

RADIOPRO LTD

COLLECTIVE MANAGEMENT ORGANISATION (CMO)

Terms of Membership and Associate Status

(Updated on 27 March 2020 and became part of the RadioPro Ltd Constitution)

A. INTRODUCTION

1. RadioPro Ltd ("the Company") is a Company which is owned and controlled by Right Holders to represent their interests. RadioPro Ltd collects on behalf of its Members and Associates their share of music royalty revenue payable under the Collective Management of Copyright (EU Directive) Regulations 2016.
2. Principally, Members and Associates give the Company the right to collect on their behalf revenue due to them, when music works, on which they have copyrights and/or related rights, are either broadcast, included in a cable programme service or played in public.
3. All monies collected by the Company are, after administration costs, available to its Members and Associates.
4. Members and Associates appoint the Company as their Agent to collect revenue deriving from copyright and rights related to copyright in the music sector, as defined in the Definitions section below. In the first five (5) years of its operation as a Collective Management Organisation, the Company collects revenue from public performance, cable transmissions and broadcasts of commercially released music works. At a later stage it may be appropriate for the Company to collect other types of revenue, eg. blank tape levies, which apply in certain countries. The Mandate given by Members and Associates to the Company allows the Company to collect this additional income.
5. The Company will not only collect income that arises in the United Kingdom but also income collected in other countries, through affiliated societies which have signed reciprocal agreements with the Company or directly from end users in countries in which the Company offers multi territory licenses.
6. RadioPro Ltd accepts Members who become shareholders of the Company and Associates who do not participate in the Company. Associate Status is mainly available to right holders who do not wish to become members of the Company and to those who are signed up with Foreign Societies. The reason for this is that usually joining a foreign society involves giving that society exclusive rights to collect

revenue on that right holder's behalf. An Associate will have the right to receive certain revenue arising within the United Kingdom. Associates do not have the right to vote, receive money from Abroad, or otherwise participate in the running of the Company.

7. The Liability of the Member is Limited. Every Member of the Company undertakes to contribute to the assets of the Company, in the event of the same being wound up while he/she is a Member, for payment of the debts and liabilities of the Company, such amount as may be required not exceeding 1 Euro.

B. DEFINITIONS

8. In this Schedule, the following words shall have the following meanings:-

- a) The "CRM Regulations" means The Collective Management of Copyright (EU Directive) Regulations 2016
- b) "Broadcast and Cable Programme Service" have the meanings ascribed to them in the CRM Regulations.
- c) "Board" means the Board of Directors of RadioPro Ltd.
- d) "Cable Transmission" means the inclusion in a Cable Programme Service.
- e) "IPO" is the UK Intellectual Property Office.
- f) "Member" means a Right Holder accepted as a Member pursuant to Clause D of this Schedule.
- g) "Foreign remuneration" means remuneration arising outside the Territory.
- h) "Foreign Society" means a Society mandated or authorised to collect remuneration in a country outside the Territory.
- i) "Joint Organisations" means an organisation that represents inter alia both Authors/Creators and at the same time Performers and Producers, as RadioPro Ltd does.
- j) "Right Holders" means in each country where remuneration arises, the persons entitled under the law of that country to receive such remuneration.
- k) "Right Holders' Organisations" means an organisation that represents Right Holders.
- l) "Producer" means producer of sound recordings.
- m) "Producers Organisations" means an organisation representing Producers.

n) "RadioPro" means RadioPro Ltd.

o) "Remuneration" means the income owed to Right Holders for their copyright and rights related to copyright, arising from the commercial use of music works and performances, in which they participate as authors / creators, producers, musicians and singers, and also:-

i) share of the statutory equitable remuneration paid on the Broadcast or public performance or Cable Transmission of a music work published for commercial purposes, and

ii) such other rights to remuneration as are available to Right Holders under the CRM Regulations and/or levies on copying devices or media or other measures intended to recompense inter alia performers in respect of the private copying of fixed performances, which are available in other territories, as RadioPro Ltd by special resolution in general meeting shall resolve to be collected by RadioPro Ltd.

p) "Territory" means the United Kingdom.

C. APPOINTMENT OF RADIOPRO LTD AS AGENT

9. Each Member hereby appoints the Company as its exclusive agent in the Territory to:-

a) collect his/her revenue / remuneration arising in the Territory,

b) enter into agreements with Collective Management Organisations (CMOs) and Independent Management Entities (IMEs) either within the Territory or in countries outside the Territory with a view to obtaining revenue and to negotiate and settle with Organisations how such monies may be owed and paid for copyright and rights related to copyright,

c) exercise his/her rights for the purposes of entering into agreements with Foreign Societies throughout the world in order to recover and collect income arising in the countries in which such organisations are established and/or the collection of income from such organisations in relation to the Broadcast, Cable Transmission or public performance of Members' music works and recorded performances and to liaise with other collecting societies.

d) make representations, claims and demands and to negotiate and settle the same as against organisations in countries outside the Territory whether Collective Management Organisations (CMOs) and Independent

Management Entities (IMEs) in order to collect and recover foreign remuneration.

10. Each Associate hereby appoints RadioPro Ltd as its exclusive agent to collect on his/her behalf revenue / remuneration arising in the Territory.

11. Both Members and Associates hereby appoint RadioPro Ltd as their agent, in respect of income collected on their behalf, to:-

- a) give good receipts for and on behalf of the Member and/or Associate,
- b) establish and operate Licensing Schemes,
- c) make representations on behalf of, to appear before and litigate any matter regarding the rights and claims exercised pursuant to the Company's agreement with Members and/or Associates before the IPO and other courts and tribunals whether in the Territory or abroad.
- d) enter into blanket licensing agreements on such terms as it thinks fit.
- e) give indemnities guarantees and warranties in connection with arrangements entered into by RadioPro Ltd.
- f) make claims, pursue debts, recover monies and litigate actions and proceedings in relation to the copyright and rights related to copyright revenue.
- g) audit and verify compliance with the terms of any agreement or scheme entered into with any third party.
- h) compromise and settle any negotiations, claims, demands or proceedings, and
- i) vary, alter or amend agreements that are entered into.

D. MEMBERSHIP AND ASSOCIATE STATUS

12. A Member or an Associate shall be a Right Holder accepted as such by the Board of Directors of RadioPro Ltd in accordance with the guidelines and other matters laid down from time to time by the Board.

13. In the event that a Member at the date of application to become a Member of RadioPro Ltd is a Member of a Foreign Society or has mandated or granted agency rights in respect of any revenue / remuneration (whether arising abroad or in the United Kingdom) then he or she shall declare that fact to the Company.

14. In the event that a Member makes application to join or does join a Foreign Society during the currency of his or her Membership of RadioPro Ltd or mandates or appoints any such society or any third party to act on his behalf in relation to revenue whether arising abroad or in the United Kingdom he/she shall forthwith notify that fact to the Company and shall supply such details and information regarding such Membership, its territorial extent, the rights granted and the extent of the agency accepted, as the Company shall require.

15. Where a Member is or becomes a Member of a Foreign Society and/or mandates or grants any rights to collect income to any organisation or person other than RadioPro Ltd the Member shall cease to be a Member and shall thenceforth be an Associate and shall not have the right to share in:-

- a) the remuneration, revenue or income collected by RadioPro Ltd from any Foreign Society throughout the world of which the Member is or becomes a Member or
- b) any monies collected on a blanket, anonymous or unattributable basis whether in the Territory or elsewhere.

E. RIGHTS OF RADIOPRO LTD

16. RadioPro Ltd has the right to consider, draft, publish and lay down from time to time, regulations and guidelines relating inter alia to the following: -

- a) Admission requirements for Membership and Associate Status.
- b) Thresholds for distribution of monies.
- c) The establishment of distribution scales and points systems for the distribution of income.
- d) Retention and/or distribution of unascertained monies.
- e) The setting up of trust funds and benevolent funds.
- f) Notifications in relation to relevant agreements by Members and Associates.
- g) Distribution of revenue.
- h) Division of monies.
- i) Legal proceedings.
- j) The extent of the revenue / remuneration collected by RadioPro.

k) Ballots.

l) Relationship with other collecting societies whether in the United Kingdom or abroad in relation to rights licensed or monies collected by Foreign Societies in cases where the rights exercised are more extensive but relate to either the broadcast, public use or cable transmission of the live or recorded performances of the music works.

m) Death of a Member or an Associate and succession to his or her interests.

17. The Company shall be authorised to accept assignments of copyrights and rights related to copyright to the extent that these may exist in foreign territories and to licence the same to Foreign Societies as the Company thinks fit.

18. The Company may distribute, allocate and apply unattributed or unallocated sums in the general interest of the Right Holders.

19. The Board of Directors may call for proof of authorship or performance in a music work / sound recording and the Member's or Associate's contribution and/or participation in that.

20. The Company shall have the power to affiliate and/or grant any of the rights given to it hereunder to any other society.

21. The Company has the right to debit from the account of any Member or Associate any sums paid over to such Member or Associate where a claim is made against the Company in relation to monies distributed to that Member or Associate in respect of the same event giving rise to revenue / remuneration.

22. The Company shall have a First Charge in respect of its administration and other costs in accordance with the guidelines laid down under Clause 16 hereof over any revenue / remuneration collected.

F. COLLECTION AND DISTRIBUTION

23. The Board of Directors shall decide, from time to time, the collection periods and dates for distribution of monies collected and shall determine the minimum distribution amount that it shall distribute to each Member and Associate. Such details shall be notified from time to time by the Company to its Members and Associates.

24. The Company shall use its reasonable endeavours to identify and to attribute the monies that are received so far as is reasonably practicable and economic so to do. Where sums otherwise payable to a Member or an Associate fall below the

minimum distribution level, such sums shall be held on account on such a basis and for such a period as the Board shall determine.

25. The Company shall be entitled to make such levies and deduct such commissions and fees as it may decide from time to time by a decision of the Board of Directors provided always that such decisions shall be communicated to the Member or Associate either directly or at the annual general meeting of RadioPro Ltd.

26. The Company has the right to deduct any charge, levy, subscription, debt or any other payment which is properly due to RadioPro Ltd under the terms of this Agreement or otherwise and any withholding tax, income tax or other charge which the Company is required by the Law to debit prior to making any payment to the Member or Associate.

27. The Company shall draw up accounts and furnish copies of the same to each Member and Associate together with such other financial and accounting information (including the expenditure and administration costs of RadioPro Ltd) as the Board of Directors shall determine as being reasonably practicable and economic in the circumstances.

G. V.A.T.

28. The Member or Associate undertakes to comply with all and any tax and V.A.T legislation that may be applicable in relation to the receipt by him or her of payments made under this Agreement and indemnifies RadioPro Ltd in respect of any liability in respect of the same.

H. LEGAL PROCEEDINGS

29. The Member or Associate hereby authorises RadioPro to instigate and take legal proceedings for the collection of monies arising from any rights to revenue / remuneration to the extent that these may be legally enforceable either in the United Kingdom or elsewhere and appoints RadioPro Ltd as his or her duly authorised attorney to act in all respects in this connection provided always that the Company shall be under no obligation to take such proceedings.

I. WARRANTIES AND UNDERTAKINGS OF THE MEMBER OR ASSOCIATE

30. The Member or Associate warrants as follows: -

He/She has full power authority and right to enter into this Agreement and to appoint RadioPro Ltd as his/her exclusive agent in the case of Members and exclusive agent in respect of the collection of revenue arising in the Territory, in the case of Associates and to permit and authorise RadioPro Ltd to exercise the rights herein granted in accordance with this Agreement.

31. The Member or Associate undertakes with RadioPro Ltd as follows: -

- a) To give details to the Company of any purported waiver, assignment, release, commitment whether contractual or otherwise and whether or not enforceable whether by way of a recording agreement or other document of any right to the revenue collected by RadioPro Ltd.
- b) To inform RadioPro Ltd of any monies received in relation to the revenue / remuneration whether personally or through any manager, agent, record company, broadcaster, collecting society, management entity or other agent or person.
- c) Not to withdraw or deny the authority and agency appointment granted herein save:-
 - i) on prior notice to RadioPro Ltd; or
 - ii) in accordance with this agreement.
- d) To notify RadioPro Ltd of any change in the information given to them on making application to become a Member or an Associate.
- e) To deliver to RadioPro Ltd copies of such agreements, contracts and other documents as the Member or Associate may have entered into which may relate wholly or in part to revenue / remuneration arising either in the Territory or abroad.
- f) To deliver to RadioPro Ltd such information as it may require in relation to the creation of music works and sound recordings containing rights by the Member or Associate.
- g) To confirm the accuracy of any information contained in a distribution statement issued by RadioPro to the Member or Associate and to notify RadioPro Ltd of any inaccuracy and/or any monies credited or distributed to the Member or Associate.
- h) To abide by the Constitution of RadioPro Ltd, the rules and regulations laid down from time to time in respect of Membership and Associate Status of RadioPro and the arrangements for the collection, distribution and apportionment of revenue / remuneration.

i) Not to institute any legal proceedings or make any claims in respect of revenue / remuneration save with the prior approval of the Board of Directors of RadioPro Ltd.

j) To execute such further licenses, authorities, contacts, powers and other documents as may be necessary for the Company to carry out its obligations hereunder of which may be desirable for the Company to exercise in pursuance of the objects stated in the Memorandum of Association.

J. DISPUTES PROCEDURE

32. The Company may and shall lay down rules and procedures for the settling of any grievance or dispute whether in relation to monies arising or distributed or any other matters relating to the Company in which the Member or Associate has a legitimate interest. The Company may lay down separate procedures in relation to internal and administrative matters and/or to the auditing and verification of accounts.

K. TERM

33. This Agreement shall take effect from the acceptance by RadioPro Ltd of the application for Membership of Members and Associate Status of Associates and shall continue until determined in accordance with Clause 34 or 35 below. On termination of the agreement the Member or Associate shall cease to be a Member or Associate of RadioPro Ltd.

34. Either the Company or the Member/Associate may terminate this Agreement upon 3 months written notification to the order.

35. Either party may terminate this Agreement in the case of any breach by one party which either is not capable of remedy or if capable of remedy, has not been remedied within 30 days of notification of the details of the breach from one to another.

L. MISCELLANEOUS

12.1 Notifications given by the Company to the Member or Associate may in the discretion of the Board of Directors be specific or general such as in any RadioPro Ltd newsletter or magazine from time to time.

12.2 The United Kingdom Law shall apply.

RadioPro Ltd