

# NCB's December 2006 Distribution

Dear Sister Society

Please find attached royalty statement covering NCB's December 2006 Distribution.

## NCB's commission rates

On NCB's website - [www.ncb.dk/english](http://www.ncb.dk/english) - under the menu item of **[Do you write music?]/ [NCB's commission rates]** - you will find a complete list of all NCB's commission rates.

## Future statements only available electronically

As announced earlier we plan to do away with printed distribution statements.

As from our next distribution (June 2007) your distribution statement, account statement and other distribution information will be available to you on the Internet only - either on our website ([www.ncb.dk](http://www.ncb.dk)) or on our FTP server.

Later we will inform you by e-mail how you can get access to your statements.

However, **this time** you will receive your distribution statement as a pdf-file attached to an e-mail.

### IMPORTANT!

Please let us know the name and e-mail address of the person who is going to be our contact in this connection. Send your information to **bca@ncb.dk** (Birte Carlsen, Distribution Co-ordinator).

## Online music - ringtones and music downloads

For several years now NCB's distributions have included royalties for music downloads as well as music used as ring tones in mobile phones.

KODA/NCB (Denmark) have negotiated an agreement with iTunes. The effect of the agreement is that iTunes pay the royalties that KODA/NCB claim, however, KODA/NCB agree only to distribute the royalty rate that iTunes find fair. The difference between these two amounts will be held in an escrow account until the disagreement on the royalty rate has been settled between KODA/NCB and iTunes.

Royalties collected on iTunes sales in Denmark will be included in this distribution covering the entire period of iTunes sales from 1 May 2005 up till 1 October 2006.

NCB endeavours to provide swift and accurate distribution of royalties - irrespective of the volume of data that music supplied over the Internet involves. We are currently improving our routines and systems to this situation as we are negotiating international agreements that favour our members.



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**ncb**

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## Music videos on DVD's

NCB and IFPI still disagree on the royalty rate that NCB charges for music videos on DVD's in the Baltic/Nordic area. NCB claims a royalty rate of 9.009% on dealer price, however, several record companies are unwilling to accept this rate until an international agreement has been reached.

NCB insists, however, on the 9.009% rate but has decided to distribute to our members a royalty of 6.5% that will be included in this distribution. Any adjustments can then be made at a later time when we know the outcome of international and national negotiations.

## Music in Danish TV2 and DR programmes

Due to a disagreement between NCB and the Danish TV broadcasters TV2 and DR concerning royalty payment on subcontracted TV productions (made by independent production companies), NCB cannot distribute royalties on the programmes concerned until the disagreement has been settled.

## National taxes on NCB royalties

Please note that royalties collected by NCB in the Baltic countries and paid to rights owners in non-Baltic countries are subject to a tax on 'export of funds'. The rates are as follows: Estonia 15%, Latvia 10%, Lithuania 10%.

Norway: All royalties collected by NCB in Norway are subject to a 2% tax to 'Det Norske Komponistfond' (Norwegian Composers' Foundation) according to Norwegian legislation.

## Please check your royalty statement

We suggest that you check your royalty statement immediately on receipt. Please contact NCB's Member Services - preferably in writing to our e-mail: [medlem@ncb.dk](mailto:medlem@ncb.dk) - at your earliest convenience if you find any irregularities.

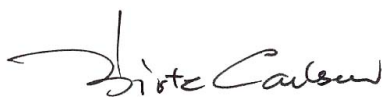
On NCB's website – [www.ncb.dk/english](http://www.ncb.dk/english) - you will find explanatory notes to NCB's royalty statement. Click the following menu items:

**[Do you write music?]/[Distributions ]/[ how to read NCB's distribution statement]**

All the best wishes for a Merry Christmas and a Happy New Year!



Lars Hey  
Deputy MD



Birte Carlsen  
Distribution Co-ordinator

Copenhagen, December 2006

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