

## **THE GENERAL POLICY REGARDING THE ASSOCIATION'S DISTRIBUTION OF REMUNERATION TO THE RIGHTSHOLDERS**

1. Copydan Writing does not have any funds of its own, see Article 7.1 of the Statutes.
2. After deduction of management costs, the full amount of the remuneration received by Copydan Writing will be paid to Danish and foreign rightsholders.
3. Insofar as possible, the remuneration collected by Copydan Writing as part of its rights management will be distributed individually to the rightsholders. Insofar as possible, the distribution should reflect the actual use of the rightsholders' works in the management areas, see Article 7 of the Statutes.
4. The main rule for the distribution of remuneration between the author members and the publisher members is a 50/50 distribution of the remuneration. This distribution model was first adopted when Copydan Writing ('the Copy Sectors') was established in 1980.
5. In order for Danish publishers to receive remuneration from Copydan Writing, the remuneration cannot make up more than 80 percent of the publisher's total revenue for the last year. This corresponds to the remuneration from Copydan Writing making up not more than four times as much as other revenue. If the remuneration from Copydan Writing exceeds this 80-percent limit, the publisher's claim for remuneration for the year in question will be reduced by a percentage corresponding to the remuneration from Copydan Writing making up four times as much as other revenue.

Total revenue means revenue (gross revenue) concerning development/preparation, publishing, copying or other copyright-related exploitation of literary works and sheet music, see the Danish Copyright Act, in the form of:

- Sale of literary works and sheet music.
- Licence and subscription revenue for licences and subscriptions that provide access to literary works and/or sheet music.
- Membership fees which include, as part of the membership, access to literary works and/or sheet music.
- Advertising revenue and sponsorships in relation to sale and/or distribution of literary works and/or sheet music.
- Specific grants for development, publication etc. of literary works and/or sheet music in the form of e.g. foundation grants or public grants.

- Remuneration from Copydan Writing.
- Revenue from secondary exploitation of literary works and sheet music from other collective management organisations.

The term “other revenue” means “total revenue” less copying remuneration from Copydan Writing.

A “publisher” is a rightsholder who is registered as an independent publisher with Copydan Writing.

As part of its administrative procedures, Copydan Writing performs a screening of the copying remuneration’s share of the payment:

- i. Danish publishers who are due more than DKK 100,000 may be requested to submit an audited statement of its other revenue for the preceding year. Other revenue is the total revenue less copying remuneration from Copydan Writing.
- ii. Danish publishers who are due less than DKK 100,000 may be requested to submit a solemn declaration together with a statement of their other revenue for the preceding year. Other revenue is the total revenue less copying remuneration from Copydan Writing.

The publishers that are requested to submit a statement are selected partly on a random sample basis and partly based on a specific assessment. Danish publishers who have not by 15 May at the latest submitted the documentation requested by Copydan Writing will lose their right to remuneration in that year.

The principle of the remuneration not exceeding 80 percent of the publisher’s total revenue does not apply to foreign publishers.

6. The distribution of remuneration to the individual rightsholders takes place not later than six (6) months after the end of the remuneration year for which payment was collected from the user.
7. Individual remuneration of less than DKK 100 is not distributed. If the remuneration for an individual rightsholder does not exceed DKK 100 over a three-year (3-year) period, the amount is not distributed. Upon request from the individual rightsholder, amounts of less than DKK 100 may be distributed.
8. Where it is not possible for Copydan Writing to locate rightsholders of a literary work, Copydan Writing will make selected information available to the public on Copydan Writing’s website,

www.tekstognode.dk, in accordance with Section 16 of the Danish Collective Management of Copyright Act.

- 9.** Copydan Writing will to the greatest extent possible endeavour to conclude representation and reciprocity agreements with foreign management organisations which may lead to the exchange of mandates and remuneration, see Article 6 of the Statutes.
- 10.** Undistributable funds may be distributed to Copydan Writing's member organisations according to the Policy regarding Undistributable Funds.
- 11.** The general meeting makes decisions on the general policy regarding the distribution of remuneration for the rightsholders, see Section 6(5)(i) of the Danish Collective Management of Copyright Act.