

<b>Agreement for the Fee Payable to Performers and Producers of Phonograms</b> (Shops, beauty salons, and other similar places appropriate for providing services to customers)						
<b>Place and date of entering into the Agreement:</b>						
<b>The society "The Latvian Association of Performers and Producers" (hereinafter "LaIPA"), Reg. No: URN 40008042958</b>						
<b>Given name, surname, and position of the authorised signatory:</b>						
<b>The bank and account number:</b>		AS SEB banka; LV71UNLA0001002700167 AS Swedbank; LV07HABA0551045240206				
<b>Registered office:</b>		Misas iela 3, Rīga, LV - 1058, Latvia				
<b>Correspondence address:</b>		Misas iela 3, Rīga, LV – 1058, Latvia				
<b>Phone and fax:</b>		( +371 ) 67605023; ( +371 ) 67500039				
<b>Email:</b>		laipa@laipa.org; www.laipa.org				
<b>Details of the Company (hereinafter "User") and information on the Public performance site(s)</b>						
<b>Name of the Company:</b>						
<b>Company registration number:</b>						
<b>Given name, surname, and position of the authorised signatory:</b>						
<b>The bank and account number:</b>						
<b>Registered office:</b>						
<b>Correspondence address:</b>						
<b>Phone and fax:</b>						
<b>Email:</b>						
<b>Date of the opening of the Public performance site(s):</b>						
<b>Date of the start of using phonograms:</b>						
<b>Name of the Public performance site:</b>						
<b>Type of the Public performance site: (a shop, a salon, etc.)</b>						
<b>Address of the Public performance site:</b>						
<b>Membership status in the industry association: (mark as appropriate)</b>		LTA <input type="checkbox"/>	LSBA <input type="checkbox"/>			
<b>Given name, surname, and position of the contact person:</b>						
<b>1. The terms used in the Agreement:</b>						
<p><b>Phonogram</b> – a phonogram broadcasted for commercial purposes; <b>Use</b> – broadcasting of Phonograms at the Public performance site; <b>Fee</b> – the fee payable to performers and Phonogram producers for the Use of Phonograms; <b>Public performance site</b> – the premises of the User available to visitors; <b>Background music</b> – using of Phonograms being broadcasted by radio, television, CD player, computer, etc. at the Public performance site not intended for dancing; <b>Agreement</b> – the agreement entered into by and between LaIPA and the User for the fee payable to performers and phonogram producers. The Agreement does not apply to rights of copyright subjects; <b>Certificate</b> – a document confirming compliance with the provisions laid down in the Copyright Law and the Collective Management of Copyright Law.</p>						
<b>2. Information on the Public performance site(s):</b>						
No.	Floor area (sq. m.)	Background music	Type of use and source of using Phonograms			
			CD, DVD	Computer, Internet	Radio, TV	Other (specify)
1.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>The most frequently used source: (radio, a TV programme, etc.)</b>						
<b>Phonogram broadcasting: (copying)</b>		Yes <input type="checkbox"/>		No <input type="checkbox"/>		
<b>Number of outdoor loudspeakers: (indicate the number)</b>						
<b>Billing frequency:</b>		Quarterly <input type="checkbox"/>	Semi-annual <input type="checkbox"/>	Annual <input type="checkbox"/>		
<b>Billing type:</b>		By email <input type="checkbox"/>		By post <input type="checkbox"/>		
<b>Email address for billing:</b>						
<b>Correspondence address for billing:</b>						
I agree to receive information from LaIPA regarding events organised or supported by LaIPA or its members, as well as news and current events, events important or interesting for the industry, as well as other alike informative notices and commercial communications. I confirm that I have read additional information regarding data processing for sending commercial communications and my rights. Additional information is available at the web page of LaIPA <a href="http://www.laipa.org">www.laipa.org</a> .						
<b>Agree:</b>		<input type="checkbox"/>	<b>Disagree</b>		<input type="checkbox"/>	
<b>Email of the authorised signatory:</b>						

### 3. The subject of the Agreement

3.1. The User shall pay the Fee for the use of Phonograms in accordance with the provisions of the Agreement, consistently with Section 52 of the Copyright Law and the licence No. 01.4.2-8/9 issued by the Ministry of Culture of the Republic of Latvia (hereinafter “*the Licence*”). The Agreement shall apply to Latvian as well as foreign performers and phonogram producers. The Licence issued by *LaIPA* gives the right to use only legally obtained Phonograms from legitimate sources of use. Under the laws of the Republic of Latvia, obtaining of Phonograms in any other manner shall be considered an infringement of copyright and ancillary rights.

3.2. The Fee for the Use of Phonograms shall be payable from the start date of the Use of Phonograms as specified in this Agreement, however, not before 1 July 2005.

3.3. Each calendar year *LaIPA* shall issue the Certificate to the User. In cases where the User has not been fulfilling the provisions laid down in Clause 3.1 of the Agreement or the Fee for the Use of Phonograms broadcasted for commercial purposes has not been made, the Certificate will not be issued to the User.

### 4. Information provision procedure

4.1. The mandatory information on the User and the Public performance site(s) shall be provided in the Agreement.

4.2. If the User has multiple Public performance sites or spaces (rooms) where Phonograms are used, they shall be specified in Clause 2 hereof or in Annex 2 hereto.

4.3. The User shall have the duty to notify *LaIPA* of any changes to the following significant information within fourteen (14) days:

4.3.1. In the event of changes to the details of the User or the Public performance site (address, registration number, and contact information);

4.3.2. In the event of the User or the Public performance site being wound up;

4.3.3. If the User intends to reduce or increase the extent of use of Phonograms (*change in the number of rooms and floor areas, the User ceases using Phonograms*).

4.4. For not submitting the information referred to in Clause 4.3 of the Agreement in a timely manner, the User shall pay the contractual penalty of EUR 7.11 (seven euros and 11 cents) for each Public performance site; and the payment of the contractual penalty shall not exempt the User from performing the obligations provided for in the Agreement.

4.5. The User shall specify the manner of Use of Phonograms and the source thereof in the Agreement or electronically submit the list of Phonograms used during Public performance.

### 5. Fee calculation and payment procedure

5.1. The User shall pay the Fee in accordance with Annex 1 hereto, which forms an integral part hereof, for the sites of the Public Use of Phonograms and Public performances sites specified in the Agreement. The User shall pay the Fee according to the invoices issued by *LaIPA* and according to the information provided by the User hereunder. The User shall be liable for providing true information, and *LaIPA* shall have the right to verify the veracity of the information specified in the Agreement. The User shall have the duty to present the relevant documents.

5.2. *LaIPA* processes personal data of authorised signatory and contact person provided by the User for the purposes of conclusion and performance of the Agreement, mutual communication and ensuring cooperation as far as it is necessary and derives from the concluded Agreement or is necessary for compliance with a legal obligation to which *LaIPA* is subject. Personal data will be kept in paper and electronic form during the term of the Agreement as well as during the limitation period provided by the applicable legal acts during which complaints, claims and alike actions can be submitted and initiated. *LaIPA* can transfer User's personal data to the involved processors that provide accountancy, IT or other alike services. User has right to request information on personal data processed by *LaIPA*, right to request rectification or erasure of personal data or restriction of processing of personal data or to object to such processing, the right to data portability according to the exceptions and requirement provided in the applicable legal acts, as well as the right to lodge a complaint with a Latvian Data state inspection.

5.3. The Fee shall be calculated for each space (room) where Phonograms are used rather than by adding up the floor areas of the rooms.

5.4. *LaIPA* shall have the right to unilaterally make changes and/ or amendments in the amount of the Remuneration payable in accordance with the Copyright Collective Management Law and other laws and regulations of the Republic of Latvia, notifying the User and/ or User Representative Associations at least 1 (one) month in advance.

5.5. Invoices shall be prepared electronically and forwarded to the User's electronic billing email address specified herein. The electronic invoice shall be sent to the User within five (5) working days from the invoice date.

5.6. The Parties acknowledge and confirm that the electronically prepared invoices forwarded to the email address specified by the User shall have legal force and that they are binding on the User.

5.7. Where the User has not specified the email address for electronic billing purposes or refuses to receive invoices by email, invoices shall be prepared and forwarded to the User within five (5) working days from the invoice date to the correspondence (postal) address specified in the Agreement. A charge of EUR 2.50 (two euro and 50 cents) shall be added to cover for the costs of preparation of the invoices and posting them.

5.8. The first invoice LaIPA issues to the User as an advance payment invoice, including regarding the Permit for a new public performance place in accordance with Annex 2 to the Agreement and payment shall be made within 5 (five) business days from the invoice date. The permit shall be issued after payment of the invoice and is valid from the date of commencement of use of the Phonograms specified in the Agreement. All future invoices shall be paid up within 30 (thirty) days from the invoice date. Where the invoice is not paid by the said deadline, the User shall be notified of the outstanding invoice by a reminder. Should the User not make the payment against the outstanding invoice (arrears) within five (5) working days of the reminder date, the current amount of the Fee shall be increased by ten (10) percent due to the increase in the Fee related costs.

5.9. LaIPA shall have the right to authorise a third party to recover the debts without notifying the User thereof. The User shall compensate LaIPA for the full amount of all debt recovery expenses.

5.10. The User and LaIPA shall enter into a separate agreement for the use of Phonograms in any other manner beyond the scope specified in this Agreement (*Phonograms are used for public events or are broadcasted*).

## 6. Guarantees

6.1. In the event that the User has fulfilled the obligations laid down in this Agreement, however the performers or Phonogram producers bring their claims against the User stating that their rights to the Fee for the Use of Phonograms have been infringed, the said claims shall be handled by LaIPA.

## 7. Other provisions

7.1. The Parties shall resolve any such disputes arising in the course of performing the Contract, which may not be resolved by mutual negotiation, under the procedure specified in the laws and regulations of the Republic of Latvia.

7.2. Any variations of or additions to this Agreement shall be made in writing subject to mutual agreement between the Parties. Any such written deed shall become an integral part of this Agreement.

7.3. This Agreement shall come into force upon signing of the Parties, and it has been entered into for an indefinite term.

7.4. This Agreement shall expiry in the following cases:

7.4.1. If the User is being wound up, the Agreement shall be terminated as of the date of the registration of the winding-up. The User shall perform all the obligations owed by it to LaIPA that have accrued up to the date of the winding-up;

7.4.2. . In the event of the Licence being withdrawn from LaIPA and no other Licence to administer the Fee is issued to it, the Agreement shall expire as of the date specified in the decision on the withdrawal of the Licence. LaIPA shall notify the User within fourteen (14) days of the effective licence withdrawal date specified in the decision.

7.5. In the event of the occurrence of the events referred to in Clause 7.4.2 hereof, LaIPA shall refund the difference of the Fee for the period until the maturity date to the User, refunding the Fee attributable to the period from the effective licence withdrawal date specified in the decision.

7.6. The Agreement may also be terminated in the case if the User decides to discontinue using Phonograms; in which case the User shall notify LaIPA thereof under the procedure laid down in Clause 4.3 hereof. If the information is submitted past the fourteen (14) day notice period, the date of termination of the Agreement shall be the date of receipt of the written information from the User by LaIPA.

7.7. This Agreement with the annexes thereto is made on five (5) pages in English, in two (2) identical copies with equal legal effect. Each Party gets one (1) copy thereof.

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LaIPA

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User

**Annex 1**  
**Agreement for the Fee Payable to Performers and Producers of Phonograms**

The society "The Association of Latvian Performers and Producers", represented by \_\_\_\_\_, acting on the basis of \_\_\_\_\_ (hereinafter "LaIPA"), on the one part, and SIA \_\_\_\_\_ (hereinafter "User"), represented by \_\_\_\_\_ (given name) \_\_\_\_\_ surname \_\_\_\_\_, acting on the basis of \_\_\_\_\_, on the other part, (hereinafter individually referred to as "a Party" and jointly as "Parties" agree that the Fee referred to in the Agreement shall be calculated as follows:

<b>Shops, beauty salons, and other similar places appropriate for providing services to customers</b>			
<b>Background music broadcasted routinely</b>			
	Floor area (sq. m.)	(EUR)	(Period)
(*) Shops, hairdresser shops, beauty salons, solariums, customer service sites, etc. with one (1) Public performance site and space (room).	Up to 30 sq. m.	30	Per calendar year
	(*) No discounts apply to Users with one (1) Public performance site and one (1) room with a floor area up to 30 (sq. m.). In agreements with Users for one (1) Public performance site and one (1) room with a floor area of up to 30 sq. m. for the period of less than one calendar year, the rate of the Fee applicable to the floor area for up to 50 sq.m. may apply.		
	Floor area (sq. m.)	(EUR)	(Period)
The space that are suitable for providing services to customers in whole or in part, including cinema and theatre lobbies, swimming pools, sports centres, ice skating rings, etc.	(*) Up to 50	16.58	Per quarter
	51-100	24.87	Per quarter
	101-150	33.16	Per quarter
	151-200	41.45	Per quarter
	Over 200	8.29	For each of the next 50 (sq. m.)
For furniture stores and building materials stores with a floor area above 500 (sq. m.), the amount of the Fee can be reduced by 30 %. For car dealers' with a floor area above 500 (sq. m), the amount of the Fee can be reduced by 40%.			
<b>Background music broadcasted through outdoor loudspeakers</b>			
Per one (1) loudspeaker		EUR 9.95 per quarter	
<b>(*) Discounts</b>			
Number of Public performance sites	Discount rate (%)	Other discounts	
3-10	3	If the User makes payments against invoices once in the calendar half-year (6 months), a discount of 1 % shall apply; if the User makes payments against invoices once per calendar year (12 months), a discount of 2 (%) shall apply.	
11-20	4		
21-30	5		
31-40	6		
41-50	7	Full amount of the Fee: <i>Aizkraukle, Alūksne, Balvi, Bauska, Cēsis, Daugavpils, Dobeles, Gulbene, Jelgava, Jēkabpils, Krāslava, Kuldīga, Liepāja, Limbaži, Ludza, Madona, Ogre, Preiļi, Rezekne, Rīga, Jūrmala, Sigulda, Talsi, Tukums, Saldus, Valka, Valmiera, Ventspils.</i> <b>In other locations, the amount of the Fee is lower by 10 %</b>	
51-60	8		
61-70	9		
Over 70	10		

\_\_\_\_\_  
LaIPA

\_\_\_\_\_  
User

## Annex 2

to the Agreement for the Fee Payable to Performers and Producers of Phonograms, entered into between the society "The Association of Latvian Performers and Producers" (LaIPA) and  
 \_\_\_\_\_ on dd MM 20xx.

Public performance site (s)	
<b>Place and date:</b>	

No	Name of the Public performance site	Address of the Public performance site	Start date of the Use of Phonograms	The floor area (sq.m.) of the rooms where Phonograms are broadcasted	Number of outdoor loudspeakers	Most frequently used type and source of broadcasting of Phonograms (tick accordingly or specify the source)					
						CD, DVD	Computer, internet	Radio, TV	Other source (please specify)	Phonogram broadcasting (copying)	
1						<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Yes <input type="checkbox"/>	No <input type="checkbox"/>
										Yes <input type="checkbox"/>	No <input type="checkbox"/>
2						<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Yes <input type="checkbox"/>	No <input type="checkbox"/>
										Yes <input type="checkbox"/>	No <input type="checkbox"/>
3						<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Yes <input type="checkbox"/>	No <input type="checkbox"/>
										Yes <input type="checkbox"/>	No <input type="checkbox"/>
4						<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Yes <input type="checkbox"/>	No <input type="checkbox"/>
										Yes <input type="checkbox"/>	No <input type="checkbox"/>
5						<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Yes <input type="checkbox"/>	No <input type="checkbox"/>
										Yes <input type="checkbox"/>	No <input type="checkbox"/>

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 LaIPA

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 User