

§ 1 • Scope of licence

These licensing terms shall apply to the copyright protected musical works for which the administration and management has been entrusted to NCB with a view to their exploitation in connection with the production and distribution of audiovisual products. "Production" shall mean the combination of sound and visual content and the subsequent making of copies.

The producer (i.e. an individual/a company responsible for the payment of royalties invoiced by NCB) shall *obtain licence* from NCB *prior to* each instance of *new manufacture* or *the making of additional copies* of audiovisual products. NCB's application for licence shall be used (available on www.ncb.dk).

On paying the royalties invoiced by NCB, the producer is granted a non-exclusive licence to the usage and distribution of the musical works as indicated on NCB's royalty invoice. NCB's licence shall cover distribution in the national country of the producer only, unless other terms and conditions appear from NCB's invoice.

NCB's licence shall cover only the *recording* of the copyright protected musical works with or without lyrics – and only in the visual context described in the application.

NCB's licence covers all claims which can be put forward by any copyright owner who is a member of or represented by NCB in connection with the recording of music pursuant to these licensing terms.

§ 2 • Royalties

Royalties shall be calculated and invoiced by NCB according to NCB's effective terms and tariff rates. In the event of no applicable rates the parties must agree on the amount of royalties to be paid.

NCB's invoice and receipt for effected payment shall constitute satisfactory evidence that licence has

been granted in accordance with these licensing terms.

§ 3 • Compulsory information

The producer undertakes to indicate the following information in the credits of the audiovisual product

- © *titles*, names of *composers*, *lyricists* and *publishers* of the musical works recorded
- © *type of usage* for which licence has been granted
- © NCB's logo.

If, however, the above information for practical reasons cannot be indicated in the credits of the audiovisual product (e.g. TV commercials without credits) it shall be printed on the inlay card, label, in the table of contents of the audiovisual product or in any other material supplied with the audiovisual product.

§ 4 • Separate permission required

Irrespective of whether the musical works are Nordic/Baltic or non-Nordic/Baltic a separate permission must always be obtained from the copyright owners in the below instances:

- © the use of music in a political, religious or pornographic context
- © the use of music for advertising purposes
- © new music for existing lyrics
- © translation of original lyrics into another language or adapted translation
- © new lyrics for existing music
- © first commercial recording of a musical work with or without associated lyrics.

§ 5 • Moral rights

The producer shall not infringe the author's *moral rights* (droit moral). The name of the author shall appear from each copy of the work, and no modifications shall be made to the work neither shall it be put into public circulation in any way or any context which may be prejudicial to the honour or the literacy and artistic reputation of the author [cf. Section 3 of The Danish Copyright Act, "Ophavsretsloven"].

§ 6 • Other reservations

NCB's licence covers only the recording of the musical works as set out in clause 1 above.

Unless separate permission has been obtained from NCB, the producer shall neither be entitled to confer this licence on any third party nor to hand over matrices/master tapes to any third party.

NCB's licence excludes the below instances:

- © The permission to **make re-recordings/copies** of existing audio products or existing audiovisual products.
It rests with the producer to obtain the required permission from the relevant record producer/film producer/video producer and the performing artists in case of re-recording/copying of existing audio products/audiovisual products.
- © The permission for **public performance/exhibition**.
The site of performance/exhibition shall make an agreement with the Danish performing rights society KODA as to royalty payment for public performance.
- © The permission for visual or graphical **reproduction of the lyrics of the musical work**.
It rests with the producer to obtain the required permission from the author or his publisher.

§ 7 • Audit and inspection

The producer shall allow NCB access to inspect and audit all his books and stock of audiovisual products relating to the subject matter of these licensing terms.

§ 8 • Sanctions

The producer shall be responsible for the correctness of the information given when applying for a licence.

In the case of incorrect information, NCB shall be entitled to revoke the licence granted on basis of the incorrect information. In such events the producer undertakes to withdraw all unsold copies from the market and to pay double royalty fee for any copies already sold as well as reimburse NCB for any costs in this respect.