

NCB's September 2008 Distribution

Dear Rights Owner

- Please find below important information on NCB's September 2008 Distribution.

QUARTERLY DISTRIBUTION OF ONLINE COLLECTIONS

Normally, NCB's quarterly distributions in September and March will include only royalties for online music. However, this distribution also includes royalties for other products – e.g. EMI Music sales in Denmark, Norway and Sweden that were not included in our June 2008 Distribution due to the fact that EMI's sales reportings were not received in due time.

NCB'S COMMISSION RATES

All commission rates remain unchanged.

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.

ACCESS TO YOUR ROYALTY STATEMENTS ON NCB'S WEBSITE

The information can be accessed from NCB's website where you will have your own folder with your NCB statement files.

Visit the English version of NCB's website - www.ncb.dk/english - and click the menu item **[NCB Direct] / [NCB members - distribution statements]**.

If you register as a new user you will have to supply the following information:

- your "NCB Payment Receiver number"
- your e-mail address

NCB will then send you your User ID and Password by e-mail.

From NCB's website - menu item **[NCB Direct]** - you can also access NCB's two new web services, which are described here:

Distribution Search provides you with unique search facilities in the NCB distribution statements you have received since December 2005 and up till now. It will offer search facilities on song titles, artists, albums, agreements and producers – on accumulated amounts as well as subtotals at detailed level.

Album & Track Search helps you to keep track of all your songs that have been released throughout the years. The database contains information on music that has been licensed by NCB for release on audio and audio-visual recordings in the Nordic/Baltic countries. It includes songs that have been released on physical media as well as digital music files. Search facilities are on album level as well as on track level.

You can also find this newsletter on NCB's website – www.ncb.dk/english – if you choose menu items: [Do you write music?]/[Distributions]/[- newsletters].

ONLINE MUSIC

As some issues concerning the repertoire that **iTunes** offers for sale remain unclarified, this distribution does not include royalties for iTunes sales during the 1st and 2nd quarters of 2008. NCB has devoted substantial resources to finding an optimum solution, and we expect to include royalties for these sales in our next distribution.



The Danish music download provider **TDC Play** started its operations in April 2008, and their download sales during April-July 2008 are included in this distribution.

The TDC agreement is unparalleled to any other agreements in the world. The agreement provides mobile and broadband subscribers with access to approximately two million music tracks, however, only as long as they subscribe to TDC's services – after that their access to the downloads expires automatically. Consequently, these downloads cannot be termed as "permanent" downloads.

For temporary download (tethered downloads) such as those offered by TDC Play and Danish Libraries' Netmusic a 50/50 split on mechanical and performing rights applies. On your distribution statement this new type of downloads will be indicated as "Temporary Downl/Mech" and "Temporary Downl/Perf", respectively.

Please note that in a few cases special amounts collected as lump sum royalties will appear on your statement with an amount that does not necessarily add up to the official tariffs when running a cross check.

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 when you have been notified that it is available on the Internet.

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.

Yours sincerely

NCB/Copenhagen