

Bilateral Agreement

The undersigned Parties:

Zavod AIPA,
Šmartinskacesta 152,
1000 Ljubljana, Slovenia,
Phone: +386 1 755 62 19,
e-mail: info@aipa.si,
represented by Gregor Štibernik, managing director,

on the one hand

and

ORGANIZACIJA ZA ZASTITU FILMSKIH PRODUCENATA U CRNOJ GORI "A-PRAVA MONTENEGRO",

Ul. Josipa Broza Tita 17,
81000 Podgorica. Montenegro,
Phone: +382 20 610 085,
e-mail: office@autorskaprava.me,
represented by Predrag Burić, executive director,

on the other hand

declare that

whereas the Contracting Parties will cooperate in order to ensure an effectively functioning international management of collectively managed copyright in AV works through bilateral agreements between collective management organisations (CMOs),

whereas a proper management of AV copyrights requires that the Contracting Parties have already set up an effective management enabling them to distribute the royalties individually among their respective right holders proportionally, in as far as is possible, to the actual use of their protected AV works,

whereas the purpose of this Agreement is to facilitate the payment of royalties/remuneration due to their respective right holders and, in terms of receiving royalties/remuneration, to approximate as much as possible



the conditions enjoyed by rightholders represented¹ by the Contracting Parties,

whereas the Contracting Parties are able to pay individual royalties/remuneration to the rightholders of the respective CMOs according to the same rules as for their own right holders as from the entering into force of this Agreement, that ensures an accurate distribution under an individual basis and in a proportional way to the uses of the protected repertoire in the territory of the other Contracting Party for each right holder.

And have made the following

AGREEMENT

Art. 1 Territory of the Agreement

This Agreement covers the management of AV copyrights of authors of adaptation, authors of the screenplays, authors of dialogues, directors of photography, principal directors, composers of music specifically created for use in the AV work and principal animators if animation represents an essential element of the AV work (hereinafter co-authors), that were transferred to film producers, in cases of:

- cable retransmission of protected AV works, and
- private copying,

in Slovenia and Montenegro.

Art. 2 Authorisation to Manage

The Contracting Parties have been empowered by their respective right holders to represent them abroad by signing bilateral agreements with corresponding collective management organisations (CMOs) in other countries.

The Contracting Parties warrant that they are entitled to represent their respective right holders within the territory determined in Art. 1 of the Agreement and in respect of the rights as specified in Annex I to this Agreement.

In accordance with the mandates given by their right holders, the Contracting Parties empower each other to represent, in their respective countries, the right holders of the other CMO as to the use of protected AV works protected under national law, EU-law and the applicable international conventions, in respect of the right holders' rights specified in Annex I to this Agreement.

Art. 3 Right holders

This Agreement only covers the rights of those right holders who have authorised their CMO(or the CMO has the right) to represent them within the territories of both the Contracting Parties.¹

Heirs and other universal ancestors of deceased or ceased rightholders are accepted as rightholders.

Art. 4 Liability

The Contracting Parties will cooperate to ensure that their right holders receive the rightful royalties/remuneration in accordance with the national legislation and distribution rules that apply in the respective countries.

Any claim for royalties/remuneration from right holders of the Contracting Parties covered by this Agreement (Art. 3. par. 1) shall be settled by Zavod AIPA and A-prava, respectively if royalties/remuneration for the claimed period were already paid to the CMO of the other country.

Royalties/remuneration erroneously paid to a Contracting Party shall be returned to the other Party, promptly upon having been notified to do so by that other Party. However, such remuneration may not be reclaimed if it has already been distributed to right holders by the receiving Party.

Art. 5 Mutual Recognition of Rules

The Contracting Parties mutually recognize the statutes or by-laws and the distribution rules of the other Party.

Art. 6 Co-Operation

The Contracting Parties agree to provide each other with any other information and to take any steps necessary for the proper functioning of this Agreement and the effective management of the rights referred to in Annex I.

Once a year the Contracting Parties shall inform each other of any changes in the applicable legislation, the societies' statutes or by-laws, collecting practices or distribution rules and shall pass on copies of the audited annual accounts or any other documents required by law.

¹By worldwide mandates or mandates for limited territories. Right holders who are members of both Contracting Parties for the same rights are not covered by this Agreement.

Art. 7 Management Costs

The Contracting Parties cover their own costs incurred under the management of this Agreement.

Art. 8 Tax Treaties and Interest

If applicable, each Contracting Party shall endeavour to implement the procedures necessary to avoid or limit the possible taxation in its territory of royalties due to the other, under the provisions of the relevant Double Taxation Agreement between the respective countries, so that royalties may be paid out on a gross basis wherever possible and each Contracting Party shall endeavour to help the other secure any exemptions in respect of royalties transferred pursuant to this Agreement from such taxation that are available in the other's territory.

Each Contracting Party shall credit interest to the accounts of right holders of the other Contracting Party according to the same rules that it applies to its own right holders.

Art. 9 Settlement of Disputes

By negotiation the Contracting Parties shall make every effort to settle any dispute that might arise from or in connection with this Agreement or its application.

However, if the application of this Agreement should lead to legal proceedings, the said dispute shall be submitted to and governed by the law of the Defendant's court of law.

Art. 10 Force Majeure and Hardship

If for reasons of force majeure or hardship a Contracting Party cannot fulfil its obligation in accordance with this Agreement the necessary consequences shall be negotiated by the Parties or settled in accordance with Art. 9. The Parties will renegotiate this Agreement in good faith in order to take into account the changes that have occurred.

Art. 11 Non-Assignability of this Agreement

Neither of the Contracting Parties shall have the right to assign all or part of this Agreement to any third party whatsoever without the written consent of the other Party.

Art. 12 Revision of Legislation

In the event of an amendment in the applicable law having resulted in the introduction of new rights or in the extensions of existing ones, and provided that these amendments are pertinent to the rights specified in Annex I, the Contracting Parties hereby agree to amend this Agreement so that the mutual powers of management may reflect the new provisions or rights.

Art. 13 Data Protection

Each Contracting Party shall ensure that it complies with the provisions and obligations imposed on by the applicable data protection legislation or required by the other Party (if applicable according to the domestic laws).

Each Contracting Party shall be responsible for obtaining any necessary consent for the collection and use of personal data that it may transfer to the other Contracting Party.

Art. 14 Confidentiality

The Contracting Parties take appropriate steps to ensure confidentiality of the information to the extent required by the other Party or the applicable statutory provisions. Unless otherwise agreed by the Parties all information either Party had access to in the implementation of this Agreement regarding to the other Party (but this Agreement and all the Annexes to this agreement) shall be regarded confidential.

Art. 16 Duration

This Agreement shall enter into force on the 1.1.2015 and shall continue to be in force until the end of the third calendar year following the date (the End Date).

(b) If either party wishes to terminate this Agreement on the End Date, it shall give to the other party written notice of its intention to terminate no later than six months before the End Date.

(c) If no notice is given under clause (b) above this Agreement shall remain in force automatically for a period of the next calendar year beyond the former End Date (the Extended End Date) and this clause shall continue to operate to extend the term of this Agreement for successive periods of one calendar year, unless notice of non-renewal is given in the form of written notice sent by registered mail by either party to the other no later than six months before the Extended End Date identified by this clause at the time such notice is given.

(d) If one party receives funds under this Agreement prior to the other party ceasing its activities, the receiving party shall remain entitled to distribute such monies in accordance with this Agreement.

(e) Royalties/remuneration paid by one party to the other under this Agreement prior to termination may be distributed by the receiving party notwithstanding such distribution takes place following termination of this Agreement.

Date 29/7/2019

Date 24.07.19

Zavod AIPA
Gregor Štibernik

A-prava



Zavod za uveljavljanje pravic
avtorjev, izvajalcev in producentov
avdiovizualnih del Slovenije

Št

[Signature]



Annex I to the Agreement between ZAVOD AIPA and A-prava

Art. 1 Rights covered by the Agreement

The following rights conferred to the right holders of the Contracting Parties under their national legislation are covered by this Agreement:

Zavod AIPA administers the following rights:

1. Cable retransmission rights for the following categories of authors of AV works:

- the author of the adaptation,
- the author of the screenplay,
- the author of the dialogue,
- the director of photography,
- the principal director,
- the composer of music specifically created for use in the AV work,
- the principal animator if animation represents an essential element of the AV work,

with the legal presumption that the cable retransmission rights for the AV works, that were produced or communicated to the public for the first time after April 1995 were transferred to the film producer(s).

2. Right to remuneration for private copying for the film producers.

In addition to the rights above, Zavod AIPA collectively administers following rights, not covered with this agreement, if not agreed or specified otherwise:

- Right to remuneration for private copying for the performers, whose performances were used in AV works.
- Right to remuneration for private copying for the co-authors of AV works and cable retransmission rights for the AV works produced or communicated to the public for the first time before April 1995, if the rights were not transferred to the film producer(s).

A-prava administers following rights:

1. Cable retransmission of protected AV works for the film producers.

2. Right to remuneration for private copying for the film producers.

Art. 2 Objective of this Agreement

The objective of this Agreement is the transfer between the Contracting Parties of royalties/remuneration distributed to individual right holders represented by the other Party according to Art. 1. The transfer shall cover royalties/remuneration collected from 1.1.2015 on.

Art. 3 Exchange of Information

Art. 3.1 Information on Mandates

On an annual basis, at the latest with the exchange of the data on AV works (Art. 3.2), the Contracting Parties shall provide each other with the following and full data based information on the right holders which mandated them for the cross-border administration of their rights (which are covered by this Agreement) to substantiate the claims for royalties for each of the right holders it claims for:

- surname,
- first name,
- date of birth,
- pseudonym(s),
- nationality and place of residence,
- information on the validity of the mandate (effective date of the mandate, territory and scope of rights covered), for the right holders that are private persons, and
- name,
- seat,
- country of the seat, and
- information on the validity of the mandate (effective date of the mandate, territory and scope of rights covered), for the right holders that are legal entities;

Art. 3.2 AV work information

With the information on the mandates (Art. 3.1) the Contracting Parties will exchange information regarding the cable retransmitted AV works. In order for the Contracting Parties to be able to distribute the individualised royalties for each used AV work, the Contracting Parties need information regarding the specific individual AV work and the participating co-authors.

This information on the used AV works shall include:

- ID of the AV work,
- original title of AV work²,
- translated title of the AV work (if not used in the original form) and the language of the translation,
- category of AV work³,
- year of production or (if unavailable) year of first communication to the public,
- duration of the AV work,
- participating co-authors (if the information on the distribution of the shares between the co-authors, if applicable),
- film producer(s) and co-producers (and their shares, if applicable).

The above information on the right holders shall comprise all participating co-authors and film producer(s), irrespective of their membership, mandates and nationality.

The Contracting Parties should store the exchanged information regarding the specific AV works and the participating co-authors and other right holders in their national databases after finalising the annual exchange. This ensures a constant increase in the efficiency of the annual exchanges, as the information for a specific AV work will only have to be exchanged once, unless the respective Parties since the last exchange have received additional information for a specific AV work or the data changes.

Art. 3.3 Equivalence

On the basis of the information received, each Party shall allocate, according to its own distribution rules and any other applicable internal rules, the royalties/remuneration individually due to the right holders' of the other Party, if applicable.

Art. 3.4 Additional Information to be Provided

²For series:

- the title of used episode,
- the number of the used episode, and
- the information on the season, comprising the used episode.

³The categories are:

- A - Cinematographic film
- B - TV film (with TV series, that consist of up to 10 episodes)
- C - TV AV works 1 (documentary and featured series with more than 10 episodes in total and up to 30 episodes per season)
- D - Videoclips
- E - TV AV works 2 (series with more than 100 episodes per season)
- G - Commercial films
- H - Other AV works.

In case of tax exemption on basis of the double taxation agreement, Contracting parties need to provide each other with a certificate on fiscal residencies of the respective beneficiaries if needed or set by the provisions of the tax laws and by-laws.

Art. 3.5 Information via Access to Databases

The parties can agree to use permanent accessible databases, providing the information mentioned above, if possible.

Art. 4 Transfer of Royalties/Remuneration

In the case where the parties have agreed upon a transfer of royalties, once a year, by the end of September the Contracting Parties exchange lists in digital format of data based information on the amounts to be passed on to named right holders of the other CMO (statement).

The Contracting Parties shall transfer the total amount due to the right holders of the other Contracting Party, that have mandated the CMO for the territory of the other Contracting Party, within 120 days after the communication of the statement and the necessary documents required by law.

The transfer of the remuneration shall be made in EUR. The costs of the transfer shall be covered by the collecting (paying) party.

If in any given year the amounts to be exchanged are not in proper proportion to the costs involved with the amount of the royalties that should be transferred to the other Contracting Party, the parties shall agree on the best method to handle this.

Art. 5 Payment to Right holders

The Receiving Party shall pass on the royalties/remuneration specified to the named right holder(s) within 6 - 12 months. If, however, the royalties/remuneration cannot be paid out to the entitled right holder within 24 months after the royalties/remuneration was received from the other Contracting Party, such royalties/remuneration shall be returned to the CMO of collection.

Art. 6 Cost Deductions

The payment to the right holders shall be made without further cost deduction by the receiving Party, but the Bank costs, connected with the transfer of the royalties/remuneration to the individual right holder.

Art. 7 Non-Transfer of Royalties/Remuneration

Individual royalties/remuneration reserved for right holders who are residents in the other country but have not mandated the other Contracting Party or who cannot be properly identified remains in the country of collection.

Individual royalties/remuneration to right holders from the countries of the Contracting Parties which cannot be transferred by way of this Agreement shall be reserved in accordance with the national rules of limitation and subsequently distributed according to the applicable national distribution rules.

Art. 8 Control Procedures

The Contracting Parties shall have access to all relevant information on the right holders, registered AV works, mandates and other documents, needed to check if the other Contracting Party is entitled to collect for a certain right holder and/or AV work, within the office premises of the other Party. This enables the Parties to ensure a proper functioning of this Agreement.

Upon request, the Contracting Parties are obliged to supply the other Party with all specific information available on the cable retransmission of the AV work(s).

Upon request the external accountants of a Contracting Party are obliged to supply to the requiring Party at its expenses an audit of Accuracy, Completeness, and Delivery in time of the supplied information. If requested by the receiving Party, an independent accountant, on whom both Parties agree, shall review the audit provided.

Art. 9 Duration

This Annex shall come in force and stay in force simultaneously with the Agreement.

Date:24/7/2014

Date:24/7/2014

Zavod AIPA
Gregor Štibernik

A-prava
Predrag Burić



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