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DISTRIBUTION RULES OF ROYALTIES COLLECTED FOR THE USAGE OF LITERARY, DRAMATIC, MUSICO-DRAMATIC AND CHOREOGRAPHIC WORKS

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1. Protection Term of Literary, Dramatic, Musico-Dramatic and Choreographic Works

According to the Copyright Law, the term of copyright protection is 70 years after the death of the author. A work is protected if the copyright protection has not expired at least for one of the co-authors.

The protected author of the work will always receive his full share of the total value of the work.

A work of an unprotected author may be used without permission and without paying royalties. According to the Copyright Law, the term of copyright protection is 70 years after the death of the author.

2. Registration of Literary, Dramatic, Musico-Dramatic and Choreographic Works

2.1. Registration of Literary, Dramatic and Musico-Dramatic Works

The Department of Literary and Dramatic Works of AKKA/LAA maintains a database of literary, dramatic and musico-dramatic works; the author of a literary, dramatic or musico-dramatic work must provide the following information:

- title of the work;
- staging organization (in case of publication of literary works - the name of the publishing house);
- genre;
- author data – author of text (author of prose, poetry, dramatic work or libretto), translator, dramatizer, composer, lyricist of songs used in a play, choreographer, set designer, costume designer;
- distribution of royalties as set by the authors and tariffs;
- date of premiere of first publication.

If a literary, dramatic or musico-dramatic work has been created by several co-authors, they agree among themselves of the royalty split and confirm it by signing a work application form. The percentage of any work is equated to 100%.

The percentage distribution of royalties must reflect the actual contribution of each author in the creation of a literary, dramatic or musico-dramatic work, as no further corrections will be possible once the work registration has been completed.

2.2. Registration of Choreographic Works

The following data is required in a choreographic work registration form of AKKA/LAA:

- Title of the work;
- Alternative title (if there exists such);
- Genre;
- Duration of work;
- Composer;
- Choreographer;
- Arranger;
- Lyricist;
- Performer.

The author or authors must fill in the registration form with all required data of the work, royalty split among several co-authors of choreography as well, and confirm the data by signing the work application form.

The choreography work registration form serves as a document for the distribution of royalties among the authors. Upon receipt of the musical work registration application, AKKA/LAA enters the information into its database, being the basis for the distribution of royalties.

The percentage of any choreographic work is equated to 100% regardless of the number of authors.

2.2.1 Default distribution

Default distribution means that both the choreographer and the composer receive equal shares:

| | |
|--|--------|
| Choreographer | - 50% |
| Composer | - 50% |
| if the musical work contains lyrics: composer - 25%, lyricist -25% | |
| Total | - 100% |

2.2.2 Special or agreed distribution

Authors (choreographer, composer/lyricist) of a choreographic work can agree among themselves on a special distribution of royalties, which is then indicated in the work application. In that case the work application form must be signed by all authors, to whom the special distribution applies.

Example:

| | |
|---------------|--------|
| Choreographer | - 75% |
| Composer | - 25% |
| | |
| Total | - 100% |

The composer's share is distributed among all the authors of the musical work in accordance with the "Distribution Rules of Royalties Collected for the Usage of Musical Works".

3. Distribution of Royalties Collected for the Usage of Literary and Dramatic Works:

3.1. Publications in books

Royalties are distributed to authors according to the issued licences and paid invoices.

3.2. Publications in press

According to the concluded agreements, the press provides reports on the work publications, their authors, titles of works (not applicable in cases of publication of advertisements), the volume of publication during the previous period. Royalties are distributed to authors according to the submitted reports.

3.3. Public performance

Royalties collected for public performance are distributed as follows:

Poetry:

| | |
|----------------|-------|
| Author of text | - 30% |
| Translator | - 70% |

Prose:

| | |
|----------------|-------|
| Author of text | - 50% |
| Translator | - 50% |

Drama:

| | |
|----------------|-------|
| Author of text | - 40% |
| Translator | - 60% |

3.3.1 Concert organizations

Concert organizations provide full census reports that are the basis for the distribution of royalties to authors for a particular concert.

3.3.2 Museums

According to the concluded agreements, museums submit semi-annual reports on the events that have taken place, and the works used during those events, as well as on their authors, the said reports being the basis for a proportional distribution of royalties.

3.4. Theatres

Theatres report on ticket revenue once a month, the royalties are distributed to authors in accordance with the issued licenses.

3.5. Radio

3.5.1 Genre coefficients of literary works and distribution of royalties among rightsholders in the distribution of Latvijas Radio

According to the concluded agreements, every six months Latvijas Radio submits a full report of works used, in which the titles of the works and their authors are reported, as well as the frequency and duration of use; in the distribution of royalties the principle of proportionality and genre coefficients is applied.

3.5.1.1 Radio composition, reading of a literary work, literary-musical composition

Poetry (coefficient 30)

| | | | | |
|-----------------------|------|------|-------|-------|
| Author of poetry | 100% | 30% | 97,5% | 27,5% |
| Translator | 70% | | 70% | |
| Author of composition | | 2,5% | 2,5% | |

Prose (coefficient 15)

| | | | | |
|-----------------------|------|-----|-------|-------|
| Author of prose | 100% | 50% | 95% | 47,5% |
| Translator | 50% | | 47,5% | |
| Author of composition | | | 5% | 5% |

Drama (coefficient 25)

| | | | | |
|------------|------|-----|--|--|
| Playwright | 100% | 40% | | |
| Translator | | 60% | | |

Dramatisation (coefficient 20)

| | | | | |
|-------------------------|-----|-----|--|--|
| Author | 30% | 15% | | |
| Author of dramatisation | 70% | 67% | | |
| Translator | | 18% | | |

3.5.1.2 Musical work used in the presentation of a literary work

Musical work especially created for the presentation of a literary work

Duration of music is from 50% to 100% of the broadcast time of the literary work - coefficient 10

Duration of music is up to 50% of the broadcast time of the literary work - coefficient 8

Musical work not especially created for the presentation of the relevant literary work

Duration of music is from 50% to 100% of the broadcast time of the literary work - coefficient 8

Duration of music is up to 50% of the broadcast time of the literary work - coefficient 4

3.5.2 Royalties for the usage of translated literary works on radio (excluding Latvijas Radio):

According to the concluded agreements, every six months radio broadcasting companies submit full reports of works used, in which the titles of the works and their authors are reported, as well as the frequency and duration of use; in the distribution of royalties genre coefficients and principle of usage proportionality are applied.

Poetry:

| | |
|----------------|-------|
| Author of text | - 30% |
| Translator | - 70% |

Prose:

| | |
|----------------|-------|
| Author of text | - 50% |
| Translator | - 50% |

Drama:

| | |
|----------------|-------|
| Author of text | - 40% |
| Translator | - 60% |

3.6. Television

According to the concluded agreements, Latvijas Televīzija yearly submits a full report of works used, in which the titles of the works, their authors, usage dates and durations are reported. Royalty distribution to authors is based on the submitted report, as well as the information in the AKKA/LAA database and the minimum royalty charges.

3.7. Cable retransmission of television channels

Royalty distribution to authors is based on the television channel reports of literary, choreographic and drama works used, taking into account the genre, duration (timing) of broadcast and number of broadcasts of the works.

3.8. Online

Distribution is based on the reports provided by the users, taking into account the genre of the works and the duration of works being made available online.

3.9. Blank tape levy

The blank tape levy is distributed to authors in accordance with the SN-02 “Distribution Rules of Blank Tape Levy”.

3.10. Royalties from foreign authors` societies

Royalties received from foreign authors` societies is distributed according to the usage data provided by said societies.

4. Amendments

The following paragraphs expressed in new wording:

- 1) 3.3. Public performance;
- 2) 3.5.2. Royalties for the usage of translated literary works on radio (excluding Latvijas Radio).