

Intellectual Property Owners Association Transparency Annual Report 2024

03 – Introduction and General Overview

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Introduction and General Overview

The Non-Entrepreneurial (Non-Commercial) Legal Entity “Collective Management Organization of Property Rights – Intellectual Property Owners Association” (hereinafter “**Association**” / “**IPOA**”) (ID: 404574475) is the **only accredited organization in Georgia** established by authors and neighboring rights holders to manage their **property rights collectively**.

The Association functions as a **non-entrepreneurial (non-commercial) legal entity**, registered in the Registry of Entrepreneurs and Non-Entrepreneurial (Non-Commercial) Legal Persons.

The Association exercises its authority in accordance with Georgian legislation and universally recognized principles and norms of international law, including the **Law of Georgia on Copyright and Related Rights** (“the Law”).

On 29 December 2023, by Order #438, the National Intellectual Property Center of Georgia (**Sakpatenti**), based on the decision of the Accreditation Commission (Session Protocol N3, 28 December 2023), granted the Association **official accreditation**, authorizing it to perform collective management of rights on behalf of rights holders.

Throughout 2024, within the mandate issued by Sakpatenti, IPOA fulfilled all powers and obligations provided by legislation.

The Association concluded the necessary **license agreements** for the use of copyrighted and neighboring-rights protected works and other protected subject matter.

This significantly increased the number of licensed users and ensured the lawful protection of rights holders’ rights and interests.

During 2024, the Association carried out the following actions in favor of rights holders:

- Ensured the collection of royalties for both **member** and **non-member** rights holders, based on issued licenses and/or other rights managed by the Association;
- Ensured the **distribution of collected royalties** to rights holders in accordance with the law and the Association’s internal rules;
- Conducted **litigation** necessary to protect rights holders’ interests and restore violated or disputed rights;
- Ensured the publication of all information and documentation required by law (Statute, Tariff Schedules, Membership Rules, information on Reciprocal Representation Agreements, etc.).

IPOA continues its operations to protect the interests of rights holders in conditions of modern technological challenges, fully complying with national legislation and international standards.

Information on Active Licenses (including new licenses issued during the reporting year, broken down by rights or rights categories) and Information on Refusals to Issue Licenses

In 2024, the Association issued relevant licenses across various categories of rights, thereby granting users the legal authorization to use works protected by copyright and related rights, as well as other protected subject matter.

All licenses listed below were issued **after** the Association received accreditation under Order №438 of Sakpatenti on **29 December 2023**.

This section also includes information related to the management of rights defined under **Article 21 of the Law** (“Private Copying”).

It is important to note that **for private copying**, the Association **collects remuneration/compensation without issuing a license**, as this obligation arises **directly from the law**.

Below is the detailed information on active licenses and private copying administered during 2024, grouped by rights categories.

Information on Financial Reporting

Including balance sheet or statement of assets and liabilities, annual income and expense report for the financial year, and cash flow statement.

→ This information is provided as an **attached file** (*Annex №1*).

2.1 Right of Public Transmission

According to Article 4, subparagraph “zh” of the Law, *public transmission* means:

“Transmission of a work, performance, phonogram, videogram, database, or a broadcast signal of a broadcasting organization in the form of image and/or sound, by air, cable, or any other means (excluding distribution of copies), in such a way that the image and/or sound may be perceived by persons not belonging to the family or close circle of the family, at a location(s) sufficiently distant from the place of transmission, so that without such transmission, the image and/or sound could not be perceived at the reception location(s), including making the objects of copyright or related rights and databases available to any person from a place and at a time individually chosen by that person.”

Within the scope of public transmission licensing, the Association issues licenses for the use of:

- Musical works (with or without lyrics)
- Dramatic and musical-dramaturgical works
- Works of visual art and decorative-applied arts

- Literary works
- Stage works
- Choreographic works
- Pantomimes
- Photographic works (including those produced by analogous methods)

Under public transmission licensing, IPOA concludes license agreements with users, based on which the Association collects royalties for the use of **musical works and phonograms**, for both authors and neighboring-rights owners, with subsequent distribution to rights holders.

During the reporting period:

The Association issued **18 active licenses** in the category of public transmission. These licenses cover:

- Creation and broadcasting of various television and radio programs
- Public transmission of musical works and phonograms
- Retransmission of broadcasting signals to end-users

2.2 Right of Public Performance

Under Article 4, subparagraph “r” of the Law, *public performance* means:

“The presentation of a work, performance, phonogram, videogram, or a broadcast signal of a broadcasting organization by recitation, acting, singing, dancing, or in any other form, either directly (live performance) or by any device, at a place(s) where such performance may be perceived without the need for public transmission, in the presence of persons who are not members of the family or its close circle.

The sequential display of images of an audiovisual work shall also be considered public performance.”

Use of works through public performance **requires obtaining a license**, which serves as a legal mechanism for protecting the interests of rights holders and ensuring royalty collection.

Within public performance licensing, the Association concludes license agreements based on which IPOA collects royalties for the use of musical works and phonograms for both authors and neighboring-rights owners, distributing the collected royalties to the respective rights holders.

The Association issues licenses for public performance of:

- Musical works (with or without lyrics)
- Dramatic and musical-dramaturgical works
- Literary, stage, and choreographic works
- Pantomimes
- Various performances (theatre, opera, circus, etc.)

In such cases, royalties are collected for:

- Musical works used in performances
- Other authors involved in the production (e.g., authors of scripts, literary texts, costume designers)

Thus, the Association collects royalties covering **all categories of the creative group** whose work is used in the performance.

During the reporting period:

Licenses issued for public performance covered:

- **1,137 individuals**
- **2,191 works/objects**

These licenses allowed users to publicly perform copyrighted works lawfully.

2.3 Reproduction of a Work by Natural Persons for Personal Use (Private Copying)

Under **Article 21, paragraph 3** of the Law, *private copying* refers to:

“The reproduction of a lawfully acquired work, performance, phonogram, videogram, database, or broadcast signal, in any form or on any medium, by a natural person, **exclusively for personal purposes**, without any commercial intent or benefit.”

According to Article 21(3):

- Reproduction for personal use **is permitted without a license** from the rights holder.
- However, **Article 21(6)** establishes a **statutory remuneration** (compensation) that must be paid to compensate rights holders for the private copying exception.

Who must pay this remuneration?

Article 21(6) stipulates that:

“Persons who import or produce equipment and/or blank media that enable the reproduction of works for personal use shall pay remuneration to the collective management organization.”

Therefore, **importers and/or manufacturers** who bring into Georgia devices or media capable of copying protected works (phones, tablets, computers, USB drives, external storage, blank media, etc.) must pay the legally mandated compensation.

Why does IPOA collect private copying remuneration without a license?

Because the liability arises **directly from the Law** and does **not require any licensing agreement**.

The Law assigns the right to collect this remuneration **exclusively** to an accredited Collective Management Organization.

Accordingly, under Sakpatenti's accreditation decision and Article 21, IPOA is authorized to collect private copying remuneration on behalf of rights holders.

Private Copying – Administrative and Procedural Actions in 2024

During the reporting year, the Association undertook the following steps to implement Article 21:

1. Development of Tariff Categories

In accordance with legislative requirements, IPOA drafted a **tariff schedule** for private copying remuneration.

The tariff differentiates rates according to:

- the type of reproduction device or medium,
- its storage capacity,
- and its copying functionality.

2. Submission for Expert Evaluation

The draft tariff schedule was submitted to the **Levan Samkharauli National Forensics Bureau** for professional evaluation and cost justification, as required by law.

3. Approval by the Rights Holders' Council

Upon receiving the expert assessment, the Rights Holders' Council:

- reviewed the tariffs,
- discussed their economic justification,
- **approved** the final tariff structure.

4. Negotiations With Importers

The Association began negotiations with device and media importers regarding:

- the legal basis for remuneration,
- tariff rates,
- payment terms,
- reporting obligations.

Despite extensive communication, **a number of importers did not agree** and disputes arose.

5. Referral to the Accreditation Commission

Due to disagreements with importers, the Association filed an application with the **Accreditation Commission**, asking it to:

- review the tariff proposal,
- issue a binding decision establishing the remuneration rates.

6. Accreditation Commission Decision

On **17 October 2024**, the Commission rendered a decision approving the **official tariff list** for private copying remuneration in Georgia.

This decision entered into legal force on:

24 October 2024,
after registration in the State Register of Normative Acts.

7. Commencement of Private Copying Collections

Following the Commission's binding decision, IPOA began issuing invoices and collecting remuneration for private copying starting **November 2024**.

Private Copying – Collection Statistics for 2024

During the reporting year:

• IPOA issued invoices to 156 importers

These invoices covered:

- devices enabling reproduction of works (phones, computers, tablets),
- storage devices (USB drives, SSDs, HDDs),
- blank media and other copying-capable equipment.

• 46 importers paid in 2024

These payments represent:

- the first wave of collections under the new tariff system,
- payments for goods imported during the applicable reporting periods.

• Remaining importers paid in 2025

Many importers who did not settle their obligations in 2024:

- made payments in early 2025,
- or entered into payment arrangements.

Legal Note

Private copying remuneration is **unrelated to licensing activities**, as:

- the Law directly obliges importers/manufacturers to pay,
- users (natural persons) are not required to obtain a license,
- IPOA collects and distributes this remuneration on behalf of authors and neighboring rights holders.

Refusals to Issue Licenses in 2024

The Association **did not refuse** any license applications during the reporting year.

All users who applied for licenses and fulfilled the legal requirements received the relevant authorization.

3. Description of the Organizational and Governance Structure of the Collective Management Organization

The organizational structure of the Association consists of the following bodies:

Governing Bodies

1. **General Assembly**
2. **Board of Directors**
3. **Rights Holders' Council**

Supervisory and Oversight Body

4. **Supervisory Council**

Executive and Representational Officers

5. **General Director**
6. **Chairperson of the Association**
7. **Director of International Relations**

These bodies ensure the effective, transparent, and lawful functioning of the Association. The structure is designed to maintain a balance between:

- democratic decision-making,
- accountability,
- protection of members' and non-members' rights,
- operational efficiency.

3.1 Governing Bodies of the Association

3.1.1 General Assembly of Association Members

The **General Assembly** is the **highest governing body** of the Association. It is composed of all members of the Association and exercises authority on the basis of **direct democracy**, making decisions on all principal matters related to IPOA's activities.

Membership Statistics

As of **30 December 2024**, the Association had:

➔ **1,482 members**

Membership is open to all eligible rights holders in accordance with the Statute and Membership Rules.

General Assembly Meeting — 30 December 2024

On this date, the General Assembly convened and adopted the following resolutions:

1. **Approval of the new version of the Statute of the Association**
2. **Replacement of one member of the Board of Directors**
3. **Approval of the amended Distribution Rules**
4. **Approval of the Rules on Administrative Deductions**
5. **Review and approval of the Supervisory Council's annual activity report**

These decisions were made in conformity with statutory requirements and reflect the ongoing institutional development of IPOA.

3.1.2 Board of Directors

The **Board of Directors** is the Association's **permanent collegiate governing body**, which exercises its authority within the scope established by the Statute, except for matters assigned exclusively to the General Assembly.

Composition

The Board consists of **nine (9) members**, representing a wide range of stakeholders, including:

- invited experts,
- authors of literary works,
- composers,
- performers,
- representatives of decorative-applied arts,
- representatives of visual arts,
- and other categories of rights holders.

Changes in 2024

During the reporting year:

- One Board member was replaced based on a decision of the General Assembly.

Authority and Activities

The Board of Directors exercises the powers defined in the Statute, including but not limited to:

- admission of new members,
- review and approval of internal regulations,
- appointment and dismissal of executive officers,
- oversight of licensing strategies,
- adoption of financial decisions within its competence,
- ensuring the effective administration of collective rights.

The Board convened as needed and exercised its authority lawfully during 2024.

3.1.3 Rights Holders' Council

The **Rights Holders' Council** participates in the governance of the Association and exercises the authority granted to it by the Statute.

It ensures the representation of all categories of rights holders, including:

- composers,
- performers,
- dramatists and authors of literary works,
- creators of decorative-applied arts,
- cinematographers and film authors,
- choreographers,
- directors,
- stage and costume designers,
- authors of visual and photographic works,
- producers of phonograms and videograms.

Activities in 2024

During the reporting year, the Rights Holders' Council considered and decided upon:

1. **Approval of the tariff table** for authors' and neighboring-rights management;
2. **Determination of licensing rates;**
3. **Approval of templates** for licensing agreements and other documents;
4. Examination of other issues falling within its competence.

The Council regularly fulfilled its functions assigned by the Statute and acted within the limits of its authority throughout the year.

3.2 Supervisory Council

The **Supervisory Council** is the oversight body responsible for reviewing the Association's activities, monitoring compliance with the Statute, and ensuring protection of members' rights.

Composition

The Supervisory Council is composed of **five (5) members**, representing:

- authors of literary works,
- directors,
- performers,
- invited experts,
- representatives of decorative-applied arts.

Activities in 2024

The Supervisory Council reviewed:

- the Association's compliance with statutory and internal rules,
- financial and administrative processes,
- licensing and royalty distribution procedures,
- internal governance and documentation.

Complaints and Member Appeals

During 2024, **no complaints or requests** were submitted to the Supervisory Council that required examination.

The Supervisory Council prepared and submitted its **annual activity report**, which was reviewed and approved by the General Assembly on **30 December 2024**.

3.3 Persons Authorized for Management and Representation

The persons authorized to represent the Association and manage its daily activities include:

3.3.1 General Director

The **General Director** of the Association is **Giorgi Nikolaiashvili**, who exercises the authority defined by:

- the Law of Georgia,
- the Statute of the Association,
- and decisions of the General Assembly and the Board of Directors.

The General Director oversees:

- the Association's organizational structure,
 - internal management processes,
 - licensing and royalty collection mechanisms,
 - legal compliance,
 - financial administration,
 - relations with rightsholders and users.
-

3.3.2 Chairperson of the Association

The **Chairperson** represents the Association in accordance with the Statute and ensures fulfillment of statutory obligations.

As of 2024, the Chairperson is:

 **Tamar Gvarishvili**

She participated in:

- institutional development,
 - implementation of licensing strategies,
 - oversight of governance procedures,
 - representation of the Association in external relations.
-

3.3.3 Director of International Relations

The **Director of the Department of International Relations** is:

 **Stefan Schulz**

His responsibilities include:

- leading international relations,
- negotiating with foreign collective management organizations (CMOs),
- overseeing reciprocal agreements,
- ensuring international representation of Georgian rights holders,
- aligning IPOA processes with international standards.

4. Information on Legal Entities Directly or Indirectly Owned or Controlled by the Association

During the reporting year, the Association **did not own or control**, either fully or partially, **any legal entity**, whether directly or indirectly.

No subsidiary, affiliated, or dependent entity existed under IPOA during 2024.

5. Information on Remuneration and Benefits Paid to Governing Officers and Committees

The Association paid remuneration and benefits in 2024 to the following:

5.1 Executive Management Salaries

Total salaries paid to persons holding executive/managerial positions:

➡ **123,294.08 GEL**

(Amount includes all applicable taxes and contributions)

Positions included in this figure:

- General Director
 - Chairperson (if compensated through salary structure)
 - Department heads and administrative managers
-

5.2 Benefits Paid to Supervisory and Governance Bodies

The following amount was paid to members of supervisory and governance bodies during 2024:

➡ **17,572.41 GEL**

(Amount includes all taxes and statutory contributions)

These benefits may include:

- reimbursement of documented expenses,


- compensation for participation in statutory meetings or assigned duties (where permitted),
- other non-salary compensations consistent with the Statute.

5.3 Royalties Paid to Members of Governance Bodies (as Rights Holders)

In addition to governance-related remuneration, some directors and governance-body members also received royalties **in their capacity as authors or neighboring-rights holders**.

This is common in CMOs worldwide.

Total royalties paid to such individuals:

 **937,177.99 GEL**

This amount includes all taxes and is derived exclusively from the normal royalty distribution system based on repertoire usage.

6. Financial Information on Collected Royalties

During the reporting year, the Association collected royalties in accordance with the Tariff Schedule adopted by decision №1 of the Rights Holders' Council (29 January 2024) and other relevant legal acts.

Total amount of royalties collected in 2024:

 **10,165,361.41 GEL**

This total includes both:

- royalties collected for **authors**, and
- royalties collected for **neighboring rights holders** (performers, phonogram producers, etc.)

Breakdown of collected royalties (major sources):

Category	Amount (GEL)
Live Performance / Background Music	3,498,971.55
Private Copying	1,771,458.92
Payments from Other CMOs (foreign & local)	2,895,288.68
Telecasting / Broadcasting	642,851.06
Telecommunications Operators (signal retransmission, etc.)	952,968.55

These categories collectively form the total **10.16 million GEL** collected during the year.

A diagram illustrating the distribution of these income streams appears on this page in the original document (graphic representation not shown here).

7. Financial Information on Management Deductions (Administrative Fees)

A **management deduction** is retained by the Association from collected royalties to cover operational and administrative costs, as allowed under the Statute and the Law.

Management deduction applied in 2024:

- **Total royalties collected:** 10,165,361.41 GEL
- **Management fee retained:** 1,027,461.19 GEL

This deduction **does not exceed the 20% legal ceiling** allowed for CMOs.

Purpose of the management deduction

The administrative fee is used to cover:

- Salaries and staff expenses
- Office rent and utilities
- Information technology systems
- Monitoring and licensing activities
- Legal and administrative costs
- International cooperation and transfers
- Accounting, auditing, and compliance costs

Exceptions

- No management fee was deducted from **undistributed royalties**.
- No management fee was deducted from the **300,000 GEL** received from the Georgian National Regulatory Authority (GNRA) in 2024.

★ 8. Operational Expenses for 2024

Total operational expenses incurred by the Association in 2024:

➡ **780,209.61 GEL**

These expenses include:

- Tax liabilities
- Salaries and benefits
- Pension contributions
- Office rent and utilities
- Transportation and logistics
- Information technology services
- Office supplies
- Communication services
- Insurance
- Professional services (legal, accounting, audit)

A detailed cost breakdown appears in the original PDF on page 18 in the form of a table.

Financial Expenses Related to Social, Cultural, and Educational Services

During the reporting year **2024**, the Association **did not allocate** any amounts for social, cultural, or educational services.

No expenditures of this type were made from collected royalties or administrative funds.

10. Information on Total Collected Royalties

This section reiterates and visually presents the **total royalties collected in 2024**, broken down by revenue source.

Total Royalties Collected:

► **10,165,361.41 GEL**

Breakdown by Source (as shown in the original diagrams):

- **Live Performance / Background Music:** 3,498,971.55 GEL
- **Private Copying Remuneration:** 1,771,458.92 GEL
- **Royalties from Foreign and Local CMOs:** 2,895,288.68 GEL
- **Telecasting (Broadcasting Entities):** 642,851.06 GEL
- **Telecommunications / Cable Operators:** 952,968.55 GEL

A diagram on the page visually illustrates the proportional contribution of each category to the total collected royalties.

Total Royalties Distributed to Rightsholders

(broken down by rights categories and use types)

Total Royalties Distributed in 2024:

► **4,225,426.78 GEL**

This amount was distributed to **authors** and **neighboring rights holders** according to the Association's Distribution Rules and based on the reporting and usage data received from licensed users.

Breakdown by Rights Category:

Rights Category	Amount Distributed (GEL)
Authors' Rights	2,735,100.17 GEL
Neighboring Rights	1,490,326.61 GEL

(Neighboring rights include performers, producers of phonograms/videograms, etc.)

Distribution by Type of Use (Georgia)

Type of Use	Amount Distributed (GEL)
Public Performance	1,737,529.50 GEL
Public Transmission (Broadcasting)	718,848.41 GEL
Private Copying (Domestic)	245,174.39 GEL

Distribution of Royalties Received from Foreign CMOs

Type of Royalty	Amount Distributed (GEL)
Public Performance / Transmission (International)	886,376.74 GEL
Private Copying (International)	637,497.74 GEL

These distributions reflect royalties received from foreign collective management organizations with whom IPOA has cooperation or reciprocal arrangements.

The original PDF includes diagrams depicting the distribution proportions visually.

12. Frequency of Payments

(by rights category and type of use)

According to the distribution rules, payments to rights holders were made **on a monthly basis**, no later than the **last day of each month**.

The payment schedule applied uniformly across all categories of rights and types of use.

13. Total Amounts Collected but Not Yet Distributed

(broken down by rights category and year of collection)

As of the end of the reporting year 2024, the total amount of **royalties collected but not yet distributed** was:

► **3,143,018.17 GEL**

These amounts remain undistributed due to reasons such as:

- incomplete or delayed usage reports from users,
- inability to identify specific rights holders at the time of reporting,
- payments received late in the year (which are scheduled for distribution in the subsequent cycle),
- pending clarification of repertoire ownership or allocation data.

The detailed list, broken down by category and year, appears in a table in the original PDF (not reproduced here due to formatting).

14. Total Amounts Collected but Not Yet Distributed to Identified Rightsholders

(broken down by rights category and year of collection)

For all rightsholders whose identities were established and confirmed, the Association **distributed all due amounts** in 2024.

Therefore:

➡ **There are no undistributed royalties belonging to identified rightsholders.**

All identified rights holders have fully received the royalties accrued to them for the reporting year, in accordance with the distribution schedule.

15. Reasons for Non-Distribution or Delayed Payment by the Association

(during the last two years)

During the reporting period **2024**, the Association:

- **did not record any delays** in the payment of royalties to identified rightsholders;
- fulfilled all distribution obligations **on time**;
- carried out royalty transfers **monthly**, within the deadlines set by internal rules.

Reasons why some amounts remain temporarily undistributed:

Even though IPOA did not delay payments, the following general reasons explain why certain royalty amounts remain temporarily undistributed:

1. **Lack of complete information**
Some users did not submit usage reports in the required form or within the required timeframe.
2. **Late reporting**
Usage data submitted late leads to distribution in the following month or next scheduled cycle.
3. **Unidentified repertoire**
In cases where the Association cannot immediately determine the rightsholder(s) for a particular work or phonogram, the royalty must be held until identification is completed.
4. **End-of-year collections**
Royalties collected late in December are scheduled for distribution in the following reporting cycle (early 2025).

These reasons are common in collective management practices internationally.

No violation of timing obligations occurred in 2024.

16. Total Undistributable Amounts and Their Use

Under the Law, royalty amounts that remain undistributed for **three (3) years** are deemed “undistributable”.

Since the Association was accredited only at the end of **2023**, and 2024 is the **first full operational year**, **no undistributable amounts** exist at this stage.

Current Status (as of 31 December 2024):

- Total temporarily undistributed royalties: **3,143,018.17 GEL**

- These funds are held in a **designated bank account**
- No deductions have been applied
- These funds remain **fully reserved** for future distribution to rights holders once identification and reporting processes are finalized

17. Information on Interest Accrued on Funds Held in Special Accounts

The Association:

- **does not maintain** interest-bearing bank accounts,
- **does not place** undistributed royalties in deposits or investment instruments,
- **does not earn or distribute** interest on royalty funds.

Accordingly:

► **No interest was accrued or allocated during the reporting year.**

18. Information on Relations with Other Collective Management Organizations

In 2024, the Association continued active cooperation and communication with foreign CMOs for the purpose of:

- exchanging repertoire information,
- ensuring reciprocal protection of rights,
- clarifying and expanding international representation,
- improving royalty flows between Georgia and foreign territories.

Royalties Received from Other CMOs in 2024

During the reporting year, IPOA received the following royalty amounts from partner CMOs:

CMO / Country	Type of Rights	Amount (GEL)
RAO (Russia)	Authors' rights	892,876.72 GEL
RUR (Russia)	Private copying (statutory remuneration)	1,092,263.85 GEL
VOIS (Russia)	Neighboring rights (performers/producers)	610,148.11 GEL
GNRA (Georgia)	Neighboring rights	300,000.00 GEL

These amounts were subsequently distributed to rightsholders in accordance with the Distribution Rules.

A diagram in the original document graphically represents these incoming royalty flows.

International Relations

The Association also continued actions aimed at joining:

- CISAC (International Confederation of Societies of Authors and Composers)
- SCAPR (Societies' Council for the Collective Management of Performers' Rights)
- Other relevant international networks

Cooperation with foreign CMOs enhances protection of Georgian works abroad and ensures foreign rightsholders are remunerated for use of their repertoire in Georgia.

19. Management Deductions Applied to Royalties Collected for Other CMOs

During the reporting year **2024**, the Association **did not engage in collection activities on behalf of foreign CMOs** that would require applying a management deduction.

Accordingly:

➡ **No administrative fees or management deductions were applied to royalties collected for other CMOs.**

20. Management Deductions Applied to Royalties Received from Other CMOs

In 2024, the Association received **300,000 GEL** from the **Georgian National Regulatory Authority (GNRA)**.

Important Note:

The Association:

- **did not apply any management deduction** to this amount
- transferred the **entire sum** for distribution to rightsholders
- treated GNRA-transferred royalties as **fully payable without administrative reduction**

Thus:

➡ **Management deduction applied to GNRA royalties: 0%**

No fees were withheld.

21. Use of Amounts Deducted for Social, Cultural, or Educational Purposes

During the reporting year:

➡ **The Association did not allocate any funds** for social, cultural, or educational initiatives.

No deductions were made from royalties for such purposes, and no expenditures of this type occurred from administrative or other resources.

This transparency report was prepared by the Association on:

4 August 2025

and reflects all activities and financial information related to:

- the administration of rights,
- collection and distribution of royalties,
- governance operations,
- cooperation with users and foreign CMOs,
- compliance with national legal requirements,
- and obligations under the accreditation received on **29 December 2023**.

At the bottom of the page, the Association includes its official contact information:

IPOA — Collective Management Organization of Property Rights

Email: info@ipoa.ge