



SAZAS

**RULES ON
OPERATING
COSTS**

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At its meeting from 31 August 2023 and in accordance with the 6th indent of the first paragraph of Article 25 of the Collective Management of Copyright and Related Rights Act (Official Gazette of the Republic of Slovenia No. 63/2016 and 130/22, hereinafter: ZKUASP), the Assembly of Members of SAZAS (hereinafter: Society) adopted the following:

RULES

ON OPERATING COSTS

Article 1

These rules establish the method of managing the Society's operating costs. In addition, these rules establish how the Society's operating costs should be justified and documented.

Article 2

The provisions of these rules shall be observed in accordance with the provisions of the ZKUASP, the Copyright and Related Rights Act (hereinafter: ZASP), and the Statute of the Society (hereinafter: Statute).

Article 3

Operating costs are all costs incurred as part of appropriate and rational management of the Society and are an essential part of implementing the activities of the collective management of the copyright for musical works according to the permission issued by the Slovenian Intellectual Property Office.

Operating costs are the monetised consumption of business factors with which a suitable revenue is generated (collected royalties or compensations) or damages in the Society's operations are prevented.

Article 4

To determine whether the amount of the operating costs is justified, the measures from these rules shall apply.

Article 5

The Assembly shall define the maximum allowed percentage of operating costs in relation to royalties collected and revenues generated from bank deposits.

Article 6

The costs of the Society are divided into material costs, service costs, labour costs, depreciation costs, and other costs.

Article 7

The costs are divided according to the type of copyright, type of copyrighted works, and type of use.

Article 8

Operating costs are documented according to the title of the group of costs.

Article 9

The Management of the Society shall document and manage operating costs according to the rules of Slovenian Accounting Standards as they apply to societies, and according to applicable financial regulations.

Article 10

The Supervisory Board of the Society shall be responsible for monitoring operating costs.

Article 11

The annual supervision of operating costs shall be conducted by an authorized audit company as part of the audit of the annual report.

Article 12

The Society shall inform the rights holders on the content of these rules before starting copyright management.

Article 13

These rules become effective the day following their adoption at the Society's Assembly.

On the day when these rules enter into force, the Rules on Operating Costs adopted by the Society on 18 October 2017 cease to be valid.

Article 14

The Society shall publish these rules on its website.