

## The Law of Ukraine

### On Distribution of Copies of Audiovisual Works, Phonograms, Videograms, Computer Software, Databases

As amended by the Laws of Ukraine  
N 2122-III of December 7, 2000,  
Criminal Code of Ukraine  
N 2341-III, April 5, 2001,  
Law of Ukraine N 1098-IV of July 10, 2003

(This Law was stated in a new wording according to ~~Д~~

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#### Article 2. Definition of Terms

be reproduced exc  
with the help of one or another type of a screen (motion-picture screen, television screen, etc), where imp  
motions are visually reproduced with assistance of certain technical means. Audiovisual works include m  
pictures, television movies, video movies, film strips, sliding movies, etc, which can be fiction, animated  
non-fiction and others;

database (compilation of data) – a set of works, data or any other independent information in a free form, including  
in electronic form. Selection and placement of its component parts as well as sorting are results of creative work,  
whose component parts may be accessed individually and may be found with the help of special search engines  
based upon electronic facilities (computer) or other facilities;

videogram – videotape recording on a material carrier (magnetic tape, magnetic disk, laser disk, etc) of performance  
or any impression of motions (with sound accompaniment or without it), except for motions in the form of  
recording, which is a component part of audiovisual works. Videogram is a source material for producing copies  
thereof;

reproduction of copies – production of one or more copies of audiovisual work, phonogram, videogram, computer  
software, database in any material form, as well as their recording for temporary or permanent storage in electronic  
(including digital), optical or other form, processed by a machine;

reproducer – a legal entity or a natural person, who ordered reproduction or performed reproduction independently  
with the help of equipment that is in their ownership, possession or use;

vinyl disk – a disk produced from synthetic materials with surface covered by spiraling grooves (tracks) with sound  
recording;

importer of copies – a Ukrainian subject of entrepreneurial activity, that has purchased (including acquisitions with  
payments in non-monetary form) copies of audiovisual works, phonograms, videograms, computer software,  
databases from a foreign subject of entrepreneurial activity with or without importing them to the customs territory  
of Ukraine;



1. In order to obtain control stamps, entities mentioned in part one of Article 4 of the present Law (hereinafter – applicants) shall submit to the Institution:

- a) an application according to the established form;
- b) a copy of the statutes, statutory agreement (in cases envisaged by the legislation) – for legal entities;
- c) a copy of the certificate on state registration of the subject of entrepreneurial activity;
- d) a copy of the certificate on inclusion into the Unified State Register of Enterprises and Organizations of Ukraine (for legal entities) or on assignment of the identification code (for private individuals);
- e) the list of names of copies of audiovisual works, phonograms, videograms, computer software, databases according to the established pattern specifying works registered on these copies (in the language used for the original of a respective copy);
- f) a copy of the state certificate for the right to distribute and run audiovisual works – movies;
- g) a copy of an agreement on transfer (alienation) of property rights of authors and (or) subjects of related rights or agreements on transfer of the right to use audiovisual works, phonograms, videograms, computer software, databases through their reproduction and distribution of copies, starting from the agreement, according to which property rights of authors and (or) subjects of related rights or rights to use are transferred to Ukrainian territory, or starting from the agreement, according to which property rights of authors and (or) subjects of related rights and the right to use are transferred from primary subjects of copyrights and (or) related rights (in case these rights arose on Ukraine’s territory). The applicant shall submit copies of the above-mentioned agreements, as well as the original of the agreement, according to which the applicant is directly conferred property rights of authors and (or) subjects of related rights or the right to use audiovisual works, phonograms, videograms, computer software, databases. If agreements are concluded in a foreign language, their translations into Ukrainian shall be enclosed to the agreements. Translations should be verified according to the established procedure;
- h) a copy of the license for performing economic activity with introduction of holographic protection elements.

2. The application and copies of documents mentioned in part one of the present Article shall be verified: from legal entities – by a signature of the applicant’s official and the company’s seal, from natural persons – by personal signature of the applicant.

3. The original of the agreement, mentioned in clause “g” of part one of the present Article is returned to the applicant together with a written decision to issue or on refusal to issue control stamps.

It is prohibited to demand from the applicant documents and information not envisaged by part one of the present



## **Article 7. Payment for Obtaining Control Stamps**

For each control stamp the applicant shall pay a sum equal to 1% of tax-free minimum personal income.

It is prohibited to impose on and collect from applicants any other payments for issuance and use of control stamps.

Funds received from sale of control stamps are transferred to the special fund of the State Budget of Ukraine and are used for target purposes for production of control stamps and implementation of measures for ensuring their issuance.

## **Article 8. Labeling with Control Stamps**

1. Labeling of copies of audiovisual works, phonograms, videograms, computer software, databases with control stamps shall be performed by exporters, importers and reproducers of these copies before their distribution.

2. Imported copies of audiovisual works, phonograms, videograms, computer software, databases shall be labeled with control stamps after customs clearance on Ukrainian territory.

Copies of audiovisual works, phonograms, videograms, computer software, databases subject to export shall be labeled before their customs clearance for transportation over Ukraine's customs border or transfer to a foreign counteragent at the customs territory of Ukraine.

3. Each package of a copy of audiovisual works, phonograms, videograms, computer software, databases shall be labeled with one control stamp.

If a package, being an integral part of several different as to their content copies of audiovisual works, phonograms, videograms, computer software, databases or placed on several carriers parts of one audiovisual work, phonogram, videogram, computer software, database, it shall be labeled with one control stamp.

4. Purchase of a copy of audiovisual work, phonogram, videogram, computer software, database labeled with a control stamp shall not be considered as acquisition of rights to public performance, public show, public broadcasting, property lease, home or commercial run of the audiovisual work, phonogram, videogram, computer software, database recorded on this copy.

5. The following shall not be subject to labeling with control stamps:

1) copies, which include abstracts from audiovisual work, phonogram, videogram, demo versions of computer software and databases or abstracts from several audiovisual works, phonograms, videograms, in case recording was performed for advertising these audiovisual works, phonograms, videograms, computer software, databases and which shall be distributed for free;

2) works with audio or video recording of events of personal nature (family celebrations, etc), if such recording was performed in order to distribute them among the participants of these events;

3) copies of audiovisual works, phonograms, videograms, computer software, databases, which are transited through Ukraine's customs border;

4) copies of audiovisual works, phonograms, videograms, computer software, databases, if they were produced upon an order of a legal entity or a natural person (hereinafter – client), subject of entrepreneurial activity, that



Entities guilty of illegal distribution of copies of audiovisual works, phonograms, videograms, computer software, databases shall be brought to civil, administrative and criminal account in accordance with the law.

### **Article 12. Control over Implementation of the Present Law**

The Institution shall exercise control over implementation of the present Law through scheduled and non-scheduled examinations of entities engaged in distribution of copies of audiovisual works, phonograms, videograms, computer software, databases by state inspectors in the field of intellectual property. Control shall be exercised according to the procedure set forth by the Cabinet of Ministers of Ukraine.

In case of revealing distribution of copies of audiovisual works, phonograms, videograms, computer software, databases not labeled with control stamps or labeled with control stamps with series and (or) numbers not corresponding to the data entered to the Unified Register of Recipients of Control Stamps or they contain information, which does not correspond with the name of a respective copy, state inspectors in the field of intellectual property shall confiscate such copies.

**President of Ukraine**

**L. Kuchma**

**Kyiv  
March 23, 2000  
N 1587-III**