

January 12, 2021

Dear All,

My name is Lee Johnson. I'm the Executive Vice President of Navarr Enterprises Inc and one of its founding members. Here below I will respond to all of the lies and baseless claims AMUS has asserted in its recent letter (their words are in blue font).

First of all, we would like to point out that AMUS has a license from the Institute for Intellectual Property of Bosnia and Herzegovina for the collective exercise of copyright and related rights, so that it has not lost its monopolistic position as long as that is the case.

The supreme court of Bosnia has clarified that AMUS does NOT have a monopoly, hence this is an ridiculous assertion for AMUS to make at this moment in time.

The Supreme Court of the Republika Srpska passed a verdict without determining which musical works were in question, which authors were involved, whether these authors submitted the necessary documentation transferring a right to Limun doo, when and in what way Navarr Enterprises, Inc. reportedly informed AMUS, and whether Navarr Enterprises Inc. at all, exists and operates in what capacity, bearing in mind that according to our research the said legal entity has ceased to exist and it has not been determined whether it has a legal successor.

This is not true, Navarr Enterprises has been in existence and in good standing since 2006 ([see Florida Corporations website references here](#)). Further, Navarr Enterprises Inc is the continuation of an early company which was started in 1996 as a web site and server hosting company which started the AudioSparx website in 2000 and subsequently sold the web site and server hosting business to focus strictly on music and sound effects licensing in 2006.

Navarr Enterprises, Inc. never informed AMUS to start work as stated in the judgment of the Supreme Court of the Republika Srpska, especially not in the manner regulated by the Law on Collective Realization of Copyright and Related Rights (Sl. glasnik BiH no. 63/10), nor did he submit evidence for hundreds thousands of songs from performers from all over the world that he allegedly represents, and it remains completely unclear how the Supreme Court of the Republika Srpska made such a conclusion and presented it in its verdict.

Navarr Enterprises Inc has no obligation under Bosnian law to document to AMUS the validity of the music licenses we have in effect with over 7,000 rightsholders around the world starting from the year 2000. This is an obstructionist viewpoint wherein AMUS would solely seek to find fault in our licensing practices and documentation to strive to prevent Navarr Enterprises Inc from direct-licensing music rights in Bosnia and competing with AMUS. As a result of AMUS's interference in our lawful commerce LIMUN sued AMUS in court and defeated them. This speaks volumes about

the state of affairs.

AMUS represents all authors and makes payments to foreign collecting societies on the basis of primarily international legal norms, its membership in CISAC and finally on the basis of the provision of Article 18 of ZKOASP. It remains unclear to whom Limun d.o.o. Banja Luka pays, whether there is an obligation to submit lists of broadcast works or how the distribution is done, it is not clear to anyone where and to whom the money allegedly collected for the use of copyright music works or services goes. Limun d.o.o. According to what has been seen so far, Banja Luka can be viewed only as a legal entity whose main purpose is to make a profit through its activities, which is contrary to the principles of collective exercise of copyright and related rights and its purpose.

LIMUN pays Navarr Enterprises Inc for earnings achieved in Bosnia, and then Navarr Enterprises Inc pays the rightsholders whose music has been licensed and played in Bosnia. Again, this is an obstructionist perspective wherein AMUS seeks to question our normal and lawful licensing operations with the sole intent being to interfere with our commerce and prevent us from competing against them. Navarr Enterprises Inc has been operating now for 25 years (for the first 10 years under another company name) and in these 25 years, we have not once been sued in court for any reason, and have consistently paid the thousands of music artists whose music we represent on a timely basis each calendar quarter for the accumulated earnings we have achieved for them. This does not happen accidentally, it takes a lot of deliberate work, precise financial management, and consistent ethical practices to operate in this way for 25 years and not get entangled in lawsuits as a defendant.

One cannot just come and present oneself to represent a part of the authors and their repertoire, in order for that to happen it is necessary through documentation that was never submitted by the company that deals with it, as well as part of the documentation from foreign collecting societies will indisputably confirm that they are excluded from the collective exercise of copyright.

Navarr Enterprises Inc is a registered publisher entity at ASCAP, BMI, SESAC, and SoundExchange in the US. AMUS may feel free to reach out to the senior representatives at these music societies in the US to ascertain that we are a publisher member in good standing and communicate on a regular basis with these companies to report all the venue locations at which we direct-license our music repertoire. Here are the senior contacts for the US composer societies in case AMUS has not yet ever bothered to attempt to reach out to the US societies to ascertain the reality of the situation:

<p>ASCAP Zachary Horwitz International Direct Licensing zhorwitz@ascap.com Tel: 212 621-6116 Fax: 212 769-3291</p>	<p>BMI Wes Wooden Director, International Administration wwooden@bmi.com Phone: (615) 401-2498 Fax: (615) 401-2759</p>	<p>SESAC Scott Jungmichel Vice President SJungmichel@SESAC.com Tel: 615-320-0055 Fax: 615-963-3535</p>
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In any event, it is not up to the US societies to bless our direct-licensing commerce. On the contrary, it is Navarr Enterprises Inc who in fact licenses hundreds of thousands of music works to the US societies on a non-exclusive basis for their monetization on TV, the Internet, etc. Our license to the US societies is strictly non-exclusive and therefore they have no ability to license our repertoire to any foreign societies on an exclusive basis. Further, the US societies provide and preserve for their composer and publisher members – as they are legally required to do under US law – the ability to direct-license their music works to clients in the US as well as in all foreign countries where it is permitted to do so under the laws of the various foreign countries. Bosnian copyright law makes crystal clear that direct-licensing of music rights is perfectly valid and that collective management is NOT mandatory for an application such as RadioSparx.

[AMUS is currently conducting hundreds of court proceedings before the courts in BiH, and court decisions in 99.99% are in favor of AMUS in both first and second instance courts.](#)

Clearly AMUS's strategy is to try to impede competition by asserting improper and baseless claims of having a monopoly in Bosnia, and by intimidating and extorting clients in Bosnia with threats of lawsuits and absurd charges of criminal conduct. This is entirely unsupported by Bosnian copyright law, and is utterly disgraceful. Such actions only serve to limit market opportunities for independent music artists and composers and harm the overall music business by driving up costs for companies such as ours and LIMUM to have to fight in court to preserve our ability to operate and provide useful and creative music solutions.

[Here, first of all, we want to point out that some users have a license with the company Limun d.o.o. Banja Luka, all these proceedings were resolved in both the first and second instance proceedings in favor of AMUS, which can be easily verified. We have this situation because many users enter into a contract with the company Limun d.o.o. Banja Luka, and in their facilities they have either a television or publicly broadcast original musical works that belong to the repertoire represented by AMUS, all because the fees are much lower.](#)

While AMUS won in the first and second court instances, clearly the law was NOT interpreted correctly by these lower courts, and this was clarified by the Supreme court in its rightful decision finalizing this confrontation in favor of Navarr Enterprises Inc (dba RadioSparx) and LIMUN. The Supreme court's decision is entirely in line with a plain reading of Bosnian copyright law that every person can easily see by simply reading the terms of the copyright law. It's not that complicated.

[By posting like this, you are misleading many users so that some will stop paying AMUS which will result in litigation whose costs will be borne by the facility owners.](#)

See? Here again they are continuing with their disgraceful threats of litigation.

[You failed to mention that the company Dorian after the verdict of 04.12.2018. concluded a](#)

contract with AMUS.

We have no obligation to point out the shortcomings of any other company's failing legal strategies. Just because some other company lost against AMUS does not in any way invalidate the rightful arguments presented in court by LIMUN.

AMUS absolutely still stands behind the fact that Limun d.o.o. by its actions related to copyright it acts illegally! Limun d.o.o. when he advertises that he has resolved all copyrights with the authors he lies to his users. When it takes money from its users for copyright, without a valid legal basis, Limun d.o.o. defacto steals from its users, while providing them with nothing in return, in a copyright sense.

This is an entirely baseless claim which has no grounding in reality, and is a hollow accusation without any knowledge of the facts in an attempt to smear LIMUN and Navarr Enterprises Inc as bad actors, when in reality it is LIMUN and Navarr who are helping thousands of independt artists and composers to increase their earnings in a difficult and highly competitive business (music) and during an incredibly difficult period of history (due to the pandemic). Further, AMUS's refusal to accept and respect the decision of the Supreme court of Bosnia is highly disrespectful and shameless and reflects the lawless and criminal nature of AMUS's extortive and destructive operational means and methods.

Any user who concludes a contract with the legal entity Limun d.o.o. for the use of music through the "music service", and who pays money to the legal entity Limun d.o.o. and subsequently uses music, does not use music with a valid legal license and therefore acts illegally and potentially criminally.

The Supreme court of Bosnia has clarified once and for all that this is absolutely not the case. AMUS needs to respect the court's decision and stop making these outrageous claims and stop attempting to frighten clients against using our lawful music service RadioSparx.

Limun d.o.o. bears a significant part of the responsibility for the criminal actions of its users.

There is no criminal conduct happening here except on the part of AMUS in its utter disregard for the language of the Bosnian copyright law as well as the Supreme court of Bosnia, and its on-going criminal enterprise of striving to assert an unlawful monopoly on the licensing of music rights in Bosnia. If AMUS does not stop with this reckless conduct, it may well find itself engaged as a defendant in court if Navarr Enterprises Inc and LIMUN chooses to commence further civial legal action for defamation, slander, commercial interference, fraudulent representations, and monopolistic practices.

At the same time, the "list" that Limun d.o.o. mentions from his partner in the US. It is worth noting here that Navarr Enterprises, Inc. acted in the United States where other rules apply and where such action is permitted. The USA is not BiH. The legal rules that apply in the territory of the SDA have no application in our law. Navarr Enterprises inc, or their representative Limun d.o.o. is obliged to act in accordance with domestic legal rules, which is not the case here, among other things because Limun

d.o.o. relies on legal rules and permits from the USA that are not valid in BiH.

Navarr and LIMUN are acting entirely in accord with Bosnian copyright law. This was confirmed and validated by the Bosnian supreme court, and there is no higher authority that could possibly have a different interpretation on this matter.

The reason why this particular list is absolutely irrelevant is that all these authors listed on it fall under the rule of Article 18, paragraphs 1 and 3 of the Law on Collective Realization of Copyright and Related Rights, and which provision prescribes the presumption that the collective organization AMUS is authorized to act for the account of all authors and is obliged to treat all authors who have not informed her that they will individually exercise their rights on an equal footing with the authors who have entered into a contract with her.

Navarr and LIMUN do not dispute that AMUS is entitled to license the music rights for the authors whose music it represents, however, such representation is not exclusive, and Bosnian copyright law clarifies that direct-licensing of music rights by composers and their representatives is perfectly valid. AMUS should focus their energy on working in areas where collective management may be considered to be objectively necessary, such as in music uses on television, and stop trying to impede the lawful commerce of independent music artists and harming their livelihood.

The reason why all these authors fall under the rule of the provision of Article 18 para. 1 and 3 is because they did not use the option from Article 18 para. 2. ZKOAISP.

The Supreme court of Bosnia disagrees, and they in fact have the last word on the interpretation of Bosnian copyright law.

Article 18 para. 2 of the ZKOAISP reads: "An author who does not wish to exercise his rights in a collective manner is obliged to inform the relevant collective organization in writing."

Therefore, an author who does not want to collectively exercise his copyright must individually and legally validly notify AMUS in writing that he does not want AMUS or any other collective organization in the world with which AMUS has a reciprocal agreement to collectively exercise that person's rights. assumes the individual exercise of its copyright music rights.

We emphasize that such a thing was not requested by Limun d.o.o., and therefore that so far no author from the subject "list" of the repertoire of the legal entity Limun d.o.o. has done so.

Navarr Enterprises Inc has in fact informed the US societies of our intent to direct license our music repertoire around the world. And further and MOST IMPORTANTLY, Navarr Enterprises Inc did in fact notify AMUS in October 2016 of our intent to direct-license our repertoire in Bosnia. As the publisher representative of the authors we represent, and from whom we actually possess a grant of power-of-attorney, we are legally within our rights to represent the authors in their stead and to provide such a notification as may be required by Bosnian copyright law.

We especially emphasize here that a letter from Limun d.o.o. will not be enough. to exclude from the system of collective realization all authors and right holders in connection with all musical works of those authors. This is because it is a particularly serious and difficult decision for which it is quite certain that each of the authors and / or rightholders must an individual power of attorney whose content is clear and unambiguous and which explicitly seeks exclusion from the collective management system by AMUS will be acceptable and neat. This is required by the relevant rules of administrative procedure and other relevant general rules of law applicable to the lex generalis in this case..

This is readily seen as a structure that AMUS would love to force on thousands of individual artists in an obstructionist means to prevent them from being able to opt out of collective management by making it as absolutely humanly difficult as possible. Again, this is disgraceful and shows the depths to which AMUS will sink to strive to monopolize the music rights licensing business in Bosnia.

The fact that neither such an author nor Limun d.o.o. in the above manner did not seek exemption from the collective exercise of copyright, further underlining the fact that Limun d.o.o. acts illegally because it operates without a valid legal basis in BiH for the use of copyrighted works both for itself and for its users.

Apparently AMUS did not bother to read our October 2016 letter, and certainly would never have cooperated in the opt-out process for the thousands of composers we represent in any event.

How Limun d.o.o. has no valid legal basis to be able to legally use copyrighted musical works and has no right to use the music for himself, logically and legally relevant it follows that Limun d.o.o. there is no legal possibility to authorize others to make such use of copyrighted works.

Again, the Supreme court of Bosnia disagrees with this, and AMUS should stop contradicting the reality of the judgement AGAINST AMUS as decided by the Supreme court.

No one can transfer more rights to another than he has. Limun d.o.o. cannot authorize its customers who pay Limun d.o.o. to use the music service to use the music. Therefore, users must seek and obtain permission to use the music in a way that represents the content of the copyright. That permit in BiH, in this case and with these facts, can be legally obtained only from AMUS. In this case and with these facts, I cannot get that permission from Limun d.o.o. What Limun d.o.o. "Giving" for their money is not a license to use music.

Navarr Enterprises Inc has a valid, legal license of a comprehensive set of music rights from the thousands of rightholders whose music we have licensed. We in turn have provided to LIMUN also a comprehensive set of rights authorizing them to sublicense the music rights to our respective clients in Bosnia. AMUS's claim here is entirely without merit. It is, in fact, AMUS who does not even have a valid reciprocal license in effect with all of the US societies. For a complete list of foreign societies the US

societies have licenses in effect with, see here:

ASCAP: <https://www.ascap.com/help/international/affiliated-foreign-societies>

SoundExchange: <https://www.soundexchange.com/about/international-partners/>

It seems AMUS only has a reciprocal license in effect with BMI in the US, but in any event, that is strictly a non-exclusive license which does not provide exclusive representation rights for the BMI catalog to AMUS in Bosnia.

The fact that the users of Limun d.o.o. "Giving" for their money in copyright terms is nothing. Users of Limun d.o.o. cheats when they are told that in this way, by paying money, they have resolved the copyright. Users, who pay for Limun doo, do not regulate the use of copyrighted works or obtain a legally valid license for such activities. large sanctions and where the amounts of damage are substantial.

This is entirely untrue. Payment to LIMUN for the use of the RadioSparx service generates direct earnings for the talented composers and artists who license their music to Navarr Enterprises Inc who subsequently licenses it to LIMUN who licenses it to the end clients, all 100% legally. The Bosnian supreme court has not clarified this reality. If there is any further doubt about the work of Navarr Enterprises Inc and the general satisfaction of the artists who participate here, please read the hundreds of testimonials the artists have left at our AudioSparx website (where all artist and music intake happens.) See the testimonials here:

<https://www.audiosparx.com/sa/testimony/artists.cfm>

We suggest that users who use copyrighted music as part of their business do not enter into contracts with the company Limun d.o.o. because in that way they did not fulfill their obligation to the authors and in a correct way on the protection of copyright.

We urge you in the strongest terms to not believe the incredible set of lies that AMUS would have you believe. Do not be intimidated, and do not let them frighten you with baseless claims of illegal use of our music repertoire and criminal conduct. Nother could be further from the truth. Their continuing attempts to unlawfully monopolize the music business in Bosnia is dishonorable and repulsive, and only serves to damage competition in Bosnia, harm the economic livelihood for thousands of artists and composers around the world, and limit music options and choices for clients who need affordable music for their businesses. And further, it only serves the interests of AMUS itself as well as major record labels and major label artists, who in many societies around the world have board members on the societies' governing boards.

Navarr Enterprises Inc and LIMUN will always defend our clients and the legality of our commercial operations. We welcome you as a client.

For AMUS, we strongly advise that they stop their reckless conduct lest they find themselves the defendant in a new lawsuit as mentioned above.

Thanks for your understanding of these complicated issues. If you have any further questions of concerns, please do not hesitate to reach out to me directly.

Sincerely,



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