

## BY-LAWS of KODA

(Adopted on 20 April 1927, revised on 22 May 1930, 30 April 1934, 21 December 1934, 26 June 1935, 8 May 1940, 28 May 1941, 19 May 1960, 18 April 1963, 2 February 1966, 3 April 1968, 28 May 1974, 22 May 1980, 14 May 1981, 10 June 1982, 7 June 1984, 30 May 1985, 4 June 1987, 3 June 1988, 13 June 1990, 16 June 1994, 9 July 2003, 18 July 2005 and 27 June 2008).

### Sec. 1

KODA is an economically and legally self-contained Society of which the object is to administer and represent international composers' as well as relevant authors' rights by virtue of the copyright legislation as in force at any time.

**ss. 2** KODA may transfer the administration of the aforesaid rights to other organizations in Denmark and abroad.

### Sec. 2

KODA is situated in Greater Copenhagen.

### Sec. 3

The Members of KODA shall be partly associate Members and partly full Members.

**ss. 2** Composers, authors or music publishers as well as representatives of heirs owning or representing the rights of composers or authors, who are either Danish citizens or resident in Denmark shall be eligible for admission to membership of KODA as associate Members provided they are not Members of the Danish Composers' Society, the Danish Song-writers' Guild, the Danish Society for Jazz, Rock and Folk Composers and the Danish Music Publishers' Association. Copyrights held jointly by several heirs may be represented by one associate Member only.

**ss. 3** Composers, writers and publishers who are Members of foreign performing right societies with which KODA has reciprocal agreements shall by virtue hereof be placed on equal footing with associate Members regarding the administration of copyrights.

**ss. 4** Full membership shall occur when an associate Member becomes an active Member of one of the in ss. 2 said organizations and it shall continue as long as the active membership of these organisations continues, however cf. Sec. 6.

**ss. 5** On the admission of new Members a registration fee may be demanded, the size of which shall be determined by the Council of KODA.

### Sec. 4

**a)** Each Member shall exclusively transfer the administration of the right to public performance of his/her works to KODA.

**b)** Each Member may exclusively transfer the administration of his/her mechanical rights to KODA, i.e. the right to record, duplicate and distribute the works of composers or authors through instruments serving as mechanical reproducers such as records, cylinders, barrels, tapes, video grams, sound films or any similar parts of such instruments, whether already invented or invented in future.

**c)** The transfer to KODA - pursuant to a) as well as b) - shall include already existing as well as future works to the extent that the Member owns or disposes hereof. The Member shall supply KODA - or any person whom KODA may appoint - with a list of all works composed, arranged, written or published respectively, by him/her. It shall be the duty of the Member to supplement this list with any future works.

**ss. 2** Any Member shall sign a declaration by the act of which he/she undertakes to comply with the rules and regulations laid down in the By-Laws and the Distribution Plan of KODA.

**ss. 3** Membership shall not come into effect till the aforesaid declaration has been signed.

**ss. 4** Only notified works shall be considered on the Distribution of the collected royalties.

### Sec. 5

Complaints about distributions from KODA must be made in writing within 15 months after the distribution has taken place.

## **Sec. 6**

Resignation from KODA must be made in writing and sent by registered mail with at least one year's notice till the end of a calendar year.

**ss. 2** Apart from on resignation the right to membership may terminate when a Member:

**a.** no longer holds the rights administered by KODA,

**b.** does not observe the By-Laws of KODA or when he/she by disloyal or grossly unfair behaviour obstructs the activities and interests of KODA.

**ss. 3** Pursuant to this section the Council of KODA may terminate the membership of a Member. But the Member may demand that the decision of the Council is submitted to the next General Meeting.

**ss. 4** KODA, however, shall administer the rights of the excluded Member for another year counting from the next January 1st.

**ss. 5** KODA's administration of a Member's mechanical rights may be terminated separately by registered mail and by at least one year's notice till the end of a calendar year.

## **Sec. 7**

KODA is directed by a Council of nine Members.

**ss. 2** The Members of the Council are elected as follows: two from the Danish Composers' Society two from the Danish Songwriters' Guild, two from the Danish Society for Jazz, Rock and Folk Composers and three from the Danish Music Publishers' Association.

**ss. 3** Excluded from being Members of the Council of KODA are persons who safeguard the interests of societies or companies which:

**a.** primarily carry on trade within the record, film or radio industry; and radio, television, electro mechanic or any other present or future kind of utilization which is assessed as being able to collide with the interests of KODA,

or

**b.** are affiliated to associations, organizations or similar within the under a. said types of business.

## **Sec. 8**

Election of Members for the Council of KODA shall take place at the Annual General Meeting.

**ss. 2** The Council elects its own President and Vice-President for a period of two years. Unless the Council unanimously decides otherwise, the Presidency shall be held in turn by Members of the in Sec. 7 ss. 2 said organizations of composers and authors. However, the President and the Vice-President can never represent the same organization. On the expiry of the electoral period, the Vice-President shall automatically become President for the following electoral period unless the Council unanimously decides otherwise and provided the Vice-President keeps his/her seat in the Council during the electoral period in question. The Council shall lay down an order for the admission of the said organizations to hold the Presidency and the Vice-Presidency. If agreement cannot be reached the question shall be decided by lot.

**ss. 3** The election shall be valid for a period of 3 years and every year 3 Members retire. Re-election may take place.

## **Sec. 9**

If a Member of the Council has a lawful absence for a long period the Council may replace him/her by calling in a deputy Member who shall be nominated by the appropriate of the in sec. 7, (ss.2) mentioned organisations.

**ss. 2** If a Member retires from the Council during the year, the Council shall add up its number by a new Member. This decision shall be submitted to the next Annual General Meeting, in which the final election shall take place for the rest of the functioning period of the retired Member.

## **Sec. 10**

Every year the Council fixes a suitable consideration for the work of its President and its Members.

### **Sec. 11**

The Council adopts a Distribution Plan for the net proceeds of all monies received by KODA in respect of public performance of works, cf. Sec. 19. The Council has the right to take any legal or factual step with the purpose of promoting the aim of KODA.

**ss. 2** The Distribution Plan shall be so devised that the proceeds of the Society, to the greatest extent possible, is distributed among the Members on the basis of objective criteria such as number of performances of the work, playing time, place of performance etc. Further, the Distribution Plan can categorize the works on basis of the duration of the work, the efforts behind the creation of the work, etc.

**ss. 3** Royalties from the use of mechanical rights shall be distributed directly to the rightsowners according to a special Distribution Plan, adopted by the Council, after the advance deduction of up to 20 per cent for the coverage of costs connected with the administration of these rights.

### **Sec. 12**

In relation to third parties KODA is represented by the Council of KODA or by a person who is authorized by the Council to do so.

### **Sec. 13**

The Council shall call an Annual General Meeting by fourteen days' notice in writing and Extraordinary General Meetings by five days' notice in case such meetings are considered expedient by the Council or are requested by at least one fifth of the Members.

### **Sec. 14**

The Council shall hold meetings as often as this is required by the President or by two of its Members. Minutes of the meetings shall be duly made.

**ss. 2** All matters treated by the Council shall be settled by simple majority, provided that this majority is constituted by representatives from at least three of the four organisations represented in the Council. As regards proposals to amend the Distribution Plan, cf. Sec. 11 (1), and the distribution of funds for social and national purposes, cf. Sec. 19, between the in Sec. 7 (2) said organisations and the associate Members, two Members of the Council may demand that settlement is postponed until an Annual General Meeting has been held. In this case, the proposal shall only be adopted if re-proposed in an unaltered version and adopted in this version by all the members from three of the four organisations represented in the Council. Until then, any distribution shall take place according to the present Distribution Plan and as regards distribution of the funds for social and national purposes; this shall be made in percentages corresponding to those stated in the latest adopted Distribution.

**ss. 3** The Council shall form a quorum when the President or the Vice-President are present and all the organisations mentioned in Sec. 7 (2) are represented. If, due to the absence of one or several Members, it has not been possible to adopt a proposal, each of the Members present may demand that an adoption is postponed till the following meeting. At this meeting, a final adoption may take place provided the Council forms a quorum or if at least six Members are present and agree to adopt the proposal.

### **Sec. 15**

Full Members of KODA are entitled to vote at the General Meeting, which is the highest authority of KODA. Associate Members are entitled to attend the General Meetings. The voting right at KODA's General Meetings cannot be exercised by power of attorney.

### **Sec. 16**

Each year an Annual General Meeting shall be held before the end of April.

**ss. 2** The General Meeting shall elect its own Chairman.

**ss. 3** All matters except amendments of the By-Laws shall be decided by simple majority.

**ss. 4** Minutes of negotiations during the General Meeting shall be duly made.

**ss. 5** The By-Laws shall be subject to amendments only when at least half of KODA's full Members are present at the General Meeting and when two thirds of the Members present vote for the proposed amendments. If half of KODA's full Members are not present, the proposed amendments shall only be adopted after calling a new General Meeting with the same agenda as regards amendments within three months. This second General Meeting forms a quorum

regardless of the attendance. The proposed amendments shall only be adopted if two thirds of the full Members present at the General Meeting vote for it.

#### **Sec. 17**

The agenda for the Annual General Meeting shall include the following:

1. A report of the activities of the year
2. Submission of annual accounts
3. Election of Members of the Council
4. Election of auditors
5. Miscellaneous matters

**ss. 2** The Members shall be informed of the agenda and any proposals from the Council with the notice convening the Annual General Meeting.

**ss. 3** Proposals from the Members to the Annual General Meeting, including proposals regarding point 3 and point 4 of this section, must be the Council at hand not later than March 1st of the year when the General Meeting is to be held. Proposals shall be forwarded to the Members before the General Meeting or shall be made available in another way.

#### **Sec. 18**

Any alteration of the concession of KODA shall figure on the agenda of a General Meeting.

#### **Sec. 19**

The accounting year shall be the calendar year.

**ss. 2** From the proceeds of KODA deriving from the exploitation of rights to public performance of works the following shall be set aside in advance:

From the gross proceeds:

1. Government tax
2. All operation costs including KODA's contribution to the employee savings scheme, contributions to the security of possible pension commitments and, according to the estimate of the Council, for the financial support of elderly employees.

From the net proceeds:

Each year 10 per cent of the net proceeds shall be set apart for national purposes. According to the decision of the Council of KODA these means may be used as follows:

1. Contributions to necessitous elderly Members of KODA and Members or to other rightsowners connected with the administration area of KODA and to working, travelling and ordinary scholars-hips for the above persons.
2. Support of organisation work within societies connected with KODA.
3. Support of original Danish music and lyrics.

**ss. 3** The remaining part of KODA's proceeds is distributed as performance fees according to the Distribution Plan as in force at any time, cf. Sec. 11.

**ss. 4** Royalties for the use of mechanical works are distributed direct to the rightsowner, cf. Sec. 11.

#### **Sec. 20**

**ss. 1** For the financial and operational management of KODA the Council appoints a General Manager who is responsible to the Council as regards the daily management and the accounts which he signs.

**ss. 2** After the approval of the Council the accounts shall be submitted at the General Meeting.

**ss. 3** The audited accounts of KODA shall be open to inspection of full Members as well as associate Members for eight days before the Annual General Meeting.

#### **Sec. 21**

The accounts of KODA shall be audited by a state-certified auditor appointed by the Council to scrutinize the accounts with a view to any discrepancies and omissions.

**ss. 2** At the General Meeting four critical auditors shall be elected among the Members, one from the Danish Composers' Society, one from the Danish Song-writers' Guild, one from the Danish Society for Jazz, Rock and Folk Composers and one from the Danish Music Publishers' Association. The election of the critical auditors shall be valid for one year. Re-election may take place.

**ss. 3** The auditors shall have the right to summon the Council at any time they may consider it necessary.

**Sec. 22**

According to the legislation as in force at any time, KODA cannot be wound up as long as it carries out the activity described in Sec. 1.

**ss. 2** In the event that KODA ceases to carry on its activities the Society can only be wound up provided that nine tenth of its Members vote in favour hereof in the case of which any possible assets of KODA shall be transferred to a relief fund administered by the Danish Composers' Society, the Danish Songwriters' Guild, the Danish Society for Jazz, Rock and Folk composers and the Danish Music Publishers' Association each of the mentioned organizations having two votes.

**Sec. 23**

The By-Law and regulations of KODA including the requirement of domicile in Denmark mentioned in Sec. 3 shall not be applied in so far that different rules have been provided in international agreements.

The amendments of 1982 are accompanied by the following transitory provisions:

The provisions in Sec. 19 shall be applied for the first time to the means set apart from the proceeds of KODA for the year when an altered Distribution Plan adopted by the Council (cf. Sec. 11) can be put into force.

The Members of the Danish Composers' Society and/or the Danish Songwriters' Guild (DRKF) who based on 15 years of membership have received allotments from the "stamfond" (funds for national purposes) shall receive a similar allotment for 5 years counting from and including the year of the amendment. Further, if such Members with 15 years' seniority have reached the age of 60 before the end of the year when the amendment was made, the right shall be retained for life.

(It is noted for the record that an altered Distribution Plan adopted by the Council of KODA on September 23rd 1982 was applied for the distribution of the 1981 means).