

GENERAL CONDITIONS OF MEMBERSHIP AGREEMENT

1. General provisions

- **1.1.** Rightsholder, holding the copyright collectively exercised by Estonian Authors' Society (hereinafter as EAÜ), and/or being entitled to a share from royalties received from the rights, can become a member of EAÜ.
- **1.2.** Legitimate relations between the rightsholder, adopted as EAÜ member (hereinafter as Member), and EAÜ are regulated by these general conditions (hereinafter as General Conditions) and by the membership agreement concluded with every Member separately. These General Conditions of Membership Agreement also apply to the rights holder who has been accepted as a customer of EAÜ and with whom a separate customer agreement has been concluded.

1.3. A Member affirms that:

- **1.3.1.** he/she has a sufficient statutory legal capacity (in case the Member is a natural person) or a consent by a legal representative (in case the Member is a minor) to conclude the Agreement, to perform the obligations and to realise the rights resulting from the Agreement;
- **1.3.2.** the signatory of the Agreement is sufficiently authorized to conclude the Agreement in accordance with the statutes, legal acts or other appropriate documents;
- **1.3.3.** he/she has not concluded with any third party any agreement similar to this Agreement that would hinder him/her from the conclusion of the Agreement or would set limits to EAÜ in exercising the rights resulting from the Agreement.

2. Object of the Agreement

- **2.1.** EAÜ, based on the Agreement, collectively performs rightsholders' copyright of musical works, works of visual arts and choreographic works (hereinafter together as Works).
- **2.2.** Concerning the rightsholders of musical works the object of the Agreement are musical works (either in original or arranged form) and texts related to the musical works (hereinafter separately named as Musical Works). The Agreement covers:
- **2.2.1.** concerning the author all the musical works created by him/her by the time of the conclusion of the Agreement and during the period of validity of the Agreement;
- **2.2.2.** concerning the heir all the musical works created by the deceased author, the proprietary rights of which the heir has acquired by way of inheritance;
- **2.2.3.** concerning the publisher all the musical works the proprietary rights of which the publisher has acquired from the author or from the author's heir in accordance with the publishing agreement.
- **2.3.** Concerning the rightsholders of works of visual arts the object of the Agreement is formed by works of graphic and plastic arts (hereinafter separately named as Works of Art). The Agreement covers:

- **2.3.1.** concerning the author all the Works of Art created by him/her by the time of the conclusion of the Agreement and during the period of validity of the Agreement;
- **2.3.2.** concerning the heir all the Works of Art created by the deceased author, the proprietary rights of which the heir has acquired by way of inheritance.
- **2.4.** Concerning the rightsholders of choreographic works the object of the Agreement are choreographic works related to musical works (hereinafter separately named as Choreographic Works).
- **2.4.1.** concerning the author all the Choreographic Works created by him/her by the time of the conclusion of the Agreement and during the period of validity of the Agreement;
- **2.4.2.** concerning the heir all the Choreographic Works created by the deceased author the proprietary rights of which the heir has acquired by way of inheritance.

3. Rights to be transferred to EAÜ

- **3.1.** The Member shall transfer exercise of his/her proprietary rights to EAÜ for the period of validity of this Agreement and specifically in the categories concerning proprietary rights given below, namely, where Works are used in the following ways:
- **3.1.1.** public performance of Works as a live performance or a technically mediated performance (right of public performance);
- **3.1.2.** transmission or retransmission of Works by radio, television, cable network, satellite and by means of other technical devices (right of transmission and retransmission);
- **3.1.3.** making Works available to the public in such a way that members of the public may access these Works from a place and at the time individually chosen by them, including by the internet (right of making available to the public);
- **3.1.4.** reproduction of Works on sound and video carriers, on film and on similar device or equipment and distribution of them (right of reproduction and synchronisation).
- **3.2.** The Agreement covers all the categories of proprietary rights (that is, ways of using the Works) as referred to in point 3.1.1–3.1.4, unless the Member has agreed with EAÜ otherwise. The categories of proprietary rights to be transferred cannot be subdivided into parts. While making alterations in the categories of proprietary rights to be transferred to EAÜ, requirements set down in point 5 of the Agreement must be followed.
- **3.3.** The Member cannot transfer exercise of his/her proprietary rights, regarding the categories of proprietary rights referred to in point 3.1 of the General Conditions, to other persons during the validity period of the Agreement. During validity of the Agreement the Member himself/herself can provide licences for the use of Works only in the exceptional cases prescribed by the Copyright Act or permitted by EAÜ.
- **3.4.** In addition to exercise of proprietary rights referred to in point 3.1 of the General Conditions, EAÜ is entitled to collect remuneration for the uses, where the rightsholders can exercise their right to remuneration only through a collective management organization. Inclusively, EAÜ is entitled:
- **3.4.1.** concerning all the Members, to collect remuneration for the use of audiovisual work and sound recording of a work for private purposes;

- **3.4.2.** concerning the rightsholders of works of visual arts, to collect remuneration for the resale of an original work of art at a public auction or through an intermediary of an art gallery or of the works of art.
- 3.5. The Agreement does not cover:
- **3.5.1.** the so called "grand rights" that mean proprietary rights related to the musical dramatic works (such as opera, operetta, ballet or musical). However, based on the Agreement, EAÜ has an exclusive right to exercise also proprietary rights that are related to musical dramatic works, if an extract from the musical dramatic work, or on a stand-alone basis separate works contained in the musical dramatic work are used, or it is a case of a concert version of the musical dramatic work;
- 3.5.2. the use of Works in advertising;
- **3.5.3.** the use of the text (related to Works) without music;
- **3.5.4.** the arrangement of musical works, creating a new text to musical works or translating the text or any other alteration of musical works.
- **3.6.** Concerning the uses referred to in point 3.5 of the General Conditions, a prior authorization directly from the rightsholder shall be obtained and conditions of use must be agreed on. The rightsholder has a right to refuse the authorization. In case the rightsholder wishes EAÜ to deal with the uses referred to in point 3.5 of the General Conditions, he/she will have to give a separate authority to EAÜ to provide permissions of use in specific cases.

4. The scope of exercise of rights by EAÜ

- **4.1.** Resulting from the rights acquired, EAÜ has an exclusive right to provide licences for the use of Works concerning the ways of use, referred to in point 3.1 of the General Conditions. The board of EAÜ is entitled to decide on the scope of licences provided by EAÜ concerning the uses referred to in point 3.1 of the General Conditions. Likewise, the board of EAÜ has a right to set conditions of the licences (including the amount of fee) and determine the cases when licences are provided free of charge.
- **4.2.** The Member transfers exercise of his/her proprietary rights referred to in point 3.1 of the General Conditions to EAÜ in the territory of the Republic of Estonia, as well as elsewhere in the world.
- **4.3.** EAÜ is entitled to conclude co-operation agreements with other collective management organizations, in order to exercise the rights acquired.

5. Alteration of the categories of rights transferred to EAÜ or of territorial scope regarding exercise of rights

- **5.1.** During the validity period of the Agreement the Member is entitled to make alterations concerning the categories of proprietary rights transferred to EAÜ, as well as territorial scope. His/her wish to make changes concerning categories of proprietary rights (to get back some category of the rights transferred to EAÜ or to supplement the rights transferred to EAÜ by some new category), as well as the wish to make changes concerning territorial scope of exercising the rights, the Member will have to inform EAÜ in writing in accordance with the guidelines on the homepage of EAÜ. The categories of proprietary rights to be transferred can neither be subdivided into parts by the Member nor can the Member ask EAÜ to exercise the rights in a smaller territorial unit than the territory of a state.
- **5.2.** Alterations in the transferred categories of rights or in the territorial scope shall become valid upon the registration of the Member's application on this matter with EAÜ.

6. Payment of royalties collected by EAÜ to the Member

- **6.1.** EAÜ collects and pays out to the Member his/her share of the royalties received from the use of Works in the ways referred to in points 3.1 and 3.4 of the General Conditions. Payment of royalties is guided by procedures and deadlines established by the board of EAÜ, and by international recommendations of CISAC (Confédération Internationale des Sociétés d'Auteurs et Compositeurs). Concerning payment of royalties referred to in point 3.4.1 of the General Conditions, EAÜ is also guided by the orders of the state body responsible for the area in question.
- **6.2.** Regarding the payment of remuneration collected in Estonia to the Member who is a natural person, EAÜ will deduct income tax, unless the author has been registered in the Commercial Register as a self-employed person (FIE) or in the Register of European Economic Area as a contracting party to it. EAÜ will not deduct income tax while paying out remunerations collected abroad.
- **6.3.** To cover expenses made, EAÜ is entitled to commission in the amount established by the general meeting of EAÜ.
- **6.4.** EAÜ is not obliged to pay out remunerations for Works that have not been registered with EAÜ.
- **6.5.** The Member is entitled to general information from EAÜ concerning the calculation and disbursement of royalties, as well as information on the payments he/she has received.
- **6.6.** In case the Member considers the data, provided by EAÜ, on the disbursed royalties incomplete or inaccurate, or the Member has other complaints concerning the payments for the use of Works received or not received, the Member has a right to submit a written enquiry in this regard to EAÜ.
- **6.7.** The Member may submit the enquiry referred to in point 6.6 of the Agreement to EAÜ during the time frame as follows:
- **6.7.1.** within the deadline set in the report, if the Member has received a report from EAÜ on the disbursed remunerations;
- **6.7.2.** within three years starting from the use of Works, if the Member has not received a report on the disbursed remunerations.
- **6.8.** EAÜ has a right to claim compensation from the Member to cover the expenses for the additional work related to response to the enquiry. No compensation shall be due if these shortcomings and mistakes have been caused by the fault of EAÜ or the Member has not received the payment by the fault of EAÜ.

7. Member's obligations

- **7.1.** In his/her relations with EAÜ every Member is obliged:
- **7.1.1.** to inform immediately EAÜ of changes related to his/her name or contact details (postal address, e-mail address, telephone) as well as bank account;
- **7.1.2.** to submit to EAÜ sheet music of the Work, sound recording or other relevant material upon request by EAÜ;
- **7.1.3.** not to hinder with his/her actions the activities of EAÜ in exercise of the rights resulting from the Agreement;
- 7.1.4. not to harm the reputation of EAÜ.

- **7.2.** The Member as an author is obliged to register with EAÜ all the Works created by the time of the conclusion of the Agreement and the Works that will be created during the validity period of the Agreement in accordance with the procedure established by the board of EAÜ.
- **7.3.** The Member as a publisher is obliged:
- **7.3.1.** to submit to EAÜ documents proving that his/her areas of activity include publishing of music that he/she is constantly engaged in;
- **7.3.2.** to submit to EAÜ all the copies of the publishing agreements concluded by him/her and to ensure that all the Works published by him/her are registered with EAÜ;
- **7.3.3.** immediately to communicate EAÜ about all the alterations or early terminations concerning all the publishing agreements concluded.

8. Legislative measures

8.1. EAÜ shall be authorized to take necessary legislative measures at its own discretion and on its own behalf in the case of infringement of the rights transferred to EAÜ for exercising. The Member is obliged to provide EAÜ with necessary documents and other data in order to solve the question.

9. Settlement of disputes

9.1. Disputes resulting from the performance of the Agreement, shall be settled by the board of EAÜ.

10. Submission of the Member's contact details

10.1. EAÜ is entitled to submit the Member's contact details to the persons who need these in order to receive licences of Works, or to the persons with other legitimate interest in these details.

11. Alteration of the Agreement

11.1. The Member shall agree with the alterations concerning the content of the Agreement, resulting either from the amendments in the copyright act or in case principles of activity and/or work organisation of EAÜ have been changed. EAÜ shall notify the Member of the alterations in question.

12. Duration of the Agreement

- **12.1.** The Agreement shall enter into force on the day the application for EAÜ membership has been written by the Member, or on the day set in the decision by the board of EAÜ. The Agreement must have either a hand-written or digital signature of both parties (EAÜ and the Member).
- **12.2.** The Agreement shall be valid indefinitely, but no longer than the end of the term of copyright protection. The Member has a right to fully terminate the Agreement, submitting a written notice to EAÜ on this matter at least one month in advance.
- **12.3.** In the event of the Member's death (either as author or heir) his/her membership of EAÜ will end. However, EAÜ is entitled to continue exercise of the rights received pursuant to the Agreement and to collect royalties within one year after the death.
- **12.4.** In case the Member infringes the requirements of the Agreement and/or of the current General Conditions, and does it repeatedly or on a significant scale, EAÜ shall have a right to terminate the Agreement concluded with the Member.

12.5. After the end of the Agreement the Member is entitled to receive royalties for the use of Works that took place before the end of the Agreement.

