



STATUTES FOR GRAMEX

Translation from Danish

Name and Registered Office

1. Gramex is an independent society, financially and legally self-contained and without assets of its own. Gramex has its registered office in Greater Copenhagen.

Object

2.-(1) Gramex is approved by the Ministry of Culture as a joint organisation for performing artists and producers of sound recordings to collect remuneration for the public performance of released sound recordings, cf. Section 68 of the Danish Copyright Act. The collection is carried out on behalf of performing artists and producers of sound recordings who are entitled to remuneration under the Copyright Act or their heirs.

(2) In accordance with applicable legislation, Gramex is approved by Mentamálaráðið (the Faroese Ministry of Culture) and Naalakkarsuisut (the Government of Greenland) to collect remuneration for public performance of released sound recordings as a joint organisation for performing artists and producers of sound recordings.

(3) The collection of remuneration under Section 68 of the Danish Copyright Act is done by Gramex on behalf of both members and non-members.

(4) Gramex safeguards similar rights abroad to the extent that this follows from bilateral agreements with equivalent societies in other countries.

(5) Gramex may undertake the administration of rights belonging to producers of sound recordings or performing artists in areas related to the rights mentioned in subsection (1) above.

(6) Gramex may undertake the practical administration of other areas of copyrights where the rights holders so wish.

Membership

3.-(1) Categories of members admitted by Gramex:

a) producers of sound recordings who are citizens of or residents in a country within the EU/EEA and the Faroe Islands and Greenland, or societies whose main offices are in a country within the same areas and who are holders of rights concerning public performance of released sound recordings.

b) performing artists who are citizens of or residents in a country within the EU/EEA and the Faroe Islands or Greenland, and who are holders of rights concerning public performance of released sound recordings.

c) other producers of sound recordings and performing artists who hold rights to sound recordings that are protected in pursuance of Section 86(1) and (2) of the Danish Copyright Act.

(2) Membership of Gramex is obtained when Gramex approves a signed membership form from a producer or a performing artist. The signature must be personal and may be submitted by electronic means.

(3) Prior to approving a membership form, Gramex must have received the required information that identifies the applicant in relation to tax authorities as well as information on any membership of equivalent organisations abroad.

(4) Each performing artist must, at Gramex's request, submit a discography of the recordings in which the individual is performing and otherwise provide the necessary documentation.

(5) Each producer, upon enrolment, shall submit a list to Gramex of the sound recordings they represent as a producer. For subsequent releases, studio recording forms shall be submitted. Upon Gramex's request, each producer shall provide the necessary documentation for the ownership of rights. When a producer ceases to represent specific rights, information about this must be sent to Gramex. If Gramex deems that renewed documentation is required to confirm the continued existence of a right, the producer must submit documentation without undue delay.

(6) The membership covers existing as well as future sound recordings and rights.

(7) Members may exercise their membership rights by electronic means.

Management and Administration of Rights

4.-(1) Membership of Gramex covers all public performance rights under Section 68 of the Danish Copyright Act. In addition, Gramex may be authorised to administer other copyrights.

(2) The membership also covers the administration of rights abroad so that Gramex may enter into bilateral agreements with equivalent organisations abroad with a binding effect for the member. A member of Gramex can therefore not bypass Gramex and claim remuneration from an equivalent foreign organisation with which Gramex has a bilateral agreement.

(3) At the time of enrolment or later, a member may choose that Gramex's administration of that member's rights shall be limited by territory. Such a member has the same legal position as other members concerning the distribution of the remuneration earned from public performance in Denmark, on the Faroe Islands and in Greenland, but may not make any claim in respect of the bilateral agreements between Gramex and other equivalent organisations to the extent that membership of Gramex does not include such territories.

(4) A rights holder cannot be a member of both Gramex and an equivalent foreign collective management organisation in so far as this concerns the same territory. However, a member may have double membership if it is limited by territories.

(5) On a member's division of his membership into territories, Gramex may claim an administration fee to be determined by Gramex's executive board to cover the administration costs involved for the management of the divided membership.

(6) A rights holder may waive remuneration by his written statement to Gramex. In the event of a waiver of remuneration, this basically applies to all rights held by that member. Gramex may claim a management fee determined by Gramex's executive board to cover the administration costs related to registration of the waiver given.

(7) Where a member passes away, Gramex will continue the management of that member's rights on behalf of the heirs, but the heirs shall not obtain any member status.

Resigning Members

5.-(1) Any resignation from Gramex must be made by the member in writing with at least three months' notice to expire at the end of a calendar year.

(2) Where producers are concerned, the membership will be repealed in the event of bankruptcy or compulsory winding up.

(3) The right to membership will also be repealed when a member is no longer the holder of public performance rights.

Powers of the Executive Board

6.-(1) Gramex is managed by an executive board responsible for the overall management, including the preparation of distribution plans.

(2) The executive board fulfils the supervisory function of the Association. The executive board has been granted the powers set out in Article 6(5) (6-9) of the Danish Act on Collective Management of Copyright regarding risk management policy, borrowing, etc.

(3) Detailed rules for the transactions of the executive board are laid down in the rules of procedure.

Composition of the Executive Board

7.-(1) The executive board shall consist of seven members and two substitutes. Three members and one substitute represent the rights group of the performing artists, and three members and one substitute represent the rights group

of the producers, whereas one member shall have special knowledge of copyrights and the function of copyrights in society.

(2) Where a representative of a rights group resigns from the board, he shall be replaced by the substitute from the same rights group who takes over the seat until the expiry of the election period. A new substitute shall then be appointed by electronic election or by decision of the executive board at the next general meeting.

(3) If the board member with special knowledge of copyright and the function of copyright in society resigns from the board, the executive board may choose to appoint a new member who will fulfil the function until the next general meeting.

(4) Where a board member from the rights group of the producers no longer represents producer rights in Gramex, his eligibility ceases, and the board member must resign from the board.

Election for the Executive Board

8.-(1) The election of the seven members and two substitutes of the board takes place at Gramex's annual general meeting, so that the producers' rights group shall elect three members and one substitute, and the artists' rights group shall elect three members and one substitute.

(2) The rights groups elect a seventh board member who is required to have special knowledge of copyrights and the function of copyrights in society.

(3) The election is valid for three years, and each year one representative for each rights group resigns in turn.

(4) Re-election may take place.

(5) Endeavours shall be made to have as wide a representation as possible from among the different categories of producers. A producer may have only one internal representative on the executive board.

(6) Endeavours shall be made to have as wide a representation as possible from among soloists, studio musicians, collectively working artists, and individually working artists.

The Establishment and Work of the Executive Board

9.-(1) The executive board elects its chairperson and vice chairperson for a period of two years at a time from among the six representatives of the rights groups so that the tasks are vested in the representatives of the two rights groups in turn.

(2) The chairperson and the vice chairperson shall represent his respective rights group.

(3) The board shall meet as often as requested by the chairperson or by two other members of the board. Lay representatives may participate in the meetings.

(4) The executive board shall determine a suitable remuneration for its work. The amount of remuneration shall be approved by Gramex's annual general meeting.

(5) Once each year, board members shall sign a declaration concerning conflicts of interest.

(6) Minutes shall be made of board meetings.

Decisions by the Executive Board

10.-(1) Decisions on matters of common interest discussed by the executive board shall be decided by general majority of votes among the representatives for the two rights groups.

(2) Matters concerning only one of the rights groups shall be decided by general majority of votes among the

representatives for the rights group concerned. Decisions on distribution plans shall, however, be decided unanimously within the relevant rights group.

(3) The executive board forms a quorum when at least two representatives of each rights group are present.

Distribution Policy

11.-(1) The general distribution plans for remuneration and deductions from remuneration shall be approved by the general meeting.

(2) Within the framework of the general distribution plans for remuneration and deductions from remuneration adopted by the general meeting, the representatives of the two rights groups on the executive board shall adopt plans for the distribution of income and expenses within the rights group concerned.

(3) The distribution plan of the rights groups shall be presented to the executive board.

(4) The board may adopt the size and distribution of any deductions for cultural purposes within each rights group.

Management Board and Powers to Bind

12.-(1) The executive board shall employ a general manager to be liable to the executive board and to be in charge of the day-to-day operation of Gramex.

(2) The general manager shall employ and dismiss the staff of Gramex and determine the scope of work and the powers of staff members.

(3) Gramex shall be represented in relation to third parties by Gramex's executive board, the general manager or any person so authorised by the executive board.

(4) The general manager shall once a year make an individual declaration of conflicts of interest.

Notice of General Meetings

13.-(1) By a written notice of four weeks, the executive board shall call the annual general meeting to be held each year by the end of May. Members' registrations have to be received not later than one week prior to the annual general meeting.

(2) Extraordinary general meetings shall be called by a written notice of at least four weeks whenever the executive board finds it appropriate or when at least one fifth of the members of a rights group does so request. Members' registrations shall be received not later than one week prior to the extraordinary general meeting. Articles 13(3)-(5) and (5) and Article 14(2) regarding ordinary general meetings shall also apply to extraordinary general meetings.

(3) All and every communication between members and the executive board may be electronic by e-mail, and general statements will be available at Gramex's website, www.gramex.dk. The executive board may submit notice for the annual general meeting, annual reports, proposals to be presented at general meetings, etc. by e-mail.

(4) In exceptional cases of force majeure, e.g. in the event of pandemics, the executive board may choose to hold the annual general meeting digitally so that members can only participate digitally.

(5) Members may choose to cast their votes electronically instead of voting at the actual annual general meeting. Electronic voting shall be completed not later than two weeks prior to the annual general meeting.

Agenda

14.-(1) The agenda of the annual general meeting shall include the following items:

- a) Election of a chairperson of the meeting
- b) Report on the activities of the year
- c) Adoption of the annual accounts
- d) Adoption of the transparency report and the special report on deductions for cultural objectives and the use of the un-distributable means
- e) Adoption of the general policy for un-distributable means
- f) Adoption of the general investment policy etc.
- g) Adoption of the general distribution policy of remuneration, including deductions and reductions in remuneration to the rights holders
- h) Adoption of remuneration to the executive board
- i) Election of members and substitutes for the executive board
- j) Election of auditors
- k) Any other business

(2) The agenda and proposals from the executive board shall be communicated to the members along with the notice calling the annual general meeting.

(3) Any proposals from members, including proposals concerning items (i) and (j) shall reach the executive board by the 15th of March of the year concerned at the latest in order for such proposals to be presented before the annual general meeting. Such proposals shall be published to the members prior to the general meeting.

Access to General Meetings

15. Members, heirs, board members and any lay representatives, substitutes, candidates for directorships, the organisation's staff, auditors and lawyers shall have access to the organisation's general meetings.

Chairing and Casting of Votes at General Meetings

16.-(1) A majority of votes at the general meeting shall elect a chairperson of the meeting.

(2) Minutes of the business of the general meeting shall be made.

(3) All participants shall be entitled to take the floor on matters under the agenda.

(4) All matters, apart from amendment of statutes, shall be decided by simple majority at votes to be held within each rights group in turn.

(5) Amendment of statutes can take place only where at least half of the members in each rights group are present, and two thirds of the members present of each rights group (in the case of the producers, two-thirds of the votes present, cf. subsection 6, cast their votes in favour of the proposed amendments of the statutes. Where less than half of the members of each rights group are present, the executive board shall call a new general meeting stating the proposed amendments of the statutes which may be adopted if two thirds of the attending members/votes of each rights group at this general meeting vote in favour hereof.

(6) In voting and election of representatives and substitutes for the rights group of the producers and election of the seventh board member, cf. Article 8(2), the votes shall be weighted proportionally according to the members' income from Gramex in the previous year's distribution. One vote is given per DKK 1,000 in income. However, everyone has at least one vote.

(7) In voting and election of representatives and substitutes for the rights group of the performers and election of the seventh board member, cf. Article 8(2), each member has one vote.

(8) Voting may be done by power of attorney. Each participant in the general meeting may bring along three powers of attorney from other members in the same rights group. Gramex shall make a proxy form available for members at www.gramex.dk. Only powers of attorney submitted on this form shall be valid. A notice on which members are represented by a power of attorney shall be submitted to Gramex not later than at the time of registering for the general meeting.

Distribution Accounts

- 17.-(1)** The financial year is the calendar year.
- (2)** The annual accounts shall be determined separately for each rights group.
- (3)** The gross amount accruing to the two rights groups under Section 68 of the Danish Copyright Act shall be distributed by one half to each rights group.
- (4)** The gross amount allotted to each rights group, cf. subsection 3, will, according to the distribution plan, be reduced by Gramex's operating costs, calculated in accordance with rules adopted by the executive board and approved by the general meeting.
- (5)** Interest income is distributed among the rights groups in proportion to the members' earned remuneration and applied in advance on a reduction of operating expenses.
- (6)** The annual accounts shall be signed by the general manager and the executive board and presented to the general meeting.
- (7)** The annual accounts shall be submitted to the Danish Ministry of Culture, Mentamálaráðið (the Faroese Ministry of Culture) and Naalakkarsuisut (the Government of Greenland) for information.

Distribution of Remuneration within the Rights Groups

- 18.-(1)** The amount accruing to each rights group shall be reduced by the costs related to the distribution within the group and shall be distributed among the rights holders of the group in accordance with the distribution plans in force from time to time.
- (2)** Deductions for cultural purposes may be made if approved by the general meeting.
- (3)** As far as possible, remunerations received shall be distributed in accordance with the utilisation of published sound recordings that has taken place.

Bilateral Agreements with Foreign Organisations

- 19.-(1)** With binding effect, Gramex can enter into bilateral agreements with equivalent foreign organisations.
- (2)** Gramex redistributes individualised remunerations from foreign organisations to the rights holders concerned.
- (3)** Other income from foreign organisations shall be distributed in accordance with the regulations applying to other Danish income.

Audit

- 20.-(1)** Gramex's accounts, transparency report and special report for any cultural deductions shall be audited by a state-authorized public accountant. The said accountant shall be elected by the general meeting where two critical auditors are also elected from among the members – one for each rights group.
- (2)** The appointment of the state-authorized public accountant as well as the two critical auditors shall be valid for one year.
- (3)** Re-election may take place, although the critical auditors can serve only for a maximum of four consecutive election periods.
- (4)** The state-authorized public accountant may at any time request a meeting of the executive board, if he considers it necessary.

Complaints

21. The executive board shall lay down detailed guidelines and procedures concerning the handling of complaints. The guidelines shall be available at Gramex's website www.gramex.dk in Danish and in English.

Dissolution and Liability

22.-(1) Gramex cannot be dissolved for as long as the society is approved to operate its present or other hereby associated activities in accordance with the legislation in force.

(2) In the event that Gramex ceases its activities, the society may be dissolved provided nine tenths of the members of each rights group vote in favour hereof.

(3) The members are liable for Gramex's obligations solely with their share of the distribution amount.

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These present statutes are valid as from 1 January 2016.

Amendments adopted at the extraordinary general meeting held on 13 June 2017.

Amendments adopted at the extraordinary general meeting held on 27 October 2022.