Extract from CREDIDAM Statute no. 22634/30.06.2022) regarding:

METHODOLOGY/FORMULA

Used by CREDIDAM to calculate the remuneration due to rightholders (on each source of collection)

(...)

(11) The distribution of the collected amounts shall be made in compliance with the law and the distribution regulations of this Articles of Association, approved by the General Assembly.

(12) The amounts collected by CREDIDAM will be distributed on a half-yearly basis, by 15th of June and 15th of December, but not later than 9 months after the end of the financial year in which the remuneration was collected, unless these deadlines cannot be met by CREDIDAM for objective reasons, including in particular the user reports, the rights and right-holders identification, or the correlation between the information (playlists) received from the users, on the one hand, and the repertoire managed by CREDIDAM for the right-holders, on the other hand.

(13) in the case of representation contracts, the amounts collected by CREDIDAM shall be distributed, as a rule, half-yearly by the 15th of June and the 15th of December, and not later than 9 months after the end of the financial year in which the remuneration was collected, unless these deadlines cannot be met by CREDIDAM for objective reasons, including in particular the user reports, the rights or right-holders identification, or the correlation between the information (playlists) received from the users, on the one hand, and the repertoire managed by CREDIDAM for the right-holders, on the other hand.

(14) In order to identify the right-holders who participated in the fixation of the unidentified performances, CREDIDAM publishes the unidentified performances on its website, www.credidam.ro, within 3 months from the date of the distribution.

(15) CREDIDAM distributes the remuneration to the holders of neighbouring rights in accordance with the management mandate received from the right-holders, on the basis of the information received from the users (playlists) and the repertoire permanently updated by the right-holders, in accordance with the rules on the distribution of remuneration, as follows:

(1) The compensatory remuneration for the private copy

1.1. The reserve fund, in the amount of 20% of the sums collected for private copying, shall be constituted for the payment of right-holders (non-members), made within maximum 3 years from the date of application/adherence. The amount of the reserve fund may be amended by the general assembly's decision, depending on the amounts collected from this source.

1.2. The compensatory remuneration for the private copy due to right-holders, performers, shall be allocated to them in relation to the national market research that will be carried out annually by a specialized institution. The Board of Directors designates the institution and the conditions for the accomplishment of this market research which determines the proportions

(percentages) in which artists' performances are copied in Romania by categories of performance (acting, dance, music, stunt and director, except for film directors, audiovisual works, TV shows and videos), by categories of gender (classical music, light music and folk music) and by categories of origin of artistic performances (Romanian and foreign).

1.3. The value of each phonogram / videogram / artistic performance in the audiovisual field is given by its broadcasting duration, by the amount collected during the distribution period, weighted by the percentages established by the market research, in relation to the total of the information received from the users (playlists) as reported by Radio and TV stations. The distribution of the amounts to the right-holders, performers, shall be made taking into account the criteria provided for in article 3.1.1. and article 3.1.2 of this Regulation.

(2) Fair remuneration for public lending, Internet and reproduction

2.1. For the **public lending**, the amounts are distributed according to the information provided by the institution which allows the public access to the performances of performers. According to this information, the amounts are distributed to performers whose artistic services appear on the respective lists in relation to the criteria set out in article 3.1.1. and article 3.1.2 of this Regulation.

2.2. For the **Internet**, the amounts are distributed according to the information provided by the user who allows the public access to the performances of performers. According to this information, the amounts are distributed to performers whose artistic services appear on the respective lists in relation to the criteria set out in article 3.1.1. and article 3.1.2 of this Regulation.

2.3. For **reproduction**, the remuneration collected under the special mandate is divided as follows:

a) the 80% percentage will be shared as follows: 50% for the main role/part (if more actors are shown in the cast or in the director's book for the same role/part, the resulting money will be divided equally among the participants), 30% for side role, 10% for episodic role, and 10% for the actor whose image is on DVD/VHS cover and so on, or to the artists participating in the promotion.

b) the 20% percentage for the film music will be shared according to the role played by the respective performers.

If one of the above categories does not exist, the corresponding remuneration shall be proportionally redistributed in the following order: main, secondary, episodic roles, etc.

(3) Fair remuneration for the broadcasting of phonograms / videograms / artistic performances in the audiovisual field and the public communication

3.1. Broadcasting of phonograms / videograms / artistic performances in the audiovisual field

3.1.1. The amounts collected by CREDIDAM from each broadcaster are distributed according to the actual usage resulting from the information received from each user (playlists). The value of each phonogram / videogram / audiovisual performance is given by the broadcasting time and by the amount collected for the broadcasting period (the amount received is divided by the total number of seconds of broadcasting, and the result is the value per second, multiplied by the number of seconds for each piece/performance, resulting in the value per piece/performance). The amount calculated for a phonogram / videogram / artistic performance in the audiovisual field is distributed to all the performers participating in that recording, according to the repertoire statement or to the sheet of attendance.

3.1.2. The criteria for determining the score of each participant in a phonogram / videogram / artistic performance in the audiovisual field are:

a) The role/part or function within the fixation, according to the artist's statement;

b) For mandatory collective management sources, the number of performers participating in the fixation, as evidenced by their repertoire statements, or in the absence of such information, the number frequently used for that type of artistic performance shall be used;

c) The number of participating performers, CREDIDAM members, who declared their repertoire according to the Articles of Association.

3.1.3. The amounts received from the users who/which broadcast or re-transmit by cable works dubbed by performers will be distributed to the members of CREDIDAM in proportion to the actual use of the repertoire, observing the scoring system (articles 3.1.1 and 3.1.2 of this Regulation), on the basis of sworn statements under private signature given by the performers (according to the Decision of the General Assembly no.64/2008).

3.1.4. The remuneration collected from a broadcaster from which the information required for distribution can no longer be obtained within the statutory time limit will be distributed only to the performers who have declared the artistic performances broadcasted by the user concerned.

3.2 The public communication

3.2.1. The remuneration collected from the public communication of phonograms / videograms / artistic performances in the audiovisual field for environmental / for-profit purposes shall be distributed by determining the value of each phonogram / videogram / artistic performance in the audiovisual field, given by its broadcasting duration, by the amount received during the period subject to distribution, relative to the total of information received from the users (playlists) reported by the Radio and TV stations. The distribution of the amounts to the right-holders, performers, shall be made taking into account the criteria set out in article 3.1.1. and article 3.1.2 of this Regulation.

3.2.2. The remuneration collected from the public communication of artistic performances in the audiovisual field in cinemas shall be distributed according to the information provided by the user and to the amounts received. According to this information, the amounts are distributed

to the performers whose artistic performances appear on the respective lists in relation to the criteria set out in article 3.1.1 and article 3.1.2 of this Regulation.

(4) The distribution of the amounts collected from the cable providers

4.1. The amounts are distributed according to the list of stations retransmitted by the cable providers, according to the distribution system provided for by article 3.1. of this Regulation. The list of retransmitted stations is communicated by the cable provider or may be requested by CREDIDAM from the CNA (the National Audiovisual Council).

4.2. The remuneration collected from a broadcaster from which the information necessary for distribution can no longer be obtained within the time limit laid down by the law, which is found in the list of stations retransmitted by the cable providers shall be distributed only to the performers who have declared the artistic performances broadcasted by the relevant user.

(5) The rights susceptible to being collectively managed for which the express mandate of the members is required, according to the law, shall be distributed exclusively to the performers who have mandated CREDIDAM to collect the remunerations, in proportion to the direct collections for the use of each performer's performance.

(6) The distribution of the amounts collected from the retransmission services providers

6.1. The amounts are distributed according to the list of stations retransmitted by the cable providers, according to the distribution system provided for by article 3.1. of this Regulation. The list of retransmitted stations is communicated by the retransmission services providers or may be requested by CREDIDAM from the CNA (the National Audiovisual Council).

6.2. The remuneration collected from a broadcaster from which the information necessary for distribution can no longer be obtained within the time limit laid down by the law, which is found in the list of stations retransmitted by the retransmission services providers shall be distributed only to the performers who have declared the artistic performances broadcasted by the relevant user.

(7) The distribution of the additional annual remuneration, due by the phonogram producers to performers, as rightholders

7.1. The sums collected by CREDIDAM from each phonogram producer are kept in a distinct analytical account and distributed based on the information communicated by the phonogram producer.

7.2. The remunerations collected from the phonogram producers are equally distributed between the performers participating in the initial fixation of the phonograms, as they were indicated by the phonogram producers.

Art. 22 THE UNDISTRIBUTED OR UNCLAIMED AMOUNTS

(1) The unpaid amounts are the amounts for which, within 3 years from the date of collection, CREDIDAM did not receive from the users the information necessary for their distribution.

(2) The unclaimed amounts are the amounts distributed of which right-holders have not claimed them for 3 years from the date of the notification, or amounts due to deceased CREDIDAM members whose legal heirs did not claim them for 3 years from the date of their distribution and are registered and kept in distinct analytical accounts.

(3) No later than 90 days after the expiry of the period referred above, the unclaimed amounts shall be distributed both to the members of the management organisation and, in the case of compulsory or extended collectively managed rights, to the members of the beneficiary organisations, in proportion to the remuneration distributed in the year in which they were generated.

(4) By way of exception, between 4th April 2022 – 4th April 2025, the unclaimed amounts follow the regime established in accordance with the applicable legal provisions.

(5) The undistributed amounts shall be used as follows:

a) with the open vote of the majority of the members attending the general assembly, the undistributed amounts shall be included in the amounts intended for the distribution of the rights collected under the rules for the distribution of the private copy.

b) with the open vote of the majority of the members attending the general assembly exercised under the conditions provided for by these Articles of Association, it may be decided to use for shared purposes the undistributed amounts:

- by granting temporary assistance to the members of the association who are in temporary incapacity for work, according to a medical certificate and verified by the Board of Directors,

- by initiating, supporting and developing social, cultural, information and documentation projects or programs about the members of the association or the users of their performances.

c) with the open vote of the majority of the members attending the general assembly, it may be decided to support through joint programs and projects with the authorities, according to the rules of the public-private partnership.

(...)