

NCB's June 2006 Distribution

Dear Sister Society

Please find enclosed royalty statement covering NCB's June 2006 Distribution.

NCB's commission rates

On NCB's website - 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.

We plan to do away with printed statements as from December 2006

As from NCB's December 2006 Distribution your royalty statement, account statement and other distribution information will be available to you on the Internet only - either on our website (www.ncb.dk) or on our FTP server.

You will be informed in detail by e-mail later this year.

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).

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.



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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

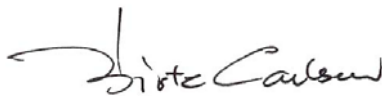
We suggest that you check your royalty statement immediately on receipt. Please contact NCB's Member Services - preferably in writing to our e-mail: medlem@ncb.dk - at your earliest convenience if you find any irregularities.

On NCB's website - www.ncb.dk/english - you will find explanatory notes to NCB's royalty statement.

All the best wishes for a pleasant summer!



Lars Hey
Deputy MD



Birte Carlsen
Distribution Co-ordinator

Copenhagen, June 2006