

**MINIMUM ROYALTIES (TARIFFS)
REPRODUCTION OF MUSICAL WORKS**

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1 Compact Discs, Digital Video Discs, Vinyl Records

1.1 Reproduction For Sale

The royalty is 8,712% of the wholesale price per copy, multiplied by the circulation, except concert recordings in DVD format.

For concert recordings in DVD format the royalty is **7,2%** of the wholesale price per copy, multiplied by the circulation.

The base tariff applies to the sound carriers complying with the following limits:

The phonogram format	Max. number of works	Max. total time in minutes
Compact Disc, single (CDS)	5	23
Compact Disc (CD)	20	80
Twin Compact Disc (CD2)	40	160
Digital Video Disc (DVD)	28	112
Vinyl LP (LP)	20	80

If the number of works per phonogram exceeds the allowed maximum, each extra work added is subject to extra royalties.

The royalties are a product of the base tariff and the number of reproduced works, divided by the maximum number of works allowed for the relevant sound carrier format.

E.g. the total royalties for reproduction of 25 musical works in a CD is found as follows:

$$\text{The price per copy} * 0,08712 * 25 / 20 * \text{the circulation}$$

If the wholesale price of a sound carrier yields a royalty that is lower than the minimum royalty per piece, the minimum royalty per piece of the relevant sound carrier type applies.

The minimum licence fee is EUR 17,07 for one sound carrier format.

1.2 Reproduction For Other Purposes

In cases when the sound recordings are produced for purposes other than sale, the minimum royalty applies; the total royalty is a product of the minimum royalty per piece and the number of copies of the sound carrier in circulation.

Sound carrier	Minimum royalty per piece
	EUR
Vinyl record (LP)	0.30
Compact Disc, single (CDS)	0.14
Compact Disc (CD)	0.34
Twin Compact Disc (CD2)	0.68
Digital Video Disc (DVD)	0.34 (except films)

In cases when compact discs (CD) are not meant for sale and are free supplements to other goods, the following minimum royalties apply; the total royalty is a product of the minimum royalty per piece and the number of copies of the sound carrier in circulation:

CD circulation	Minimum royalty per Copy
	EUR
Below 5 000	0.20
5 000 – 9 999	0.18
10 000 – 19 999	0.17
20 000 – 29 999	0.16
30 000 – 39 999	0.16
40 000 - 49 999	0.14
50 000 and above	0.13

Minimum licence fee is EUR 17,07.

2 Reproduction of Musical Works in Audiovisual Works (films)

The royalty for reproduction of musical works incorporated in an audiovisual work (film) is **2,1%** of the wholesale price of the goods.

The minimum royalty is **EUR 0,07** per copy of the audiovisual work (film).

Note:

The royalties to the authors of the audiovisual work are computed in compliance with the TR-03, i.e. Minimum Royalties (tariffs) for Usage of Audiovisual Works.

3 Reproduction For Professional Use by Disc Jockeys (DJs)

Royalty for reproduction of musical works for professional use by DJs is:

EUR 71,14 per annum, or **EUR 14,23** per event.

Notes:

- 1) No restrictions are imposed on DJs regarding the number of reproduced phonograms or kinds of sound carriers.
- 2) When AKKA/LAA issues a licence for a single event, the Licensee is to furnish a list of phonograms.

4 Reproduction of Digital Files in Electronic Memory Devices (hard disc drives, flash devices, memory cards etc.)

Minimum royalty is **EUR 0,10** for each musical work reproduced in an electronic memory device, but no less than:

When the accounting period is one month	When the accounting period is one quarter of a year	When the accounting period is one year
EUR	EUR	EUR
17.07	42.69	142.29

No more than 1000 works shall be simultaneously kept in the Licensee's electronic memory device.

Royalties from amateur groups for reproduction of authors' works in memory devices containing up to 25 works shall be **EUR 17.07 per annum**.

5 Reproduction of Works in Ringtones (signals) of Mobile Telephones

The royalty is **12%** of the Licensee's gross turnover from the service stipulated by the licensing agreement.

For the purposes of the present tariff, the Licensee's gross turnover is a product of the number of reproduced signals during the given period and the sales price of the said signals to end users.

The minimum royalty is **EUR 0,10** per each reproduced protected ringtone (signal).

The minimum licence fee is EUR 17,07.

6 In-House TV and Radio Programmes

The electronic media organizations are allowed to record musical works with or without text for their own productions in consideration of royalties computed as 0,1% of the annual receipts of the respective media organization provided:

1. The recording is done by the staff of the respective media organization using the respective organization's own equipment;
2. The recording is done for the purpose of broadcasting solely in the transmissions of the respective media organization's own programmes;
3. If the recording is transmitted repeatedly, the maximum number of repeats is 4;
4. The recording is kept in the respective media organization's archive for one year maximum.

7 Placement of Music into an Audiovisual Work (Synchronization of Musical Works with an Audiovisual Work)

Creation of a film through unique combination of musical works and moving images.

Audiovisual works	Royalties per second of used musical works
	EUR
Feature films	1.0
Short films (below 40 minutes)	0.50
Training programmes	0.15
Other programmes	0.15

The minimum licence fee is EUR 17,07.

8 Exploitation of Musical Works in Call Waiting Signals and Call-back Services

The minimum royalty per each work used as part of a waiting signal is **0,04 EUR**, but no less than:

When the number of telephone lines is under 5	When the number of telephone lines is between 5 and 10	When the number of telephone lines is above 10
EUR (per annum)	EUR (per annum)	EUR (per annum)
85.37	170.74	341.49

Note: The royalties cover the rights to reproduce musical works as well as the public performance rights within the confines of the service.

9 Reproduction of Concerts etc. Events in One Copy for the First Fixation

Royalty for reproduction of musical works performed at concerts etc. events in one copy upon the primary fixation:

For concerts, the total length of which does not exceed two hours	150,00 EUR
For concerts, the total length of which does not exceed two hours and the proportion of rights holders represented is up to 50%	75,00 EUR
For concerts with a total length of more than two hours	Agreement amount

The license does not need to be obtained if the author or the right holder organizes the recording of his/her own concert and the author's own works are performed at the concert.

10 Reproduction of Musical Works in One Copy for the First Fixation

Royalty for reproduction of selected musical works in one copy upon the primary fixation of each theatrical performance at a TV station:

Usage of music in % from the total duration of the play	Royalties to the authors of selected works
	EUR
Below 20%	17,07
20,01%–30%	24,19
30,01%–50%	29,88
More than 50%	36,99

10.1 On electronic mass media service provider's equipment

The minimal royalty for the rights to record or to reproduce copyright-protected works on a licensee's equipment, if they are included in the radio or TV programs broadcasted by the licensee, and to make the copies of the relevant works available to the licensee's subscribers at a place and time freely selected by them, but no later than seven days from the initial moment of the airing of the TV or radio program:

EUR 0,01 per month for each end user.