

OSA - Association for the Protection of Rights of Music Authors and Publishers
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Registration No.: 63839997
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and

.....
Domicile:Mailing Address:.....
Company Registration No.:
Birth Registration No. (Natural Persons only):
Registered at:
Represented by:
Bank Account:
Phone:Fax: e-mail:

as a holder of author's rights (hereinafter „Publisher“ only)

are entering the

Contract

PART A: Representation of Copyrights

Article I Initial Provisions

1. OSA is an association of composers, authors of lyrics, publishers, and other holders of rights. In accordance with § 97 of the Czech Copyright Act No. 121/2000 Col. with all its currently effective amendments (hereinafter “Copyright Act” only), OSA is a collective administrator of economic part of copyrights (rights to use the work)

2. The Publisher is a holder of copyrights acquired on the basis of contracts, which the Publisher made with the authors of works of music, with authors of lyrics or with the heirs of these authors to the extent defined in § 95, Section 2 c of the Copyright Act.

Article II Extent of Representation

1. The Publisher entrusts OSA with exclusive and territorially unlimited representation in exercising of his or her existing copyrights (rights to use the work hereinafter “copyrights” only) to all published or offered for publication musical works and lyrics (hereinafter “works” only) as well as all copyrights obtained in the future during the effectiveness of the present Contract. The present Contract applies, regarding to the following exploitation (using), to both, the works and their individual parts also

a) **public performances of works** performed live by natural persons or/and its transmissions (§ 19 of the Copyright Act), or/and performance by technical means from recordings and its transmission (§ 20 of the Copyright Act), and performance of radio and television

- broadcasts (§ 23 of the Copyright Act), (the so-called rights of public performance in the stricter sense);
- b) **broadcasting of works by radio and/or television as well as transmissions of this broadcasting** (§ 21 and § 22 of the Copyright Act), thus making available through radio and television as well as other similar means by wire or wireless, including the distribution via cable, broadcasting by satellite or by means of computer or similar networks (so-called broadcasting rights);
 - c) **the reproduction of works** performed by performers (§13 of the Copyright Act), that is the production of temporary or permanent, direct or indirect copies of works in any form, especially in the form of audio and audio-visual recordings by mechanical, electronic, electromagnetic, optical or any other means, including the so-called **storage**, that is the storing of works in the computer memory, the storing and retrievals of these works from the computer memory and from databases (so-called mechanical rights) unless a different agreement is made according to Para 2 of the present Article;
 - d) **the distribution of copies** of audio and audio-visual recordings by sale or by other transfer of owner's rights to the carriers with recordings (§ 14 of the Copyright Act);
 - e) **the rental and lending of copies of works** in the form of audio and audio-visual recordings (§15 and §16 of the Copyright Act); and
 - f) **any other forms of communication works to public** (§ 18 of the Copyright Act), including making works available in the way that anybody may access to the work from a place and at a time individually chosen by him or her, especially by a computer or any other similar network (e. g. making the work available through the Internet).

2. The Publisher entrusts OSA, in accordance with sec.1 lit. c of this Article, with the representation of his or her copyrights to the works

- a) **in the production of motion pictures and other audio-visual works**, for instance cinematic (so-called synchronization) unless the Publisher expressly reserved the exercise of such rights for such uses to the Publisher in part C., section 10 of the present Contract. This reservation does not cover:
 - further uses of the work as a part of audio-visual productions when they are shown in cinemas and during other public performances, television broadcasts, reproduction of copies of audiovisual works and their distribution, rentals and lending and other forms of public communication (§18 of the Copyright Act); and
 - the use of the work in the production of audiovisual works by a television broadcaster (possibly in co-production with another television broadcaster) if such audio-visual works are made for broadcaster's own broadcasts only.
- b) **in the production of commercials**, unless the Publisher expressly reserved the exercise of these rights for such uses to the Publisher in part C., section 10 of the present Contract. For the purposes of the present Contract, "commercials" are works with purpose to persuade and address potential users of goods, services or other aims or values and which are distributed, by means of media communication for payment or other forms of compensation for the benefit of ordering party. This reservation does not cover other uses of the work of music in advertisement as defined in Section 1, para a) through f) of this Article.

3. In accordance with OSA's authorization granted by the Czech Ministry of Culture to operate as a collective administrator of copyrights, OSA is, by law, **obligatory collective administrator of copyrights** to works of music and lyrics, regarding:

- a) the right to compensation for the making of a copy for personal use from audio or audio-visual recording by means of mechanical copying of its content onto a blank medium (§ 96, sec.1 lit. a, item 3 of the Copyright Act);

- b) the right to adequate compensation for the rental of the original or a copy in the form of an audio or audio-visual recording (§ 96 sec. 1 lit. b of the Copyright Act); and
- c) the right to transmit works via cable (§ 96, psec.1 lit. c of the Copyright Act).

4. The exercise of copyrights according to Article II of the present Contract includes:

- a) the giving of non-exclusive consent to use the works;
- b) the negotiating royalties for the use of works;
- c) the collecting and claiming royalties;
- d) the collecting and claiming of incomes arising from groundless enrichment from unauthorized uses of works;
- e) the refusal to grant permission to the use of works or, in well-grounded cases, the prohibition imposed on the use of works; and
- f) all the necessary and suitable steps consisting in the judicial and similar protection of the entrusted rights, with the exception of the disputes concerning moral rights unless the acts states differently.

5. The present Contract does not affect moral part of copyrights (especially the right to authorship, the right to authorship designation and to the inviolability of the work).

Article III. Obligations of OSA

1. OSA undertakes to represent the Publisher in the exercise of his or her rights to the extent agreed upon by the Contract, treating equally all the represented rights holders. Meeting this obligation, OSA acts on its own name, on behalf of the Publisher.

2. OSA undertakes to distribute and pay to the Publisher royalties as well as the incomes from unauthorized uses of works according to the currently effective Distribution Rules of OSA and part B. of this Contract, provided the work was reported in time and properly by the Publisher and provided the user paid the royalty. In addition to the payment of royalties, the Publisher shall obtain distribution sheets with standard information on the use of works, which he registered in OSA to the extent defined in the Distribution Rules of OSA.

3. To cover its reasonable running costs, OSA is entitled, in accordance with § 100, Section 2 of the Copyright Act, to deduct from the collected royalties administrative deduction, the percentage of deductions shall be determined by the OSA Supervisory Board for individual kinds of use.

4. The OSA Statutes, the Distribution Rules of OSA and their modifications as well as information on administrative deductions and its possible modifications thereof are published in the *OSA Bulletin (Zpravodaj OSA)*, which is mailed to the represented persons.

5. OSA is entitled to collect for the purposes of collective administration of copyrights obtained by Publisher personal data provided by the Publisher to OSA in the present Contract as well as other personal information, which the Publisher shall provide to OSA. OSA shall process these personal data so as to provide them, to the necessary extent, above all to the users of works in connection with concluding license contracts with OSA or to foreign organizations that have signed mutual agreements with OSA.

6. Administering Copyrights, OSA is entitled to entrust with the exercise of rights according to Article II of the present Contract only such foreign person which, according to the law of other state, is entitled to exercise collective administration of the copyrights to works of music and lyrics on the territory of such a state as well as to other Czech collective administrators which is also entitled to exercise the collective administration of rights.

Article IV Publisher's Obligations

1. By signing of the present Contract, the Author confirms that he/she received the Distribution Rules of OSA, studied them adequately, agrees to all their provisions and undertakes to respect them. If the Distribution Rules of OSA are modified, it is understood that the Publisher agrees with their modified text until the Publisher terminates the present Contract in accordance with part C., Section 6.

2. Using the appropriate forms (*registration form for work or Cue Sheet*), the Publisher undertakes to report to OSA works of music and lyrics published or offered for publication, the works whose administration the Publisher entrusts to OSA in the present Contract. The Publisher undertakes to submit to OSA all contracts with authors (or heirs of copyrights), which meet the provisions of § 95, Section 2 c of the Copyright Act. The contracts which do not meet all the requirements required by the Copyright Act, the Civil Code, and the Personal Data Protection Act as well as the contracts which fail to meet the registration requirements defined in Article II, Part B of the present Contract, shall not be accepted for registration. The Publisher agrees that OSA shall keep one copy of a contract submitted for registration in OSA's archives.

3. The Publisher undertakes not to misuse any information on copyright holders provided by OSA and that such information shall be used in Publisher's own publishing activities only.

4. The Publisher undertakes to announce to OSA without delay any changes in the data listed in the heading of the present Contract.

5. The Publisher undertakes to submit to OSA all the contracts and agreements the content of which might affect the activities of OSA or the distribution of royalties. For the purposes of record-keeping, the Publisher shall submit, above all:

- a) any changes in and amendments to contracts with authors or their heirs according § 95 of the Copyright Act as well as documents proving the termination of such contracts;
- b) publishing contracts and sub publishing contracts;
- c) contracts authorizing translations of the work (authorization of the translation) as well as other forms of modification;
- d) contracts between the holders of copyrights on their shares on royalties arising from the use of work; and
- e) contracts on the cession of licenses or sublicenses abroad or from abroad in order to publish the work or for other uses (in such cases, the distribution of royalties is regulated by the conditions of such contracts).

6. The Publisher undertakes, for the duration of the present Contract, not to sign any contract the content of which would be in conflict with the present Contract with third parties without written permission issued by OSA. Above all, the Publisher shall not sign any contract which would permit a third party to use the work, to agree with such a party on royalties or which would entrust the third party with the administration of rights entrusted by the present Contract to OSA.

7. The Publisher undertakes to receive all royalties as well as other incomes arising from the use of works exclusively through OSA as long as such uses are regulated by the present Contract and are covered by OSA's authority. The agreements arising from sublicenses are exempted from this rule provided that the foreign collective administrator grants the license to use the work.

8. The Publisher undertakes to cooperate with OSA in the securing and exercising copyrights and submit to OSA required information and documentation.

9. The Publisher is responsible to OSA for any damage arising from a breach of the present Contract by the submission of incorrect and/or incomplete information and documentation or a delayed submission thereof. In case the Publisher fails to meet the obligations arising from Para 6 and/or 7 of the present Article, the Publisher undertakes to pay to OSA a contractual fine, the amount of which shall be equal to royalties which OSA would have obtained in accordance with the royalty tariffs

10 OSA is entitled to refrain from the collection of royalties for the use of the work for humanitarian or charitable purposes or in cases where such collections would be uneconomical.

11. The Publisher must not distort the reports or make any attempts to affect the record keeping.

12. If any material benefits arise to the Publisher from the breach of the above stipulation, Board of Directors, provided it obtains the consent of the OSA Supervisory Board, is entitled to fine the Publisher, and use Publisher's royalties to cover it.

PART B: PAYMENTS OF ROYALTY SHARES

Article I Subject of the Contract

This part of the present Contract regulates the payments of royalty shares to which the Publisher is entitled under license and sublicense contracts with the holders of copyrights.

Article II Conditions for the registration of license and sublicense contracts

1. OSA shall register contracts which meets the following requirements:
- a) contracts are submitted in written form, including their modifications in the form of amendments provided with the relevant dates;
 - b) contractual parties are correctly and fully defined;
 - c) licenses are granted as exclusive;
 - d) the author agrees to exercise the right to use the work in the agreed manner;
 - e) the Publisher undertakes to use the license on Publisher's own or provide its use by granting a sublicense;
 - f) the contracts contain specific manner and extent of the use of the work, including
 - * the time of publication;
 - * the duration for which the contract is effective. OSA registers contracts concluded for the period of at least 5 years, with a provision of prolongation; and
 - * the territorial extent of the contract. In case the territorial extent is not defined, the contract applies to the territory of the Czech Republic only.

2. The contract must include provisions on the termination of the contract, on the cession of the license or the granting of a sublicense;

- a) The cession of the license or granting of a sublicense may take place only if the author has granted written consent to this. The Publisher undertakes to inform OSA without unnecessary delay by means of a registered delivery letter on the termination of the validity of the contract, on the cession of the license or on the granting of a sublicense.

The contract on the cession of the license or on the granting of a sublicense must be properly registered with OSA. OSA shall disregard in its accounting any contracts which failed to be registered.

- b) The obligation of the Publisher that in case of the termination of rights arising from a license contract the Publisher is obliged, when demanded by the author, to settle with possible subcontracted publishers and announce the termination of contracts on the yielding of a license or on the granting of a sublicense to OSA, which shall subsequently terminate the registration of such a contract.
- c) A sublicense contract must be concluded for the period of at least 3 years. Its effectiveness must not exceed the effectiveness of the license contract.
- d) Only one sublicense contract on the use of work from OSA repertoire for one territory may be granted.

3. The object of a license contract must be a specific work. OSA shall not accept for registration the so-called frame or exclusive contracts. The title of the composition as well as the names of authors must conform to the reports on the work filed by authors to OSA. If the author failed to report a composition on which he or she made a license contract with the Publisher to publish author's work, OSA shall remind of it the Publisher as well as the author and demand the latter to send the report within a specified period. The Publisher represented by OSA may provide a report on Publisher's own if the work has been published under proper license contract but the author failed to report it even after having been demanded to do so.

4. In principle, license contract covers one composition and is made with all copyright holders. Exceptions to this principle may be demanded and are decided upon by the OSA Supervisory Board. A license contract covering more compositions than one may be made only if the authors or their legal successors are identical.

5. The contract must contain an obligation of the Publisher to pay a royalty to the author. The contract must determine the royalty or the way, in which the royalty shall be determined, the terms of payment and, in case of more authors or heirs, the contract must state their individual shares.

6. The license contracts may provide billable advance payments arising from mechanical rights revenues only. OSA does not monitor the advance payments and therefore the Publisher undertakes, after making the payment, to report this payment to OSA in writing and without delay.

7. If the license contract contains no express provision on the Publisher's share in the revenues from performing and mechanical rights, the Publisher has no title to such revenues.

- a) The maximum Publisher's share in revenues from public performances shall be four twelfths (34 percent), the maximum share in proceeds from mechanical rights 40 percent.
- b) In case a sublicense is granted or if the work is published in a joint edition with a foreign publisher, the maximum share in royalties may reach 50 percent for both category of use. This increase applies only to the territory defined in the contract and may not be applied to the granting of a sublicense for the territory of the Czech Republic.
- c) The licensing contract must state the day on which Publisher's title to the Publisher's share shall arise.

Article III

Rights and Obligations of the Publisher

1. The Publisher undertakes to hand in to OSA for registration the originals or certified copies of all the license and sublicense publishing contracts that the Publisher has entered. These documents in writing shall become property of OSA.

2. The Publisher is responsible for any damage arising from the breach of the present Contract, especially the damage arising from incorrect, incomplete or belatedly submitted documents.

Article IV Rights and Obligations of OSA

1. If the registered contracts meet the requirements defined in Article II, Part B of the present Contract, OSA undertakes to pay to the Publisher the shares in royalties in accordance with the schedule of payments defined for the payment of royalties in the Distribution Rules of OSA.

2. Distributing the royalties, OSA shall adhere to the following principles:

- a) Contracts made and submitted for registration by the Publisher by June 30th of the calendar year shall entitle the Publisher to a payment of the Publisher's share in royalties from January 1st of the same year.
- b) Contracts made and submitted for registration by the Publisher by December 31st of the calendar year shall entitle the Publisher to a payment of the Publisher's share in royalties from July 1st of the same year.
- c) The same principle applies for cases where the title for the share in royalties has expired.

3. OSA may refuse to register contracts, which do not meet the requirements.

5. To cover its reasonable running costs arising from the duties in given in this Contract, OSA is entitled to deduct from the shares in royalties reductions in the height stated by OSA Supervisory Board.

PART C: FINAL PROVISIONS

1. Place of fulfillment: The present Contract shall be fulfilled at the OSA headquarters location defined in the heading of the present Contract.

2. OSA shall mail all the papers to the mailing address stated in the heading of the present Contract. If the registered delivery mail is returned twice and the postal service explains that the addressee failed to retrieve the mailing, is absent, has moved to another address or refused to accept the mailing, the first day of the deposition at the post office or the day of the refusal shall be considered the day of delivery.

3. The present Contract is made out in two identical copies. Each Party shall receive one copy.

4. The Contract may be modified and amended only in writing, provided both contractual Parties give their consent.

5. The present Contract is concluded for indefinite period. Rights and obligations arising from the present Contract shall pass to the legal successors of the contractual Parties. OSA is

entitled to demand and obtain all the documents required for the transfer of such rights and obligations. Until OSA receives these original documents or certified copies thereof, OSA is entitled to suspend payments of royalty shares until all the facts are clarified.

6. The contractual Parties may terminate the present Contract by a registered delivery letter, which must be delivered to the other Party by June 30th at the latest, with the termination becoming effective as of the nearest December 31st.

7. OSA is entitled to terminate the present Contract if
- a) the Publisher broke the obligations arising from the present Contract seriously;
 - b) the Publisher failed to receive any royalties for the term of 10 years or failed to withdraw from his royalty account kept by OSA any amount or failed to provide any instructions for disposition with royalties remaining on the Publisher's account although having been asked in due course by OSA to do so; and
 - c) the Publisher harmed in a serious manner the reputation or interests of OSA.
 - d) the Publisher lost copyrights acquired in accordance with Article 1, Section 2, Part A of the present Contract.

8. The present Contract shall become effective and valid on the day of signature by the two contractual Parties, except of Section 9 of the present Article. Any previous contract shall lose its effectiveness by the signing of the present Contract.

9. A contractual reservation according to Article II, Section 2, Part A, of the present Contract, may be agreed by October 31st of the calendar year, with effectiveness from January 1st of the subsequent year. Contractual reservation effective from January 1st, 2002, may be agreed upon by December 15th, 2001.

10. Special provisions:

Signed in Prague on

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for OSA

In on

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for the Publisher

