

WHAT'S AGEDI?

AGEDI is a non-profit association established by music producers to collectively manage the rights that the Intellectual Property Law (Revised Text of 12th April 1996) grants to phonogram producers.

AGEDI is the collecting management society of phonogram and music video producers.

Among its members are majors, medium and small producers, as well as agents, companies managing the rights on behalf of third party producers. Please visit AGEDI website for <u>more information</u>.

Entidad de Gestión de Derechos de Propiedad Intelectual

PURPOSE & GOALS

AGEDI 's main purpose is the collective management of intellectual property rights granted

to music producers, for the use or exploitation that a large range of companies make of thousands of national and international phonograms and music videos.

AGEDI is authorised by the Spanish Ministry of Culture (Decree of 15th February 1989-Published in Official Gazzette 11.03.89) to manage the following intellectual property rights:

• Public Communication of phonograms and music videos, which comprises the radio or television broadcasting, included via cable or satellite; retransmission, public dissemination of phonograms and music videos broadcasted on radio or television; their use on commercial or other type of premises, as well as in public transports; simulcasting (simultaneous unaltered transmission via the internet of sound recordings included in original free-to-air broadcasts of radio and/or TV signals); certain categories of non-interactive webcasting (music radio only available via Internet, that allows to listen to songs without downloading to the computer and in which the user cannot decide on the music to be listened to); podcasting (management of recorded programs of radio and TV previously broadcasted, transmitted through the Internet or mobile phone networks) and background music on websites.

The management of rights over simulcasting, webcasting, podcasting and background music on websites is carried out by **AGEDI** by virtue of multilateral reciprocal agreements signed with producer rights collecting societies around the world, so that contracts for these services allow their provision in all signing countries.

- Reproduction of phonograms and music videos for public communication, consisting in making fixations of phonograms or music videos in their own carriers for subsequent public communication.
- Private copying equitable remuneration of phonograms and music videos.

According to its <u>Articles of Association</u>, besides the collective management of certain phonogram and music video producers rights, <u>AGEDI</u> has the following purposes:

- The professional representation of its members.
- The protection and promotion of the rights of the phonogram producers.
- The cooperation with organisations and authorities in activities aimed at the implementation or amendment of intellectual property law.
- The conclusion of representation contracts with national or international organisations for the management and collection of such rights.
- The undertaking of promotional activities for the benefit of authors and artists, and welfare activities for the benefit of its members.
- The filing of legal actions in defence of phonogram producers and the claims for damages on their behalf and benefit to ensure effective action of damages.
- The diffusion and promotion of music.

WHY JOINING AGEDI?

As a member of **AGEDI** you will benefit from:

- The **collection** carried out by AGEDY of the abovementioned rights. All categories of members can benefit from it.
- The allocation of an **ISRC Code** to identify all audio and video recordings.
- Access and storage of all information of your catalogue into our repertoire database and into RitmoGestión.
- Access to information on sales figures regarding details on physical and digital sales, radio and streaming compiled into the Official Promusicae-Agedi Charts.



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WHO CAN BECOME A MEMBER?

There may be members of the Association the natural persons or legal entities that regularly engage in the phonogram producer activity and own the rights granted to them by the Intellectual Property Law; as well as the agents, companies managing the rights on behalf of third party producers.

For the purpose of our Association, the phonogram producer is understood as included in any of the following categories:

» The producer of phonograms and/or music videos that, besides, commercialises them. » The publisher of the phonograms and/or videograms understood as that which exercises the reproduction and distribution rights transferred to by the phonogram producer.

Members of the Association shall be **member companies** or **member associates**

There are two categories of **members companies**: full members and non-full members. **Non-full members** must meet the following requirements: to be registered with the Spanish tax on economic activities (or equivalent trade tax register); to be the owner of the rights subject to the management of the Association regarding, at least, one phonogram or music video; to pay the minimum fee and not to belong to any other association whose aims are similar, equal, contrary or that may be in conflict with those of **AGEDI**, to which they would have transferred the same rights. **Full Members** must have a minimum background of four years as a non-full member and fulfil all other requirements established in Article 10 of **AGEDI** Articles of Association.

There may be **member associates** of the Association the natural persons or legal entities that agglutinate, as agents, the rights of one or more phonogram producers.

MANAGEMENT COSTS

Management costs that AGEDI passes on to their members are calculated yearly regarding the budgetary income and expenditure projections estimated for the management of each modality of royalty; they are approved by the Board of Directors together with the annual

budget. At the end of the financial year and using a complex cost-accounting system, real income and expenditure incurred in the management and the activities carried out are determined, adjusting the budgetary projections to the real data and bringing them on a yearly basis to the annual accounts, which are audited and further approved by the General Assembly. The average management discount estimated by the Association for 2025 will be **19.3%**. The percentage according to the type of royalty is available on the website.

Costs for member companies: the Board of Directors has established a minimum management discount of 150€ (one hundred and fifty euros) in the case the fixed percentage above does not reach that amount, except for the first year, which is covered by the entrance fee amounting also to 150€, paid when joining the Association.

Costs for agents: the Board of Directors has established the following fees to cover the management costs in the category of agents:

- 1. Annual Fee: the amount is a variable amount depending on the number of represented producers, according to that below:
- 2.Management cost: producers which rights are managed by an Agent shall also have a management discount equal to that for member companies (see above), but shall not pay the minimum discount individually.

Annual Fee depending on the number of represented producers (31 December, previous year)

Up to 20 represented producers ->150,00€21 to 50 represented producers ->200,00€51 to 100 represented producers ->250,00€ 101 to 200 represented producers -> 300,00€ Over 200 represented producers -> 400,00€

WANT TO JOIN?

If you want to apply to be a join our Association, please <u>download the form</u> from the website and return it duly filled <u>by e-mail</u>, together with the documents supporting your application. If you qualify to become a member, your application shall be presented in the next meeting of the Board of Directors. If you don't qualify we shall contact you to request further information.

ADMISSION PROCEDURE

- 1. Request of information —> extensive information is available on AGEDI website. Complete it by downloading and reading our Articles of Association.
- 2. Send the <u>Application Form</u> and supporting documents —> **AGEDI** checks qualification requirements.
- 3. Qualifying applications are presented to the Board of Directors for approval —> Approval and admission as a member, if appropriate.
- 4. Both parties sign a <u>management contract with schedules</u> and rest of documents as requested.





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I JUST STARTED AS A PHONOGRAM PRODUCER, CAN I JOIN AGEDI?

Yes, from the moment you have produced a single phonogram or music video and as far as you qualify according to our requirements.

I DO NOT HAVE MY OWN RECORDINGS, BUT I HAVE LICENSED REPERTOIRE, CAN I JOIN AGEDI ?

• Yes, as far as the repertoire rights under mandate of AGEDI have been licensed exclusively to you.

HOW WILL AGEDI KNOW MY REPERTOIRE?

- Members enter their recordings into a web-based application called RitmoGestión, where they can declare, modify or remove repertoire. Members will then validate information on rights ownership and the repertoire will be moved to AGEDI's repertoire database (known internally as BDR), management tool used for the distribution of rights.
- To complement this, there is a register of **record labels** for members to declare the labels they own.

WHY DOES AGEDI COLLECT RIGHTS REVENUES ON MY BEHALF?

- Spanish Intellectual Property Law (Spanish LPI) protects intellectual property rights of different right owners and, among them, those of phonogram producers. To facilitate the management of some of these rights, collecting societies, such as AGEDI, were established and authorised by the Spanish Ministry of Culture. In the case of public communication, for instance, it would not be feasible that each producer would contact all of the companies users of their music (radios, clubs, televisions, etc.) to collect their rights individually. Thus, this right must be necessarily managed through AGEDI according to the provisions of Spanish IPL.
- Members sign a management contract with AGEDI granting a mandate to manage their rights.

How does **AGEDI** distribute my rights?

- Rights collected are distributed among our members on a per- track basis in general, although in certain cases there is also a distribution based on record labels.
- You can see <u>Distribution Rules</u> on **AGEDI** 's website.

More information?

Visit AGEDI's website at www.agedi.es