users, the category and the size of the object, the rights, the type and the size of their usage, namely the duration of the public communications and it is at the level established as follows:

Number of seats in closed or open space, namely possible number of visitors	Duration of the public communication of live music (until 24.00h.) (after 24.00h.)	Points
to 40	120	240
from 41 to 80	160	320
from 81 to 120	200	400
from 121 to 180	240	480
from 181 to 240	280	560
from 241 to 300	320	640
from 301 to 360	360	720
from 361 to 420	400	800
from 421 to 480	440	880
from 481 to 540	480	960
from 541 to 600	520	1.040
from 601 to 660	560	1.120
from 661 to 720	600	1.200
from 721 to 780	640	1.280
from 781 to 840	680	1.360
from 841 to 900	720	1.440
from 901 to 1000	760	1.520
above 1001	800	1.600

2. For live music, the base of paragraph 1 is increased for 50%.

3. In cases when entry fees or obligatory consumption is charged, the base of paragraph 1 and 2 is increased for additional 50%.

## V. HOTELS

### Tariff number 5

1. For musical works use in hotel rooms, apartments, hotel settlements, apartment settlements by means of radio sets, internal television of closed type or any other television or cable network, the monthly compensation is 5 points for every overnight stay.

2. For use of musical works in common space of the hotels (foyer, restaurant halls, etc.) the monthly compensation is fixed according to the category of the hotel, as it follows:

- a) for hotels of V<sup>th</sup> category, apartments, boarding houses and motels of third category the compensation is 200 points;
- b) for hotels of IV<sup>th</sup> and III<sup>rd</sup> category, motels, apartments and boarding houses of II<sup>nd</sup> category, the compensation is 400 points;
- c) for hotels of II<sup>nd</sup> category, motels, apartments and boarding houses of I<sup>st</sup> category, the compensation is 800 points;
- d) for hotels of I<sup>st</sup> category the compensation is 1200 points.
- e) for hotels of Deluxe category the compensation is 2.000 points.

The user is obliged by the 15th of the month for the previous month, to submit report on the number of realized nights according to item 1 of this tariff number. In case the user does not submit a report within the prescribed deadline which should be identical with the report submitted to the competent authority (Ministry of Internal Affairs of the Republic of Macedonia and the local self-government) the monthly royalties will be calculated depending on the capacity of the facility as follows:

- |                           |              |
|---------------------------|--------------|
| a) to 25 guests           | 500 points   |
| b) from 26 to 50 guests   | 1.000 points |
| c) from 51 to 75 guests   | 1.700 points |
| d) from 76 to 100 guests  | 2.500 points |
| e) from 101 to 500 guests | 3.600 points |
| f) more than 500 guests   | 6.000 points |

## VI. TRADE AND OTHER BUSINESS PREMISES

### Tariff number 6

1. For use of musical works by means of mechanical music in shopping centers, shopping mall, gas stations, supermarkets, shops, boutiques, business premises etc., the monthly compensation is established according to the volume of the space and is as follows:

- a) from 1 to 30 m<sup>2</sup> the base is 1 point per 1 m<sup>2</sup>;
- b) from 31 m<sup>2</sup> to 100 m<sup>2</sup> the base is 0,8 points per 1 m<sup>2</sup>;
- c) from 101 m<sup>2</sup> to 200 m<sup>2</sup> the base is 0,7 points per 1 m<sup>2</sup>;
- d) above 200 m<sup>2</sup> the base is 0,6 point per 1 m<sup>2</sup>.

2. When the musical works are communicated on open public space, the compensation of the previous paragraph is increased for 100 points.

## **VII. CRAFT STORES**

### **Tariff number 7**

1. For use of musical works by means of mechanical music at the barber's or hairdresser's, beauty salon, cake shops, fast food shops or other similar craft stores (except if the space is used by individual craftsman registered in the Register of craftsmen) the monthly compensation is established according to the volume of the space and is as following:

- a) from 01 to 30 m<sup>2</sup> the base is one point per 1m<sup>2</sup>;
- b) from 31 m<sup>2</sup> to 100 m<sup>2</sup> the base is 0,8 points per 1m<sup>2</sup>;
- c) from 101 m<sup>2</sup> to 200 m<sup>2</sup> the base is 0,7 points per 1m<sup>2</sup>;
- d) above 200 m<sup>2</sup> the base is 0,6 points per 1m<sup>2</sup>;

2. When the musical works are also communicated on open public space, the compensation of the previous paragraph is increased for 100 points.

## **VIII. FAIRS**

### **Tariff number 8**

For public communication of mechanical music, compensation of 300 points per day shall be paid.

## **IX. BUSINESS PREMISES WITH MASS ACCESS OF CUSTOMERS (BANKS, AGENCIES)**

### **Tariff number 9**

For use of musical works by means of mechanical music in banks, agencies, etc. with mass access of clients, the monthly compensation is 100 points.

## **X. WAITING ROOMS AND STATIONS**

### **Tariff number 10**

For use of music works by means of mechanical music the monthly fee is as follows:

- at bus stations 240 points,
- at railway stations 320 points,
- at ports 320 points
- at airports 400 points

## **XI. MOVIE THEATRES**

### **Tariff number 11**

As to the use of music works by means of a mechanical music, before the performance, at the break or after the performance in the movie theatres, the monthly compensation is paid according to the following table:

Number of seats	Number of points
to 100 seats	24 points
from 101 - 200 seats	40 points
from 201 - 400 seats	80 points
from 401 - 600 seats	120 points
over 601 seats	160 points

## XII. TELECOMMUNICATION SERVICES

### Tariff number 12

For communication of music works by phone, it is paid 10% per month, of the income made from this activity, calculated according to the number of registered impulses.

If no data are supplied by the user for the profit that was made, the royalty is calculated in double amount of the month for which there is data available.

If it is a case of a new user that has not provided data for the generated income, the royalty shall be calculated in double amount, on the basis of the data received from the other users.

## XIII. AMUSEMENT SALONS

### Tariff number 13

For using musical works by means mechanical music in amusement salons and salons for gambling games (betting, billiards, video games, slot machines etc.), if no catering services are offered, the monthly royalty is in the amount of 50 points.

## XIV. AMUSEMENT PARKS

### Tariff number 14

For using musical work by means of mechanical music in amusement parks, the monthly fee is in the amount of 100 points.

## XV. SPORT STRUCTURES

### Tariff number 15

For using musical work by means of mechanical music in sport structures, skating rings, swimming pools etc., the royalty is calculated as follows:

to 1.500 seats	100 points
from 1.501 -3.000 seats	150 points
from 3.001 -10.000 seats	200 points
from 10.001 -30.000 seats	300 points
above 30.001 seats	400 points

## **XVI. DANCING SCHOOLS**

### **Tariff number 16**

The royalty is paid monthly and it is at the amount of 240 points, irrespectively of the type of the music.

## **XVII. AEROBICS, FITNESS AND BEAUTY SALONS**

### **Tariff number 17**

For using the musical works by means of mechanical music in aerobics and fitness centers, and beauty salons (cosmetics and massage), the royalty is paid monthly and as it follows:

- a) to 50m<sup>2</sup> the base is 1 point for 1m<sup>2</sup>
- b) from 50 m<sup>2</sup> to 200 m<sup>2</sup> the base is 1,5 points for 1 m<sup>2</sup>
- v) for every square meter above 200 m<sup>2</sup> the base is 2 points for 1m<sup>2</sup>

## **XVIII. MUSIC MACHINES**

### **Tariff number 18**

For public communication of the musical works from music machines without monitor, the royalty is paid on monthly basis and it is at the amount of 300 points.

For public communication of the musical works from music machines with monitor, the royalty is paid on monthly basis and it is at the amount of 450 points.

## **XIX. INDIVIDUAL MUSICIANS**

### **Tariff number 19**

The royalty is also paid by the individual musicians (street musicians etc.) that are registered in accordance with the Law for public communication of the musical work, in amount of 50 points per month.

## **V. BROADCASTING**

### **XX. PUBLIC BROADCASTER**

#### **Tariff number 20**

1) For broadcasting of non scenic musical works by the public enterprise Macedonian Radio Television, when the use of the copyright work is done by PE Macedonian Radio Television if the electronic record system is installed, the fee for usage is determined at a nominal amount that is calculated depending on the duration of the broadcast, i.e. the use recorded in the system for electronic records.

The monthly fee is:

- nominal amount of 28.02 denars per minute of the effective duration of the work broadcasted on the Macedonian Radio programs and
- nominal amount of MKD 145.25 per minute of the effective duration of the work broadcasted on the Macedonian television programs

2) when the use of the copyright work is performed by the PE Macedonian Radio Television if the electronic record system is not installed, the fee for use shall be set at percentage of revenue that covers broadcasting fee funds and/ or subscriptions, advertising, sponsorships, grants and program revenue. The funds for added value tax (VAT) are not considered as income, as well as the funds from credits and interests on credits.

The monthly fee is:

- 3% from the incomes made on the basis of the broadcasting taxes, and
- 3% from the incomes made from the advertising services, the sponsorship, the grants, and the incomes from the commercial programs.

3) The Organization for Collective Management PE Macedonian Radio Television in the case of item 1) of this paragraph upon request of the PE Macedonian Radio and Television may determine the fee for using the copyright work or the subject matter of the related right to be determined in a percentage of the income accordingly to item 2) of this paragraph.

### **XXI. COMMERCIAL RADIOBROADCASTERS**

#### **Broadcasting and transmission of radio program service**

##### **Tariff number 21**

1. For broadcasting of non scenic musical works by the radio, when the use of the copyright work is done by a radio organization the electronic record system is installed, the fee for usage is determined at a nominal amount that is calculated depending on the duration of the broadcast, i.e. the use recorded in the system for electronic records.

2. When the use of the copyright work is performed by a radio if the electronic record system is not installed, the fee for use shall be set at percentage of revenue that covers broadcasting fee funds and/ or subscriptions, advertising, sponsorships, grants and program revenue. The funds for added value tax (VAT) are not considered as income, as well as the funds from credits and interests on credits.

3. The Organization for Collective Management in the case of item 1) of this paragraph upon request of the radio organization may determine the fee for using the copyright work or the subject matter of the related right to be determined in a percentage of the income accordingly to item 2) of this paragraph.

4. When establishing the level of the compensations, the structure and the nature of the program is taken into consideration (the format of the broadcasting service), in accordance with the issued license for making broadcasting activity, as follows:

a) speech and speech musical radio of general format which depending upon the medium function they realize, they can be:

- predominantly educational general format,
- predominantly informative general format, and
- predominantly entertaining general format.

b) speech and speech-musical radio of specialized format;

c) musical-speech and musical radio of general format and

d) musical-speech and musical radio of specialized format.

5. The area, namely the service zone where the activity is carried out.

Unless otherwise agreed by contract, the royalty is paid monthly, as follows:

#### Radio program services on local level

Formats of radio program services		Percent of the income	Nominal amount (one minute in denars)
Speech and speech musical radio of general format :	-educational	2,00 %	0,21
	-informative	2,25%	0,24
	-entertaining	2,50%	0,27
Speech and speech musical radio of specialized format		2,75%	0,30
Musical speech and musical radio of general format		3,00%	0,33
Musical speech and musical radio of specialized format		3.25%	0.36

#### Radio program services on regional level

Formats of radio program services		Percent of the income	Nominal amount (one minute in denars)
Speech and speech musical	-educational	1,75 %	0,80
	-informative	2,00%	0,91



radio of general format :	-entertaining	2,25%	1,02
Speech and speech musical radio of specialized format		2,50%	1,13
Musical speech and musical radio of general format		3,00%	1,36
Musical speech and musical radio of specialized format		3,25%	1,47

### Radio program services on state level

Formats of radio program services		Percent of the income	Nominal amount (one minute in denars)
Speech and speech musical radio of general format :	-educational	1,50 %	2,89
	-informative	1,75%	3,37
	-entertaining	2,00%	3,85
Speech and speech musical radio of specialized format		2,50%	4,81
Musical speech and musical radio of general format		3,00%	5,77
Musical speech and musical radio of specialized format		3,25%	6,25

## XXII. COMMERCIAL RADIOBROADCASTERS

### Broadcasting and transmission of television program services

#### Tariff nr.22

1. For broadcasting of non scenic musical works by television, when the use of the copyright work is done by a television organization where the electronic record system is installed, the fee for usage is determined at a nominal amount that is calculated depending on the duration of the broadcast, i.e. the use recorded in the system for electronic records.

2. When the use of the copyright work is performed by a television organization if the electronic record system is not installed, the fee for use shall be set at percentage of revenue that covers broadcasting fee funds and/ or subscriptions, advertising, sponsorships, grants and program revenue. The funds for added value tax (VAT) are not considered as income, as well as the funds from credits and interests on credits

3. The Organization for Collective Management in the case of item 1) of this

paragraph upon request of the television organization may determine the fee for using the copyright work or the subject matter of the related right to be determined in a percentage of the income accordingly to item 2) of this paragraph.

4. When establishing the level of the compensations, the structure and the nature of the program is taken into consideration (the format of the broadcasting service), in accordance with the issued license for making broadcasting activity, as follows:

a) The television program service of general format depending upon the medium function that is realized, can be as follows:

- predominantly educational general format;
- predominantly informative general format, and
- predominantly entertaining general format.

b) Television program service of specialized format.

5. The area, namely the service zone where the activity is carried out.

Unless otherwise agreed by contract, the royalty is paid monthly, as follows:

#### **Television program services on local level**

Formats of television program services		Percent of the income	Nominal amount of one minute in denars
General format :	-educational	2,00%	27,08
	-informative	2,25%	30,46
	-entertaining	2,50%	33,84
Specialized format :		3,50%	40,16

### Television program services on regional level

Formats of television program services		Percent of the income	Nominal amount of one minute in denars
General format :	-educational	1,75%	59,45
	-informative	2,00%	67,94
	-entertaining	2,25%	76,43
Specialized format :		2,75%	93,41

### Television program services on state level

Formats of television program services		Percent of the income	Nominal amount of one minute in denars
General format :	-educational	1,50%	372,12
	-informative	1,75%	381,64
	-entertaining	2,00%	436,16
Specialized format :		2,50%	545,20

## XXIII. COMMERCIAL RADIOBROADCASTERS SATTELITE BROADCASTING

### Tariff number 23

1. For broadcasting of non scenic musical works by television, when the use of the copyright work is done by a television organization where the electronic record system is installed, the fee for usage is determined at a nominal amount that is calculated depending on the duration of the broadcast, i.e. the use recorded in the system for electronic records.

2. When the use of the copyright work is performed by a television organization if the electronic record system is not installed, the fee for use shall be set at percentage of revenue that covers broadcasting fee funds and/ or subscriptions, advertising, sponsorships, grants and program revenue. The funds for added value tax (VAT) are not considered as income, as well as the funds from credits and interests on credits.

3. The Organization for Collective Management in the case of item 1) of this paragraph upon request of the television organization may determine the fee for using the copyright work or the subject matter of the related right to be determined in a percentage of the income accordingly to item 2) of this paragraph

4. When establishing the level of the compensations, the structure and the nature of the program is taken into consideration (the format of the broadcasting service), in accordance with the issued license for making broadcasting activity, as follows:

a) The television program service of general format depending upon the the medium function that is realized, can be as follows:

- predominantly educational general format;
- predominantly informative general format and
- predominantly entertaining general format.

b)Television program service of specialized format.

5. The area, namely the service zone in which the activity is carried out.

Unless otherwise agreed by contract, the royalty is paid monthly, as follows:

#### **Television program services on state level**

Formats of television program services		Percent of the income	Nominal amount of one minute in denars
General format :	-educational	1,50%	372,12
	-informative	1,75%	381,64
	-entertaining	2,00%	436,16
Specialized format :		2,50%	545,20

#### **XXIV. BROADCASTING THROUGH SATTELITE BY MEANS OF DECODING OF SIGNAL (DIRECT TO HOME technology)**

##### **Tariff number 24**

Unless otherwise agreed, the royalty for broadcasting of musical copyright works through satellite by means of decoding a signal (DIRECT TO HOME technology) is paid at the amount of:

- 3,5 points , per subscriber monthly.

The operator is obliged to submit a report for the number of subscribers to the 15<sup>th</sup> of the month for the previous month.

**XXV. CABLE RETRANSMISSION OF RADIO AND TELEVISION PROGRAMS IN CABLE NETWORK**

**Tariff number 25**

The cable operators shall pay royalty for cable retransmission of the music copyright works on radio and television programs, unless otherwise agreed, in the amount of:

- 3,5 points per subscriber monthly.

The operator of the cable network is obliged to submit a report for the number of subscribers to the 15<sup>th</sup> of the month for the previous month.

**XXVI. RENTING**

**Tariff number 26**

The royalty for renting phonograms and video grams is at the amount of 4% of the renting price, on the basis of submitted report from the user that is to be submitted on the 15<sup>th</sup> day of the month at the latest, for the previous month.

**XXVII. INTERNET SERVICES**

**Tariff number 27**

**1. Streaming music content without the possibility for downloading**

The royalty for using internet services is 10% from the income of the web-site with musical content, but not less than the minimal amount, determined with this table:

Number of monthly visits:	up to 5000	for every additional 5000
Internet-radio - web simulcasting or web radio	480 points	320 points
Broadcasting of public performances with music - web streaming	480 points	320 points

Coulise music (per work)		400 points	300 points
Listening on request – making it available to the public without the possibility of downloading	- up to 50 works:	1000 points	700 points
	- from 50 to 100 works:	1500 points	1000 points
	- more than 100 works:	by special agreements	

The minimum royalty for the mentioned categories is calculated independently one of another and after that is summed up. The income is defined as an income from subscription, advertisement, sponsorship, donations, provisions, cessions, compensations etc.

## 2. Downloading of musical works

The royalty is 8% from the retail price of the content. The minimum royalty is 1 point per distributed part.