

AGREEMENT FOR MUTUAL REPRESENTATION

By and between **SABAM & ARS CROATICA**

THE UNDERSIGNED :

- **SABAM** (*SABAM, Société Belge des Auteurs, Compositeurs et Editeurs*) Belgian Society for Authors, Composers and Publishers, 75-77, rue d'Arlon, 1040 Bruxelles, BELGIQUE (*Brussels, BELGIUM*), represented by Mr. Christophe DEPRETER, General Manager (hereinafter: SABAM)

and

- **CROATIAN COLLECTING SOCIETY FOR FINE ARTS "ARS CROATICA"**, whose registered office is located at HR 10 000 Zagreb, Ribnjak 40, represented by its general council Mr. Silvije Hraste (hereinafter: ARS CROATICA)

Also called the "Contracting Societies", hereinafter

HAVE AGREED AS FOLLOWS :

Article I

(1) Under the terms of this agreement, SABAM shall confer onto ARS CROATICA the non exclusive mandate to represent it in the territory falling within ARS CROATICAs' jurisdiction and as set forth under article IX hereafter, in order to control and collect the royalties for the use of their members' works.

(2) Reciprocally, ARS CROATICA shall confer onto SABAM the non exclusive mandate to represent it in the territory falling within SABAMs' jurisdiction and as set forth under article IX hereafter, in order to control and collect the royalties for the use of their members' works.

(3) The rights of use whose exercise by each of the Contracting Societies form the purpose of this agreement, shall involve the rights and prerogatives of financial nature granted to creators of graphic, plastic and photographic works according to the national and international laws in force in the territory falling within each Society's jurisdiction. The rights of use shall mean in particular:

- as far as SABAM is concerned all their members' works, including those of photographers, in so far as it is allowed by the law :

- the artists' resale right (droit de suite)



- as far as ARS CROATICA is concerned all their members' works, including those of photographers, in so far as it is allowed by the law :

- the artists' resale right (droit de suite)

(4) the rights of use as set forth under Article 1 (3), shall cover graphic, plastic and photographic works of art, whatever the mediums of expression they are "fixed" in, namely photographs, drawings, paintings, sculptures, engravings, tapestries, mosaics, stained-glass windows, architectural creations, and so on.

Article II

Under this mandate, as set forth under Article I hereof, each one of the Contracting Societies shall be entitled, to the extent of its powers resulting from its members' acts of adhesion as well as from its own Charter and regulations, from this agreement and from the laws in force in its territories of exercise:

- to use the rights entrusted by each one of the Contracting Societies to the other and spelt out under Article I hereof;

- to collect all royalty payments stipulated as a result of resale of works regarding the law for 'droit de suite', conceded by the Contracting Societies;

- to collect all sums that might be due on account of compensation or damages;

- to settle disputes, to refer to arbitration, to institute infringement actions as deemed necessary, subject nevertheless to informing beforehand the other Contracting Society. The effect of this obligation shall be strictly limited to the existing contractual relations between the Societies under this agreement and in no circumstances whatsoever should any third party avail itself of it. Where the urgency should justify it, however, each Contracting Society shall be entitled to take, without delay, all necessary measures, always subject to inform within reasonable delay the other Contracting Society;

- to undertake, on a general basis, all acts and steps in order to ensure better administration of the rights in respect of which this mandate is being conferred;

Article III

This agreement having been settled between the Contracting Societies in consideration of their persons, it has been formally agreed that, without the express and written authorization of one of the Contracting Societies, the other Society may not concede or transfer to a third party, in any way whatsoever, prerogatives, powers or otherwise, in whole or in part, conferred on it by this agreement, particularly, in virtue of Article II hereof (save the rights of joint management).

Article IV

(1) Throughout the duration of this agreement, each one of the Contracting Societies shall refrain from any unwarranted intervention by the other Society in the exercise of the rights conferred by this agreement.



Each of the Contracting Societies undertakes not to convey any direct communication to the other Society's members but to make available any such communication, should the occasion arise, through the other Society.

(2) Each one of the Contracting Societies undertakes to make available to the other Society all useful documents for collecting royalty payments it is bound to carry out in virtue of this agreement as well as for any remedies or legal actions as set forth under Article II hereof.

Each one of the Contracting Societies, in particular, undertakes to inform, in the shortest possible time, the other Society of new members' admissions and of possible members' resignations and to pass on to the other Society, upon its request, certified copy or photocopy of the admission acts and powers enjoyed by its members.

Each one of the Contracting Societies shall make available to the other Society all documents and information as deemed useful, that are likely to facilitate a serious or efficient inspection of the operations it carries out on the other Society's behalf within the scope of this agreement.

Article V

Each Society undertakes to assert in the territories falling within its jurisdiction the copyrights of the other Society's members in the same way and to the same extent as it does for its own members and, in particular, to apply to the works of the other Society's members the same rates, ways and means of collecting, inspecting and distributing royalties as those it applies to the works of its own members.

The same shall apply accordingly, in particular, to the distribution rules by each of the Contracting Societies in cases where collected royalty payments are not effected work by work but made inclusively and globally, for all the works of the Society's members.

Article VI

The members of each of the Contracting Societies shall be protected and represented by the other Society, by virtue of this agreement, without their being asked either to comply with any formalities to the representing Society or to join it.

Any mishaps or difficulties that might arise between the Contracting Societies in relation to such a membership shall be settled amicably between them, with the largest spirit of compromise and in the best interests of the member concerned.

Article VII

To the total amount of collected royalty payments made pursuant to this agreement, the Contracting Societies shall apply the following rate of mutual administrative costs :

The artists' resale right : 15 %

Article VIII

Each one of the Contracting Societies undertakes to provide the other Society, at the latest 60 days following the expiry of each half year, a statement of the royalty payments received in its territory of exercise, for the rightholders of the other Society, in respect of the preceding half year.



This statement shall include :

- a) a summary statement of the royalty returns during the past sixth months ;
- b) the statements of account for each rightholder.

The accounts shall be accompanied with all the respective royalty payments such as contained in the summary statement, after deduction of expenses as set forth under Article VII.

Article IX

(1) For the purpose of this agreement, the territory falling under SABAMs' jurisdiction is:

- Belgium

(2) The territory falling under ARS CROATICAs' jurisdiction is :

- Croatia

Article X

Each of the Contracting Societies shall be entitled to take the opinion of the Management Board of *La Confédération internationale des Sociétés des Auteurs et Compositeurs (CISAC)* - the International Confederation of the Societies of Authors and Composers, about any difficulties that might arise between the two Societies regarding the interpretation or carrying out of this agreement.

If need be, any dispute of this nature arising out of this agreement may be referred, on mutual consent, to the arbitration of the Management Board of the *CISAC*.

If the Contracting Societies do not think it appropriate to have recourse to the arbitration of the *CISAC* hereof and, in the absence of mutual consent, the Court of competent jurisdiction shall be where the defendant Society has its registered place of business.

Article XI

Notwithstanding the provisions under Article XII of this agreement, the Contracting Societies shall accept that it may be terminated at any time by one of both Societies if alterations or substitutions are brought to the articles of association or to the general rules of procedure of the other Society, so as to modify in a substantially unfavorable manner the enjoyment or exercise of the copyrights of the authors belonging to the Society that initiated the termination.

The Contracting Societies also agree that this agreement will be terminated automatically and immediately if the temporary decision from the Croatian State Intellectual Property Institute granting ARS CROATICA the right of performing the activities of collective realization of resale right was for any reason cancelled without



being replaced by a permanent decision. In that case, ARS CROATICA undertakes to inform SABAM without delay of this situation.

Article XII

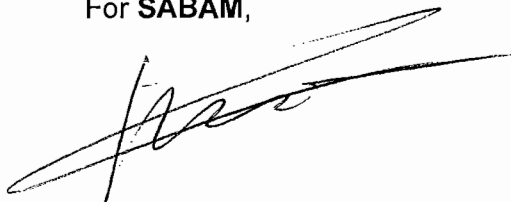
This agreement shall come into force from 01-07-2011 and be renewed from one year to the other by tacit reconduction, unless one or the other of the Contracting Societies terminates it by recorded delivery with acknowledgement of receipt (which must be postmarked) at least three months before the date of expiry of each current period.

This agreement is to replace and cancel any previous convention.

Done in Brussels, on 1. 9. / 2011

Done in Zagreb, on .. / .. / 2011

For **SABAM**,



Christophe DEPRETER
General Manager

For **ARS CROATICA**,



Silvije Hraste,
General Council

