

On the base of art.132 point 2 and Art.144 of the Law on Copyright and Related Rights of the Republic of Macedonia (Official Gazette of the Republic of Macedonia, num.115/10,140/10, 51/11 and 147/13), as well as the Articles 13, 24 and 48 of the Statute of the Music Copyright Society (hereinafter referred to as: ZAMP), the Assembly of ZAMP, on its session held on 23.09.2014 approved the following

R U L E B O O K **for distribution of royalties**

I. General Provisions

Article 1

The Rule Book for distribution of royalties (hereinafter referred to as: Rule Book) determines the basic principles for distribution of royalties to owners of music copyrights (hereinafter referred to as: rightsholders) that are collectively managed by ZAMP, on the base of the Law and Statute i.e. the Agreement for foundation and the Decision for granting license, in compliance with the Law on Copyright and Related Rights of the Republic of Macedonia (hereinafter referred to as: ZAPSP).

Article 2

ZAMP is an organization for collective management of music copyrights of the rightsholders, which in compliance with the Decision for granting license of the Ministry of Culture of the Government of the Republic of Macedonia, number 54-54-5454/1 dated 03.04.2011, published in the Official Gazette of the Republic of Macedonia, nr. 65/11 of 10.05.2011, manages the following rights:

1. Reproduction and renting of musical non scene works on phonograms and video-grams;
2. Public communication of non scene musical works (public performance; public transmission; broadcasting, retransmission and making available to the public);
3. Cable retransmission of music non scene works;
4. Indemnity of the right of succession of original (manuscript) musical works;

ZAMP in cases of unique indemnities, in compliance with the Law on copyright and related rights and as prescribed in the Statute, can perform the collective management of the rights upon authorization of other organizations of rightsholders by means of signing a special Agreement or can also, by signing a special contract, authorize another appropriate Organization to carry out the collective management of these rights.

ZAMP can perform administrative technical woks for rights that are out of the rights it is authorized for, and are in authority of some other associations in compliance with a Contract.

Article 3

The rights of Article 2 of the present Rule Book are managed by ZAMP on the base of the Law on Copyright and Related Rights, the Statute of ZAMP, the present Rule Book and other acts and decisions, made on the base of the Statute. In line with the appropriate legal regulations, ZAMP provides the collective management with the moral and substantive rights of the rightsholders.

Article 4

ZAMP collectively manages the music copyrights of the rightsholders, who with registration of their works or on the base of an agreement, give authorization to ZAMP for that.

ZAMP also exerts collective management without any Agreement with the rightsholders, on the base of the provisions of Article 130 of the Law on Copyright and Related Rights.

The foreign authors and the members of the foreign organizations enjoy an equal protection of their rights as the domestic authors, in case if it is so established with an international Agreement, with the Law on Copyright and Related Rights of the Republic of Macedonia, if there is an actual reciprocity, as well as in compliance with the Statute of ZAMP.

Article 5

The copyrights of the rightsholders are managed by ZAMP under equal terms.

The provisions of the present Rule Book are obligatory for all rightsholders, whose rights are managed by ZAMP in compliance with the Law on copyrights and related rights, the Statute and the Membership Agreement with the author.

The rightsholder can exclude (inhibit) the collective management of his own right by the Society for which it has authorization for collective management, except in cases when he is not allowed to renounce of the right, in accordance with the Law.

The rightsholder exerts the exemption (inhibition) of the collective management by submitting verified written notice, on Form that is established and approved by the Assembly. The exemption enters into force with the following fiscal year.

Article 6

ZAMP is also allowed to collectively manage the copyrights of some other authors in compliance with the Law, on the base of an reciprocal Agreement that ZAMP concludes with appropriate foreign organizations that are members of CISAC.

Article 7

The collective management of the copyrights of the Macedonian rightsholders abroad are carried out by ZAMP on the base of special agreements that shall be signed with appropriate organizations of rightsholders.

The Agreements are signed by ZAMP in compliance with the legal regulations and the international contracts.

Article 8

In addition, ZAMP collectively manages, in the territory of the Republic of Macedonia, the right of reproduction and renting of non scene music works on phonograms and video grams, public communication of non scene music works (public performance; public transmission; broadcasting; retransmission and making available to the public), cable retransmission of music non scene works of the foreign rightsholders, in line with the Law on copyrights and related rights, and on the base of the international conventions and other agreements signed between the Republic of Macedonia and other countries, as well as on the base of reciprocal agreements signed between ZAMP and the appropriate foreign Organizations of rightholders.

Article 9

ZAMP can perform administrative technical works for rights that are out of the rights it is authorized for, and are in authorization of some other associations, in compliance with the Contract.

Article 10

ZAMP collectively manages only the published non scene music works.

Article 11

In its collective management of music copyrights, ZAMP performs the following operations:

1. Non exclusively transfers the right for use of copyrights either by an agreement or any other written form;
2. Collects the determined indemnities by the users and makes their distribution to the rightsholders in line with the Law and the general acts;
3. Makes calculation, distribution and payment of the royalties received by the foreign organizations, for use of the works by domestic authors abroad;
4. Signs agreements for reproduction of non scenic music works on phonograms and video grams, as well as for other kinds of use of musical non scenic works, and controls the realization of the mentioned agreements;
5. Collects programs and data from the music works users regarding the performed and recorded works, and also keeps evidence for the above mentioned;
6. Controls the copyrights usage;
7. Carries out the legal issues and takes care of the relations between the rightsholders and the users, and conducts legal procedures before the courts and the other authorities due to the copyright protection, etc.;
8. Takes over other measures envisaged with the Law and the remaining regulations for protection and realization of the collective management of the music copyrights.

Article 12

ZAMP can initiate and conduct litigations before the courts and the other authorities for realization of copyrights, in its name or for the account of the author, only with special

authorization by the author whose right is subject of the litigation.

For representing before courts and the remaining authorities, for the collective management of the music copyrights and rights, ZAMP does not need any special authorization by the author.

In case of a dispute between the members of ZAMP, ZAMP shall not initiate litigation in the name of one of them.

Article 13

The Repertoire of ZAMP consists of published music non scene works, such as:

- a) oratorio, cantata, symphony, chamber, solo music, choir, light, children, folk music, jazz, etc.);
- b) fragments of musical scene works (opera, operetta, ballet, etc.) irrespectively of their duration, under condition the above mentioned fragments not to represent a dramatic whole;
- c) music from musical choreography works (concert or radio performances) irrespectively of their duration;
- d) musical works that are not ordered, and are used in dramatic works, irrespectively whether these are used as musical accompaniment or as an illustration, or are included in the dramatic text;
- e) music used in TV series, TV movies and cinematographic films that are broadcasted through television;
- f) non scene musical works that are in dramatic – scene or choreographic way broadcasted on a scene or television;
- g) music for literary programs or performances (musical stories, recitals, humoristic programs and similar programs);
- h) music works used for switchboards, sound recording, intermezzo with sound illustration;
- i) arrangement of folklore works.

II. DOCUMENTATION

Article 14

The documentation of ZAMP consists of the following:

- documentation of works;
- documentation of authors, rightsholders;
- documentation of foreign works, authors, rightsholders.

a) Documentation of works

Article 15

Every author or copyrights holder is obliged to register his/her works (namely works for which a right was acquired) in ZAMP on a prescribed form – registration of a work,

mentioning all of the data that influence the appropriate protection of the copyrights and the distribution of the royalties.

The applicant is responsible for the accuracy of the data. The application submitted by one of the rightsholders is accepted as accurate unless otherwise proved. The applicant is responsible to ZAMP, as well as to the other rightsholders for the damage that might occur due to inaccurate and incomplete data.

With the registration of the work, the author gives authorization to ZAMP to protect his/her rights for public performance in or out of the country, under the same terms as the rightsholders who have signed an Agreement with ZAMP, authorizing it to protect their rights.

The applications of works submitted to ZAMP until 31st of December enter in the calculation for the current year.

In case the work is not registered, ZAMP performs the protection on the base of the available data.

Article 16

As to the domestic works published abroad or made in cooperation with foreign authors, as accurate data shall be accepted those that were accepted by the foreign organization, unless the domestic rightsholder disputed the corresponding application with an authentic documentation or in any other way.

Article 17

The application of the documentation that serves for change and supplement of the data of the works that have already been registered shall be taken into consideration until the 31st of December, the current year.

The data for change and supplement that will be received after that period shall be applied in the following calculation of the royalties.

Article 18

The author, beside his/her civil name, can also use a pseudonym.

It is not allowed to use a pseudonym of already existing civil name or pseudonym of any author, i.e. rightsholder. Hence, before the use of the pseudonym, it is necessary to ask ZAMP for an information whether there is such a civil name, namely a pseudonym of any domestic or foreign author, namely holder of right.

Article 19

If the civil names of the authors are identical, it is necessary to make a difference between the names, all with aim for a proper distribution of the royalty.

Article 20

If ZAMP finds out that a disputable situation occurred between the co-authors for a certain work, the payment of the royalty shall be stopped, either completely or only for the disputable part, until the dispute is resolved, and on the base of the submitted mutual agreement or court decision.

Documentation of authors, right holders

Article 21

The rightsholders are obliged to register their work.

The rightsholder is obliged under complete material and criminal responsibility to mention, on a prescribed form, his correct personal data, and in a written form to advise ZAMP for every change of the data.

In case when the rightsholder fails to advise ZAMP in written form for eventual change of the data, or any other change, each written notice from ZAMP to the rightsholder shall be considered as properly delivered and in accordance with the last submitted data of the rightsholder contained on the official form.

Article 22

The rightsholders are obliged to submit to ZAMP a copy of every publishing contract, signed with a domestic or foreign publisher, as well as a copy of every contract signed with the producer of commercial movie, TV film or TV series, for usage of music in the film, i.e. series, as well as all others kinds of agreements for order or usage of musical works.

If the rightholder does not act in compliance with paragraph 1 of the present Article, ZAMP shall take into consideration the documentation being available.

Article 23

The successor of copyrights is obliged to fill in a prescribed form the correct personal data, to submit a copy of the effective probate decision to ZAMP, in the subject of which he/she is mentioned as a successor of the copyright, and to present the original of the effective probate decision.

The successor of the copyrights signs an Agreement for collective management with ZAMP.

c) Documentation of foreign works, authors, right holders

Article 24

In compliance with the rules of the International Conference of companies of authors and composers (CISAC), and the rules of the International Bureau of the companies for protection of the rights of recording and mechanical reproduction (BIEM), and on the base of the bilateral international agreements for mutual representation on the base of reciprocity, signed by ZAMP with foreign organizations, the documentation of ZAMP consists of foreign documentation, too.

The foreign documentation of the previous paragraph is: the International base of authors and holders of copyrights IPI (Interested Parties Information), International base of works WID (Musical Works Information Database), WWL (World Works List) and CIS-Net, international base of works, modification cards and letters, as well as other documentation received by foreign organizations.

Article 25

The royalty for the works of a foreign repertoire is calculated in accordance with the provisions of the present Rule Book, the agreements for mutual representing, signed with foreign appropriate organizations of rightsholders, as well as on the base of the documentation that these organizations submit for the works of their members.

Article 26

Distribution of the royalty to the rightsholders due to one work – members of one or more foreign organizations, is made on the base of the participations assigned on the international card submitted for that work.

If the international card does not consist data for the participations of the rightsholders – members of different Organizations for copyrights, the royalty for that work is distributed on the base of the rules of ZAMP.

Article 27

If the data submitted by more foreign organizations for the same work are different, the copyright for that work is not paid until settlement of the dispute of the concerned organizations.

Article 28

If there are no data for the performed work, and on the base of the data of the programs and the remaining documentation is found out who is composer of that work, then the whole royalty is paid to the Society to which the composer belongs to.

Article 29

If the full name of the author of the performed work is not mentioned in the program, and on the base of the remaining data can be supposed that the author is protected, then the work is included in a special list – circular which is submitted to the foreign copyright organizations for the purpose of providing the necessary documentation.

In line with the regulations of the international organizations BIEM/CISAC, the works whose total royalty does not exceed the amount in denars of 10 American dollars for one accounting period, are not included in the corresponding circular .

The foreign documentation can not be supplemented unless a valid reply of the circular is received, with appropriate documentation enclosed, in period of three years. After the expiry of the three years, the royalties for the works are distributed in extraordinary incomes and in that way are included in the system of distribution.

III. REGISTRATION AND CATEGORIZATION OF WORKS

Article 30

The music work (original or arranged) is categorized and determined in accordance with the effective duration of the work.

The author of the work is obliged, when makes registration of the work, to mention its

duration.

Article 31

The registration of a work consists of data for ZAMP, personal data for the applicant, and specially:

1. Title of the work and the movements (year of production);
2. Author of the music (name and surname);
3. Author of the text, translator, choreography (name and surname);
4. Author of the arrangement- treatment (name and surname);
5. Publisher (Year of its publishing);
6. Duration (of the whole work or the movements);
7. Performing composition - performer;
8. If the work is recorded (sound carrier) and where the recording is placed;
9. Where are placed the music sheets and the material for the work;
10. Reference number (filled by ZAMP);
11. Agreement by the co-authors for registration of the work (in accordance with art.60 of the Rule Book);

An integral part of the present Rule Book is the registration of the work.

IV. DISTRIBUTION OF ROYALTIES COLLECTED DUE TO PUBLIC COMMUNICATION OF NON SCENE MUSICAL WORKS (PUBLIC PERFORMANCE, PUBLIC TRANSMISSION, BROADCASTING, RETRANSMISSION AND MAKING AVAILABLE TO PUBLIC)

A) CATEGORIES OF PAYMENT

Article 32

The payment of royalties due to public communication of non scene musical works in one calendar year is varying according to the type of usage and is referring to the following categories:

- National Radio
- Concerts of serious music
- National TV
- Performances (parties, dances, friendly night, celebration, banquet, graduation celebration, fashion show, artistic and sport events, etc.)
- Live music (spaces with live music where catering is carried out)
- Concerts of popular music
- Broadcasting (broadcasting organizations such as local, regional and national TV and Radio)
- Cable retransmission

B) REPARTITION CLASSES AND FUNDS

Article 33

The royalties for the public performance of musical works in one calendar year differ according to the type of usage and represent base for forming the repartition classes. The royalties of each repartition class of collected incomes are included in appropriate repartition fund.

Every repartition fund consists of royalty charged for the public communication of works of the appropriate repartition class.

The royalties collected due to public communication that are calculated as lump sum are being distributed proportionally with the payment in accordance with the Law, and the royalties collected due to the cable retransmission are calculated proportionally with the payment of remunerations related to the broadcasting (National radio and TV as well as the local, regional and national TV and Radio).

In case of disproportionately high expenses for the collective management, the collection of royalties realized by separate repartition classes due to usage of musical works, the Board of Directors of ZAMP can propose to the Assembly that for the corresponding category it is not necessary to make a special repartition fund. The collected royalties to be included in another repartition fund, so that they are distributed in accordance with the program of that fund.

In case when the royalty from one user is collected in one total sum for radio and TV broadcasting (as it is case with the National TV and radio), in that case the total amount is being distributed in determined percentage for TV and Radio in accordance with the received data from the user after the termination of the calendar year.

Article 34

The following repartition classes are established with the present Rule Book:

- 100) Radio**
(Public enterprise Macedonian radio)
- 200) Concerts of serious music**
- 300) Television**
(Public enterprise Macedonian Television)
- 400) Performances**
- 500) Restaurants with live music**
- 600) Concerts of popular music**
- 700) Local Broadcasters**
(radio and television program services)
- 800) Regional Broadcasters**
(radio and television program services)
- 900) National Broadcasters**
(radio program services)
- 910) National Broadcasters**
(television program services)

Article 35

The funds of the repartition classes consist of the following kinds of incomes:

100) Radio (macedonian national radio)

- the incomes of the National radio,
- part of the incomes due to the public performance through speakers, screens or other type of mechanical means, in compliance with articles 32, 33 point 3 and article 37 point 2 of the Rulebook for distribution of royalties, as well as
- the incomes from the radio cable networks;

200) Concerts of serious music (the incomes of the serious music concerts);

300) Television (Macedonian national TV)

- the incomes of the Public enterprise Macedonian television,
- part of the incomes due to the public performance through speakers, screens or other type of mechanical means, in compliance with articles 32, 33 point 3 and article 37 point 2 of the Rulebook for distribution of royalties, as well as
- part of the incomes from the television cable networks;

400) Performances (parties, dances, friendly night, celebration, banquet, graduation celebration, fashion show, artistic and sport events, etc.)

500) Restaurants with live music – incomes made on that base.

600) Concerts of popular music (the incomes from the concerts of popular music);

700) Local Broadcasters

- the incomes from radio and television program services on this base,
- part of the incomes due to the public performance through speakers, screens or other type of mechanical means, in compliance with articles 32, 33 point 3 and article 37 point 2 of the Rulebook for distribution of royalties, as well as
- part of the incomes from the television and radio cable networks;

800) Regional Broadcasters

- the incomes from radio and television program services on this base,
- part of the incomes due to the public performance through speakers, screens or other type of mechanical means, in compliance with articles 32, 33 point 3 and article 37 point 2 of the Rulebook for distribution of royalties, as well as
- part of the incomes from the television and radio cable networks;

900) National Broadcasters

- the incomes from radio and television program services on this base,
- part of the incomes due to the public performance through speakers, screens or other type of mechanical means, in compliance with articles 32, 33 point 3 and article 37 point 2 of the Rulebook for distribution of royalties, as well as
- part of the incomes from the television and radio cable networks;

910) National Broadcasters

- the incomes from radio and television program services on this base,
- part of the incomes due to the public performance through speakers, screens or other type of mechanical means, in compliance with articles 32, 33 point 3 and article 37 point 2 of the Rulebook for distribution of royalties, as well as
- part of the incomes from the television and radio cable networks;

Article 36

The incomes on the base of royalty due to usage of copyrights, for distribution of radio and television programs in a cable network realized during the calendar year, after deduction of the expenses for protection, are divided in such a way that the appropriate repartition classes are increased for the domestic broadcasting companies, and for the foreign broadcasting companies the royalties are distributed to the foreign organizations in the country of the economic residence of the corresponding broadcasting company.

Article 37

The realized assets of the Organization obtained due to the interests for deposited means and deposits with amount of 50% are being distributed to the authors and rightsholders proportionally with the distribution of the royalties that they have achieved due to the data for used works of art.135 par.(1) of this Law and in accordance with the electronic evidence of art.135 par.(1) of this Law, and the rest 50% of the assetsof the Organization obtained due to the interests for deposited means and deposits are being distributed as follows: 70% are being distributed to the authors and rightsholders proportionally with the royalties that they achieved in accordance with the data for used works of art.135 par.(1) of this Law and in accordance with the electronic evidence of art.135 par.(1) of this Law, and the rest 30% are being distributed equally to all authors and rightsholders that are maintained in the evidence of authors and rightsholders of the Organization.

The assets that the Organization collects from the users and are calculated in lump sum, with amount of 70% are distributed to the authors and rightsholders proportionally with the payment of the royalties that they have achieved due to the collected reimbursementsin accordance with the data for used works of art.135 par.(1) of this Law and in accordance with the electronic evidence of art.135 par.(1) of this Law, and the rest 30% are being distributed equally to all authors and rightsholders that are maintained in the evidence of authors and rightsholders of the Organization.

Article 38

The total cost for the work of the Organization can be covered with amount from the collected assets not more than 15%.

The expenses for the court proceedings, the court taxes, the expenses for expertise, the lawyer expenses and the executive expenses are determined by decision of the Assembly and these are not included in the total expenses of ZAMP.

The expenses for collective management charge all repartition funds in single percent.

Article 39

The individual statements and the distribution of the royalties to the authors and rightsholders are being exerted at least once in a year and not later than the end of March in the current year for the previous year.

Article 40

The distribution of the royalties is made on the base of the general calculation, which:

- a) determines the total expenses for collective management;
- b) determines the net amount of the repartition funds;
- c) determines the value of the point for appropriate repartition class.

The financial plan for the collected means for distribution and payment of the compensations is established by the Assembly of ZAMP on proposal of the Board of Directors.

B) INDIVIDUAL DISTRIBUTION

Article 41

The distribution of the royalties in par.(1) of this article is being accomplished in accordance with the evidences and data for usage of the copyright works i.e. subjects of related rights, and in case when is not possible or causes irrational expenses it is exerting with lump sum in accordance with the principle of objectivity.

The distribution of the royalties is made for protected works that appeared in the programs submitted to ZAMP in period of one repartition year.

All of the collected programs are taken into account for distribution, except the following:

- a) programs that are not authentic;
- b) unclear and unreadable programs;
- v) programs for which no royalty has been paid.

The programs submitted after the determined period of time, shall be taken into account for distribution in the following repartition year.

The royalties due to the broadcasting of copyright works are being distributed to the authors or the rightsholders on the basis of the payoff data obtained from the System for electronic evidence of broadcasted copyright works in accordance with the Law.

Article 42

The royalties on the base of the rights for public communication are calculated and distributed to the domestic and foreign authors, at least once a year.

From the incomes assigned for payment of the authors due to copyrights, 10% are allocated to reserve funds, in accordance with the international agreements for mutual representation of the associations for collective management of the rights.

The royalties realized abroad are paid to the Macedonian authors immediately after processing of the paying lists, received by the foreign copyright agencies.

Article 43

On the base of the common calculation and the data for the performed works, separate calculations and payment of the royalties are made for the domestic authors.

The separate calculation is submitted to the author i.e. rightsholder when the payment is made, and within two months from the day of payment of the royalties.

The royalties are paid to the domestic holders of the rights only if the net amount for payment exceeds the minimal amount determined by the Assembly. The royalties under the minimal amount are paid in that repartition year when their sum will exceed the fixed minimum. Exclusively, upon the request of the author or the rightholder, the payment can be carried out earlier as advance payment, according to the decision of the Board of Directors.

The royalties from abroad are paid to the domestic rightholders after the deduction of the expenses for collective management, irrespectively of the level of the net amount.

The level of the expenses is determined by the Assembly. In case when the royalty received by a foreign organization does not exceed the minimal amount determined by the Assembly, the author is not submitted the calculation of that organization.

The level of the minimal amount is determined by the Assembly separately for the domestic and the royalties from abroad.

Article 44

All data for the received royalties of individual rightholders are a business secret and can be only given upon request of the rightholder they refer to, or upon the request of the Court if there is a procedure against the rightholder, as well as upon the request of other authority in accordance with the Law.

Article 45

Every rightholder is allowed to inspect the personal data for use of his works, the calculations, as well as the other documentation connected with that.

The rightholder is allowed to submit an objection and evidences if he/she is not satisfied with the corresponding calculation. The objection of paragraph 2 of the present article is submitted to the Board of Directors at the latest in period of 30 days after the reception of the individual calculation. After the objection of paragraph 2 of the present article, a Decision is made by the Board of Directors, upon providing the corresponding opinion from the Professional service and/or other bodies who have at their disposal the appropriate data, at the latest 30 days from the reception of the objection. The rightholder has right to submit complaint to the Assembly within 15 days from the delivery of the Decision.

The Decision of the Assembly is final.

C) EVALUATION OF THE WORKS

Article 46

The calculation of the royalty is determined on the base of the effective duration of the performance, the broadcasting or any use of the musical work.

| Duration | Coefficient |
|-----------------|--------------------|
| 1-4 minutes | 1 |
| 5-8 minutes | 3 |

| | |
|---------------|--------|
| 9-15 minutes | 5 |
| 16-20 minutes | 6 |
| 21-25 minutes | 7 |
| 26-30 minutes | 8 etc. |

Every minute of the effective duration of the work is multiplied with the appropriate coefficient.

The partitions with duration above 30 seconds are considered as a whole minute.

Article 47

According to the type of usage of the work and the level of presence of the music in the work, the type of the performing composition the musical work that is used as:

- **avizo music**, namely usage of musical motives for beginning and/or end of the program or show(news, reportages, plays, etc.), for separation of parts of the same show (sound curtains, jingles and musical effects in advertising) or various shows, corresponds to coefficient - 0,50;

- **coulisse music**, namely use of musical works or their fragments as coulisse music in talk shows (news, reportages, as well as in capacity of associate music and the shows of other genres (poetry, prose, TV series, drama, etc.) corresponds to coefficient - 0,10.

Article 48

For musical works that are used as avizzo music, the duration of 30 seconds is taken if the duration of the work mentioned in the program is longer than 30 seconds.

The total effective duration of the musical work used as avizo music can not be longer than 30.000 seconds, in certain class of distribution for specific accounting period.

The total effective duration of the musical work used as coulisse music can not be longer than 60.000 seconds, in certain class of distribution for specific accounting period.

Article 49

Works that are not registered i.e. for which there is no documentation, are calculated on the base of effective duration of the performance with coefficient - 0.50.

Article 50

The musical and literature works performed in repartition classes 100-Radio, 200-Concerts of serious music, 300-Television, 700, 800, 900, 910 the broadcasting companies are evaluated in line with the provisions of article 46 of the present Rule Book.

Article 51

For musical works with or without lyrics, performed in the repartition classes: 400 – Performances, 500 - Restaurants with live music and 600 - Concerts of popular music, the royalty is calculated in such a way that the amount paid and assigned in appropriate programs is distributed to the authors whose works are registered in these programs, proportionally to the duration of their performance.

The calculated royalties in each of the mentioned classes separately, is proportionally increased for the amount that belongs to the appropriate class for which no programs have

been collected.

Article 52

In the repartition class 200 – Concerts of serious music, belong the concert public performances of works evaluated according to the provisions of article 46, even if the concert contains mostly works of serious music.

D) REMAINING PROVISIONS

Article 53

If the data for the registration of the work given by the author are not in compliance with the data in the programs (duration, performing composition, etc.), the distribution of the royalty is made on the base of the data from the programs that are accepted as authentic (the programs of the radio, TV).

Article 54

If some data are missing in the programs for regular distribution of the royalty, the data will be supplemented from the available documentation of ZAMP.

If the data for duration of the works can not be determined neither according to the program, nor according to the registration of the author, then for the works:

- a) of higher form (sonata, symphonies, etc.) the duration of 8 minutes is applied, and
- b) for all remaining works – duration of 3 minutes.

For calculation of the royalty of one work performed at a concert as a whole, the full time of work is taken into consideration as mentioned in the programs of the radio – television stations, namely phonogram or video-gram, if that work is recorded.

If the work is not performed on radio, neither is recorded on phonogram or video-gram, the data for duration are taken from the registration of the author i.e. from the documentation of the foreign organization.

For the performed fragments of one work, the royalty is calculated according to the duration assigned on the program.

Article 55

When making calculation of the royalties for combination or mix of performances of more works, the total of the effective duration of each party shall not be taken into account, but the factual duration in which all of the works were performed at the same time.

The compensation for each work of the previous paragraph shall be determined in proportion to its effective duration, in relation to the real duration of the performance, as well as the remaining criteria for determination of the royalty prescribed with the present Rule Book.

Article 56

If the work is not performed in original, and the name of the arranger is not indicated in the program, the whole royalty is calculated to the author of the original work.

If it is not possible to find out from the remaining data that the work is performed in the reported arrangement, an appropriate share of the compensation is calculated to the arranger.

If more arrangements were registered for one work, and from the data of the programs it is not possible to determine in which arrangement the work was performed, the whole royalty is calculated to the composer.

Article 57

The musical work performed in fragments or as a whole more times, either on radio or on television, in the frames of one show for the purpose of studying or as an illustration, it shall be considered as once performed.

Article 58

The musical work is evaluated with a single point irrespectively whether it is performed with a text or without it.

If the musical work, which in its original form is registered with text, and is performed without text, the share for the text belongs to the author of the text.

In case the work mentioned in the paragraph above, is also registered in independent instrumental form, then the author of such a performed work is not entitled to a share for the text.

Article 59

For musical works written on text of independent or unprotected authors, the composer is not entitled to receive a share for the text.

Article 60

Base for distribution of the royalties for musical works made in cooperation of more parties (co-authors), is the registration of the work, on which all co-authors are to be signed and on which there has to be precisely determined every individual share expressed in percents.

If no registration was submitted or if from the registration is not possible to determine the share of every co-author separately, then the distribution is made in compliance with the provisions of this Rule Book, as it follows:

| COMPOSER | ARRANGER | AUTHOR OF THE TEXT |
|-----------------|-----------------|---------------------------|
| 66.67% | | 33.33% |
| 50% | 50% | |
| 33,34% | 33,33% | 33.33% |

Article 61

Unless otherwise determined with an agreement, the royalty for collection of musical works is divided in the following way:

- to the author of the collection 25%
- to the authors whose works are included in the collection 75%

The royalty for every work in the collection is determined in correspondence to its own duration in relation to the complete duration of the collection.

For the published collection, the publisher is distributed the agreed amount of the royalty, and the remaining part is divided among the co-authors, in percent prescribed within the present article.

For making a collection of protected musical works, a previously received written agreement by the authors of the works that are included in the collection is required.

Article 62

Arrangement (treatment) of a copyright means a written remake of an original work, such as: change of the form, the harmony, rhythm, the performing composition, etc.

For the arrangement (treatment) of the protected copyright, a written approval by the author is necessary.

Article 63

For the arranger of a free or unprotected work it is calculated 25% of the total royalty that belongs to that kind of work.

The Assembly of ZAMP can, upon the request of the authors, to determine even higher participation for arrangement, transcription, editorial and instrumentation, if it is a case of a more significant artistic or professional achievement.

For the transcription, editorial and instrumentation of a free or unprotected work, the calculation for the author is 16,66 % of the total royalty for that kind of work.

Article 64

To the arranger of domestic, folk artistic works, as well as to the author of a collection of domestic folk artistic works belong 100% of the royalty for that kind of work,

Article 65

To the translator of a protected lyrics for musical works, if he/she submits an approval by the author of the original text belongs 50% of the royalty designed for the text.

Participation in the royalty of the previous paragraph belongs to the translator or the adapter of an unprotected text of a musical work.

Article 66

If in a musical literary show (musical story, recital, etc.), a composition (or a fragment) is performed, the royalty is calculated as an independently performed musical work.

On the other hand, in case the musical work is an undivided whole, the royalty is divided on the base of an agreement between the author of the music and the author of the text.

Article 67

When the overtures and the orchestral interludes of a musical scene work (opera, operetta) are separately performed, the royalty is calculated as for a work without lyrics.

Article 68

The royalty for a work, broadcasted in the scope of a mutual program of more radio television stations, is calculated as if it was separately performed on every of these radio-television stations.

Article 69

The duration of the works performed in appropriate repartition classes is calculated with whole minutes.

In case the duration of the works exceeds a whole minute for more than 30 seconds, it is calculated in duration for the following whole minute.

Article 70

The royalty for a performed musical – choreographic work which belongs to the category of small rights, is calculated for the composer and the choreographer only according to their written agreement. In lack of such documentation, the total compensation is calculated for the composer.

The royalty for a folk art work being performed, is distributed in equal parts to the arranger and the choreographer, unless otherwise agreed by them with mutual agreement.

Article 71

In regard to a published work by a domestic or foreign author in the country, as well as for a work of domestic author published abroad, the participation in the royalty that belongs to the publisher, is determined by means of a written agreement.

The agreed share is calculated to the publisher from the year when the work was published, until the agreement stays effective.

The agreed shares of the publisher and the sub-publisher for the rights due to public communication, cannot be higher than the shares prescribed within the regulations of the International Conference of the Copyrights Agencies and the Composers (CISAC).

VI. RIGHTS OF THE MECHANICAL REPRODUCTION

Article 72

The rights of the mechanical reproduction of the Macedonian rightsholders are realized by ZAMP on the base of special Agreements.

The rights of the mechanical reproduction of the foreign rightsholders are realized in compliance with the agreements for mutual representation, that shall be signed by ZAMP with the foreign corresponding organizations of holders of rights.

Article 73

In the collective management of the copyrights on the base of the mechanical

reproduction, the provisions of the Law on copyright and related rights of the Republic of Macedonia are applied, the acts of ZAMP and the rules of the International Bureau of the companies for protection of the rights for recording and reproduction (BIEM), whose member company is ZAMP as well.

In the sense of the regulations of the above mentioned paragraph, the rightholder is not allowed to give to one producer the exclusive right of recording of his/her work.

PHONOGRAMS (phonograph and digital records, tapes, compact discs and other types of sound carriers).

Article 74

The royalties for works recorded on phonograms are paid in compliance with the provisions of the uniform agreement that shall be signed by ZAMP with the phonogram producers.

The royalties of the previous paragraph are paid on the base of the reports of the producers for the recorded works and of the number of sold phonograms.

The royalty is paid only for works of those authors protected by ZAMP in the sense of Article 81 of the present Rule Book.

Article 75

The amount of the royalty that is paid for one phonogram shall be divided to the authors in proportion with the duration of their works recorded on that phonogram, in case these are successively recorded i.e. independently.

In case when on one phonogram can be found musical works that are not successively recorded i.e. independently, but they make a whole (for ex. accompanying music with a text being read or opposite), the royalty is divided only according to the agreement between the authors of the music and the text. If until the period of distribution such an agreement is not submitted to ZAMP, ZAMP is obliged to keep the paid royalty until the authors assert themselves for the way of distribution.

Article 76

The royalty calculated for one recorded work, in the sense of article 84 paragraph 1 of the present Rule Book, is divided in the following ways:

1. If one musical work is made by an author, 100% of the royalty is given to the author of the corresponding musical work.
2. If the musical work is made in cooperation with more parties (co-authors), the royalty is divided according to their written agreement.

In absence of such an agreement, the royalty is divided in such a way that for the musical works with words or without them, the provisions of Article 64 and the remaining appropriate provisions of the present Rule Book, are applied.

Article 77

The distribution of the royalty of foreign authors is made on the base of the provisions of the present Rule Book and the agreements for mutual protection of the rights of mechanical reproduction that shall be signed by ZAMP with foreign organizations, as well as on the base of the documentation that will be submitted by these organizations.

VIDEOGRAMS (video cassettes, video records, etc.)

Article 78

The royalties for the works recorded on video grams are paid in compliance with the provisions of the uniform agreement that shall be signed by ZAMP with the video-gram producers or in compliance with the present Rule Book.

The royalties of the previous paragraph are paid on the base of the reports by the producers for the recorded works and for the number of sold video-grams.

The royalties are paid only for works protected by ZAMP in the sense of Article 72 of the present Rule Book.

Article 79

The amount of compensation that is paid for one video - gram is distributed to the authors whose works are recorded on that video - gram.

Depending on the kind of work and of the way of video graphic reproduction, the following categories are determined for distribution of the royalties:

1. Reproduction of video - grams:
 - a) Previously made records of works from the repertoire of ZAMP (video copies), beside the musical works of the cinematographic feature and short films, TV films and TV series;
 - b) Previously made works in their original form, with special realization (complex works);
 - c) Previously made works, adapted on the base of a license, in the frames of the adaptation agreement.
2. Recording of original video graphic works, specially made and written for audio visual reproduction, on the base of the agreement for order.
3. Reproduction of video - gram of cinematographic feature and short films, TV films and TV series.

Article 80

The amount of the royalty that is paid for one video - gram, on which the works of items 1 and 2 of Article 79 of the present Rule Book are recorded, shall be divided to the rightsholders in proportion to the duration of their works recorded on that video - gram, if they are successively recorded i.e. independently.

In case when on one video - gram can be found musical and literary works that are not successively recorded i.e. independently, but they make a whole (for ex. accompanying music with a text being read or opposite), the compensation is divided only according to the agreement between the authors of the music and the text.

If until the period of distribution, such an agreement is not submitted to ZAMP, ZAMP is obliged to keep the paid royalties until the concerned authors affirm themselves for the way of distribution of the royalty.

Article 81

The royalty calculated for one recorded work, according to items 1 and 2 of Article 79 of the present Rule Book, is divided in a way determined in Article 76 of the present Rule Book.

Article 82

The amount of the compensation that is paid for one video - gram, on which works of item 3 of Article 79 of the present Rule Book are recorded, is divided to the authors of these works in the following way:

1. The amount of compensation of the author of music and the author of the scenario is divided according to the written agreement of the concerned parties.

If until the moment of distribution, such an agreement is not submitted to ZAMP, ZAMP is obliged to keep the paid compensation until the concerned authors declare themselves for the way of distribution of the royalty.

2. In case ZAMP protects only the author of the music, or the author of the scenario, on the base of which the scenario is made, the amount of the royalty is divided in the following ways:

a) if the music, the scenario was made by one author, the compensation in the level of 100% is distributed to the author of the music, the scenario;

b) if the music and the scenario are made in cooperation of more parties(co-authors) the amount of the compensation is divided in a way determined with their agreement.

If until the period of distribution, such an agreement is not submitted to ZAMP, ZAMP is obliged to keep the paid compensation until the concerned authors assert the way of distribution of the royalty.

c) Opposite of the provisions of paragraph b), if the musical work is made in cooperation of more parties (co-authors), and in case of absence of their agreement for distribution, then the provisions of Article 60 and the remaining appropriate provisions of this Rule Book are applied for distribution (Law on copyrights and related rights).

Article 83

The royalties that belong to the foreign rightsholders are distributed on the base of the present Rule Book and the provisions of the agreements for mutual protection of the rights of the mechanical reproduction that shall be signed by ZAMP with the foreign organizations, as well as on the base of the documentation submitted by these organizations.

Article 84

The royalties on the base of the rights of the mechanical reproduction are calculated and distributed at least once a year, for the previous year.

The royalties are distributed after previous deduction due to the expenses for collective management.

The level of the expenses for collective management of the domestic rightsholders is determined by the Assembly of ZAMP.

The level of the expenses for collective management of the foreign authors is determined by the agreements that shall be signed by ZAMP with the appropriate foreign organizations.

Article 85

Every rightsholder is entitled to have access in the personal data for usage of his/her works, of the calculation and the remaining documentation connected with that.

The rightsholder is entitled to submit an objection and submit evidences if he/she is not satisfied with the performed calculation.

The objection of paragraph 2 of the present article is submitted to the Board of Directors, at the latest 30 days from the reception of the individual calculation.

For the objection of paragraph 2 of the present Article, a Decision shall be made by the Board of Directors, after providing an appropriate opinion by the Professional service and /or other bodies which have at their disposal the corresponding data, at the latest 30 days from the reception of the objection. The rightsholder is entitled to submit a complaint to the Assembly against the Decision made by the Board of Directors, in period of 15 days from the day of submission of the decision.

The Decision of the Assembly is definite.

VII. EXPENSES FOR COVERING THE COLLECTIVE COPYRIGHTS MANAGEMENT

Article 86

The total cost for the work of the Organization can be covered with amount from the collected assets not more than 15%.

The expenses for taking legal proceedings, the Court taxes, the expenses for expertise, the lawyers expenses and the executive expenses are determined with the decision of the Assembly and these are not included in the total expenses for the operation of the Society.

After the end of the calendar year, with the financial report prepared by the Supervision Board and the Professional Service of the Society, the allocation of the rest of the funds after completing the administrative-technical operations for other associations prescribed with special agreement, shall be determined with act by the Assembly of the Association.

VIII. TRANSITIONAL AND FINAL PROVISIONS

Article 87

The Assembly gives interpretation of the provisions of the present Rule Book and instruction for its application.

Article 88

The Rule Book for distribution of the copyrights, 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 comes into force on the eighth day from the day of its publishing.

Article 89

The present Rule Book shall be applied from the beginning of the distribution of the copyrights for 2014 which will be determined with the common calculation in 2015.

Article 90

As soon as the present Rule Book comes into force, the Rule Book for protection of the copyrights and distribution of royalties for musical non scene works performance, nr. 384-1-03 of 03.12.2013.

All initiated procedures as to the Rule Book for protection of the copyrights and distribution of the royalties for musical non scenic works performance, nr. 384-1-03 of 03.12.2013 shall be applied until the new Rule Book for distribution comes into force.

ASSEMBLY OF ZAMP
PRESIDENT
Prof. Zivojn Glisic