

# UCMR-ADA STATUTE

CONSOLIDATED  
ACCORDING TO THE AMENDMENTS COMPRISED IN  
THE DRAFT ADDENDUM

UCMR-ADA 2019

**UCMR-ADA, ASOCIAȚIA PENTRU DREPTURI DE AUTOR A COMPOZITORILOR - COPYRIGHT  
ASSOCIATION OF COMPOSERS**

**1. NAME, LEGAL FORM, REGISTERED OFFICE**

**1.1. Name:** UCMR-ADA, ASOCIAȚIA PENTRU DREPTURI DE AUTOR A COMPOZITORILOR (COPYRIGHT ASSOCIATION OF COMPOSERS). The initial letters UCMR-ADA shall appear on all documents, acts, announcements of the association, being referred to hereinafter as the „association”. The name of UCMR-ADA, ASOCIAȚIA PENTRU DREPTURI DE AUTOR A COMPOZITORILOR is available according to the proof of name availability issued by the Minister of Justice.

**1.2. Legal form:** The association is established as a non-profit legal person of private law, established through the free association of the composers and lyricists, functioning in compliance with the provisions of the present Statute and the Romanian law in force.

The association may establish along with other collective administration bodies, with the approval of the Romanian Copyright Office, common collection bodies for several fields, bodies functioning according to the legal provisions on the federations of non-profit legal persons of private law, as well as according to the provisions on the organisation and functioning of the collective administration bodies from the Law of copyright and related rights.

**1.3. Registered office:** Bucharest, 12 Ostașilor Street, district 1. UCMR-ADA, as a body specialised in the collective administration of patrimony copyrights, benefits from an organisation structure not having legal personality, called inspectorates, existing in the country and it may establish other such sub-units not having their own legal personality, in order to fulfil the object of its activity, in compliance with the legal provisions.

**1.4. Duration:** on the adoption date of the present Statute, the association is established for an indefinite period of time.

**2. PURPOSE AND ACTIVITY OBJECT****2.1. The purpose of the association is:**

- a) the collective administration of the patrimony copyrights for musical works for reproduction, distribution, radio broadcast, public communication, cable transmission, online multi-territorial licensing, the right to a compensatory remuneration for private copies, the right to a fair compensation for orphan works, as well as of any other patrimony copyrights for musical works for which the law provides the collective administration;
- b) the collective administration of any patrimony copyrights for musical works for which the law provides the collective administration based on a special mandate;
- c) the collective administration, in the capacity of sole collector, of any patrimony copyrights or related rights for which, according to the law, through protocols or Decisions of the Romanian Copyright Office, UCMR-ADA is assigned as sole collector;
- d) the performance of social activities in the interest or in support of its members, according to the Statute;
- e) the performance of cultural activities of musical profile, according to the Statute;
- f) in general, the protection of the patrimony copyrights for musical works and of the moral copyrights for musical works;

**2.2. Activities**

**2.2.1.** In order to fulfil the purpose and the objectives of the association, UCMR-ADA carries out all of the activities required, among which:

- a) it concludes authorizations of non-exclusive licence with the users of musical works with regard to the authorization of the use of musical works or, as the case may be, it forbids their use, according to the types of patrimony copyrights for musical works that it administers collectively legally, mandatorily, optionally or based on a special mandate, respectively:

- i. the integral or partial reproduction of musical works, direct or indirect, temporary or permanent, by any means and in any form;
  - ii. the distribution of musical works;
  - iii. the public communication by satellite of musical works;
  - iv. the public communication of musical works made, directly or by any technical means, including by putting the musical work at the disposal of the public, online, by wired or wireless means or other computer networks, so that they can be accessed anywhere and anytime, individually, by the public, including by public projection in cinemas;
  - v. the online multi-territorial licensing of musical works, directly or indirectly, by means of another collective administration body from abroad;
  - vi. the radio broadcast of the musical works;
  - vii. the cable transmission of musical works;
- b) it concludes authorizations of non-exclusive licence by which it authorizes the creation of derived musical works, based on a special mandate granted by the holders of patrimony copyrights or on the law, as the case may be.
- c) it collects the remunerations, the interests, the penalties or the damages owed by the users of the musical works following the lawful use or, as the case may be, the unlawful use of the musical works, for all of the patrimony copyrights for musical works that it administers collectively and for any other patrimony copyrights or related rights for which it is assigned as sole collector;
- d) it collects the compensatory remuneration for private copy, the fair remunerations for the use of orphan musical works and any other fair remunerations provided for by the law;
- e) it solicits and collects from the users of musical works information and documents necessary to identify the musical works used, to establish the amount of the remunerations, of the penalties and damages owed and to allot them to the authors of the musical works and other holders of patrimony copyrights for musical works;
- f) it elaborates methodologies, it initiates negotiations, it promotes mediations, it files and supports actions before the legal courts, and any other legal proceedings and legal acts necessary in order to establish the methodologies ruled by Law no. 8/1996 on the copyright and the related rights, republished;
- g) it allocates the remunerations, the penalties and the damages collected, as the case may be, and it pays them to the authors, publishers, other holders of patrimony copyrights for musical works and similar bodies, to whom they belong to after their individual distribution, according to the law and the rules of distribution of UCMR-ADA;
- h) it may forbid the use of musical works in any of the methods corresponding to the patrimony copyrights for musical works it administers collectively, especially in the cases in which the user appears to have overdue payments of certain remunerations;
- i) it concludes contracts for empowerment for collective administration and contracts for representation with other similar collective administration bodies;
- j) it performs all of the activities; it concludes any legal acts and it acts according to the law using the methods necessary to exercise the capacity of sole collector;
- k) it adheres to national or international organisations of profile; it takes part in the establishment or it adheres to federations or other associations of the collective administration bodies;

- l) it negotiates and concludes protocols with other collective administration bodies with regard to the ratio of allocation of the remuneration between the holders of rights by the collective administration body assigned as sole collector, between the categories of beneficiaries, the designation of the administration body to be assigned as sole collector, the method used to highlight and justify the expenses incurred for the real coverage of the collection costs of the collective administration body which is the sole collector.
- m) it concludes transactions or protocols for the settlement or prevention of certain disputes;
- n) any other activity, according to the special mandate received from the holders of patrimony copyrights, within the limits of the object of activity and the legal provisions.
- o) the performance of any other initiatives and the conclusion of any legal acts in the relation with the state institutions or with private persons in view of protection and promotion of the patrimony copyrights for musical works administered collectively and of the interests of the association members and other holders of patrimony copyrights for musical works the rights of whom it administers;
- p) to conclude any other legal acts, in compliance with the legal provisions in the matter and in accordance with the purpose of the association, legal acts meant to lead to the fulfilment of the purpose of the association;
- q) it initiates or promotes activities for the support or defense of the moral rights of authors of musical works, members of UCMR-ADA;
- r) it initiates or promotes activities for the support or defense of moral rights of authors of musical works, members of UCMR-ADA;
- s) it initiates, performs or supports social activities meant to help the authors of musical works, members of UCMR-ADA.

**2.2.2** To fulfil its purpose and to perform the activities necessary for its fulfilment, UCMR-ADA initiates, takes part in negotiations, concludes any legal acts with natural or legal persons, of private law or public law, it promotes any applications or legal proceedings, ordinary or extraordinary remedies, foreclosure, charges, complaints, registrations as injured party or civil party and in general, it initiates, concludes legal acts and takes any legal measures necessary to fulfil the purpose, and especially to collect the remunerations representing patrimony copyrights for musical works and, as the case may be, for other categories of rights for which it is the sole collector, of the interests or penalties owed according to the law, of the legal expenses, punitive or material damages, to prevent or to ban the unlawful use of the musical works, and to collect the information related to the use of musical works.

**2.2.3** To fulfil the purpose provided for by art. 2.1 of the present Statute UCMR-ADA exercises on its own behalf, but for the account and in the collective benefit of the authors or other holders of the patrimony copyrights for musical works it administers collectively under the law, under the mandates of direct administration, be they general or special, under the indirect mandates granted through contracts for representation concluded with similar bodies, and performs any other activities required for the fulfilment of the purpose and objectives of UCMR-ADA.

**2.2.4 (1)** For the patrimony copyrights for musical works administered collectively under the law, UCMR-ADA represents all of the authors of musical works and all of the other holders of patrimony copyrights for musical works being in the legal term of protection, Romanian or foreign, irrespective whether if they granted or not to UCMR-ADA a mandate for administration.

(2) The termination of the administration mandate arising from the law is made according to the provisions of the law and the provisions of the present Statute.

**2.2.5.** In case of the rights for which the law provides the optional collective administration or based on a special mandate, UCMR-ADA represents only the authors of musical works and, as the case may be, other holders of patrimony copyrights for musical works, Romanian or foreign, who have granted to UCMR-ADA, directly or indirectly, a collective administration mandate for those rights. In this case, the collective administration is exercised by UCMR-ADA only within the limits of the portfolio of musical works administered collectively based on a direct or indirect mandate. The indirect mandate for collective administration is granted to UCMR-ADA through the contracts for representation concluded with similar bodies from the country or from abroad.

**2.2.6.** The collective administration of the patrimony copyrights for musical works on the territory of other states is made by means of the collective administration bodies with which UCMR-ADA concludes contracts of representation, within the limits of the portfolio declared at the UCMR-ADA by the members and within the limits of the patrimony copyrights for musical works entrusted for collective administration through a direct mandate. By way of exception, for the online use of musical works, UCMR-ADA may opt to conclude for any territory authorization for multi-territorial non-exclusive licence with regard to the portfolio of musical works it administers collectively or it may entrust to another administration body the mandate to conclude multi-territorial licenses for online rights, under the same conditions as for the own members of these collective administration bodies.

**2.2.7.** The provisions laid down above apply accordingly also in the case of patrimony copyrights or related rights for which UCMR-ADA is assigned as sole collector.

### **3. FUNDAMENTAL PRINCIPLES**

**3.1.** UCMR-ADA is a collective administration body of the patrimony copyrights for musical works, open to all of the holders of patrimony copyrights for musical works from Romania and from abroad.

**3.2.** In the exertion of its own duties, UCMR-ADA shall comply with the Romanian legislation, the international agreements to which Romanian adhered to, as well as with the rules and standards of CISAC and BIEM, to which UCMR-ADA belongs as a member.

**3.3.** UCMR-ADA treats according to the same rules all of the works the rights of which have been entrusted to it for administration, irrespective whether it has been mandated directly by the holders of the patrimony copyrights or indirectly by their representatives.

**3.4.** UCMR-ADA supervises the compliance with the moral rights of the authors.

**3.5.** UCMR-ADA guarantees the access of its members to the information and data solicited by them in relation with the administration of its own rights, in accordance with the legal and statutory provisions.

### **4. UCMR-ADA MEMBERS**

**4.1.** The capacity of members of UCMR-ADA rests with the authors (composers, lyricists), natural or legal persons holding patrimony copyrights for musical works, who entrust the administration of the patrimony copyrights to UCMR-ADA, on the basis of a mandate.

**4.1.1.** (1) They can be members of the UCMR-ADA only composers, lyricists of musical works, arrangers of musical works, publishers of musical works, entities of independent administration who administer patrimony copyrights for musical works, people who have acquired patrimony copyrights for musical works through a legal or inheritance or will, as well as other people who are holders of patrimony copyrights for musical works, counting among those that UCMR-ADA administers collectively.

(2) In the meaning of the present Statute, the arranger is a natural person who transform a pre-existing musical work, creating a derived work and obtained the written agreement of the holder of the patrimony right to adjust the original musical work, in case that the patrimony rights over the original musical work is in the legal term of protection.

**4.1.2.** They become members of UCMR-ADA only the persons for whom the Board of Directors approves the membership as a principal.

**4.1.3.** The person who fits in the categories provided for by article 4.1.1. and wishes to become a member of UCMR-ADA must comply cumulatively the following conditions:

- a) to file at the registered office of UCMR-ADA an application for membership;
- b) to declare at UCMR-ADA at least one musical work, made public in prior, over which it holds patrimony copyrights for musical works for which it entrusts to UCMR-ADA the collective administration of the patrimony copyrights for musical works;
- c) to conclude with UCMR-ADA a contract for empowerment for collective administration for the patrimony copyrights on the musical works that it holds;
- d) the adhering legal person must file as well the complete and supporting documents attesting the entrustment with the patrimony copyrights for musical works declared, as well as those attesting its legal establishment and functioning;
- e) the independent administration entity must file as well the proof of its registration with the Romanian Copyright Office, supporting documents from which it must result that it holds the right of administration of the patrimony copyrights for musical works that it wishes to entrust to UCMR-ADA for collective administration and that it has been granted the right to entrust them to UCMR-ADA for collective administration.

**4.1.4.** The Board of Directors of UCMR-ADA may refuse to grant the capacity of member in any of the following cases:

- a) the solicitor has not followed the accession procedure or it does not fulfil any of the specific conditions provided for by art. 4.1.3;
- b) the solicitor does not fit in the categories provided for by art. 4.1.1.;
- c) the solicitor does not provide proof of the patrimony copyrights he claims to hold;
- d) the solicitor does not file, according to the requirements of the Statute of UCMR-ADA and of the Regulation for the declaration of the musical works attached to it, the declarations for musical works and, as the case may be, the proofs regarding the acquisition through inheritance or assignment of the patrimony copyrights;
- e) the solicitor does not indicate the patrimony rights it decides to be administered collectively by UCMR-ADA;
- f) the solicitor is a member of another collective administration body from the country or from abroad for the same patrimony copyrights, the same territory and the same musical works for which it solicits their administration by UCMR-ADA;
- g) the solicitor is in any of the cases of incompatibility provided for by the present Statute.
- h) the solicitor refuses to conclude the contract for empowerment for collective administration according to the form approved at level of UCMR-ADA;
- i) the solicitor lost in prior the capacity of member of UCMR-ADA by exclusion;
- j) the solicitor has been sentenced, through a final decision, to the punishment with a fine or prison, for offences provided for by the legislation in the field of intellectual property.

## **4.2. Incompatibilities**

### **4.2.1. Incompatibilities regarding the capacity of member**

They cannot become members of UCMR-ADA the author, the publisher, the holder of patrimony copyrights or the authorized natural person being in any of the following situations:

- a) has lost in prior, by exclusion, the capacity of member of UCMR-ADA;
- b) is a user of musical works;

- c) is an association, other legal person or structure representing users of musical works in the negotiations of the methodologies provided for by Law no. 8/1996 on the copyright and the related rights, republished.

#### **4.2.2. Incompatibilities regarding the capacity of Director-General**

The capacity of Director-General is incompatible with:

- a) any position remunerated or not remunerated within another collective management body;
- b) any position remunerated or not remunerated within an independent administration entity;
- c) any position remunerated or not remunerated in the capacity of member of a group of economic interest performing an activity in the fields in which UCMR-ADA administers collectively the patrimony copyrights for musical works;
- d) the capacity of shareholder, associate, administrator or director of a commercial company that uses musical works for which UCMR-ADA administers collectively patrimony copyrights for musical works.

#### **4.2.3. Incompatibilities regarding the capacity of member of the Board of Directors of UCMR-ADA or of the statutory committees.**

(1) The capacity of member of the Board of Directors of UCMR-ADA or of the statutory committees is incompatible with:

- a) any position remunerated or not remunerated within an independent administration entity;
- b) any position remunerated or not remunerated in the capacity of member of a group of economic interest performing an activity in the field in which UCMR-ADA administers collectively the patrimony copyrights for musical works;
- c) the capacity of shareholder, associate or administrator of a commercial company who performs activities related to television, radio or cable transmission.

(2) In state of incompatibility are also the members of UCMR-ADA who have been subject to a disciplinary sanction according to the provisions of the present Statute.

### **4.3. The loss of the capacity of member**

**4.3.1.** (1) The capacity of member of UCMR-ADA terminated of law in the following cases:

- a) death;
- b) deletion of the member legal person;
- c) the exclusive assignment of all patrimony copyrights for musical works declared at UCMR-ADA, termination which occurs on the date on which the last act of assignment is registered at UCMR-ADA.
- d) on the date on which it occurs a case of incompatibility;

(2) UCMR-ADA may condition the deletion of the members from its records on the provision of some supporting documents regarding the occurrence of the case of termination of the capacity of member.

**4.3.2.** (1) The capacity of member of UCMR-ADA also terminates:

- a) by waiving the capacity of member approved in prior by the Council of Directors.
- b) by exclusion, from the date on which it was decided the exclusion;

(2) In case of renunciation, the capacity of member of UCMR-ADA terminates on the date established through the approval of the Council of Directors, but not later than the end of the calendar year.

### **4.4. Misconduct. Sanctions.**

#### **4.4.1. Misconduct.**

(1) A misconduct can be serious or very serious.

(2) It is considered to be a serious misconduct the fact that causes any prejudices to the image of UCMR-ADA and/or trust granted to it.

(3) Very serious forms of misconduct:

- a) the fact of declaring to be the composer or the lyricists of a work which is not an original personal creation;
- b) the fact of declaring to be the arranger with regard to a transformation of a work, that transformation not being an act of its intellectual creation;
- c) making false statements and, in general not compliant with the truth related to one or several musical works declared, to benefit in an unfair manner from remunerations;
- d) the intentional reproduction, adjustment or transformation of a pre-existing work, followed by claiming remunerations in an unfair manner, without the prior written authorization of the holder of patrimony copyrights for musical works, entitled to grant such an authorization, when such a right is under the legal term of protection;
- e) the commission of several acts that represent serious forms of misconduct, irrespective whether they have been sanctioned in prior or not.

#### 4.4.2. Sanctions:

(1) For serious forms of misconduct, they can be applied any of the following disciplinary actions:

- a) the disciplinary financial penalty to pay to UCMR-ADA an amount comprised between EUR 500 and EUR 1000, the equivalent in RON at the exchange rate of the National Bank of Romania from the day when it is adopted the decision to apply the sanction;
- b) the loss of the capacity of member of UCMR-ADA by exclusion;

(2) For very serious forms of misconduct, they can be applied any of the following disciplinary actions:

- a) the suspension of the right of vote and to be elected within the management bodies for a period of 10 years;
- b) the loss of the capacity of member of UCMR-ADA by exclusion;
- c) the payment under the title of disciplinary financial penalty of an amount comprised between EUR 1000 and EUR 6000, the equivalent in RON at the exchange rate of the National Bank of Romania from the date of issuance of the Decision for the application of the sanction;

(3) The investigation of the misconduct and the application of disciplinary actions are made through a justified decision made by a committee for disciplinary investigation which is constituted through a decision of the Board of Directors, issued after the Board of Directors is informed about a misconduct and it is formed of members of the Board of Directors assigned through the same decision.

(4) The application of the sanctions mentioned above does not remove the right of UCMR-ADA or of other injured persons to solicit the integral repair of the prejudices caused through the facts constituting cases of misconduct.

#### 4.5. Non-transferability of the capacity of member

The capacity of member of UCMR-ADA is personal and it cannot be transmitted by inheritance, assignment or another legal act.

4.6. The same person (or its representative) cannot hold the capacity of multiple member and it can have the right to only one vote within the General Assembly of UCMR-ADA.

#### 4.7. The obligations of the members of UCMR-ADA

- a) the capacity of member implies full compliance with the present Statute and with the decisions of the General Assembly, with all of their potential amendments which might occur;



- b) the capacity of member entails the compliance with the obligation of collective exercise of the patrimony copyrights corresponding to all of the musical works entrusted for collective administration to UCMR-ADA;
- c) within the professional relations, the members of UCMR-ADA undertake the full responsibility to inform their partners about the obligations they have to fulfil under the present statute, under the contract for empowerment and under the law, including about the limits relative to the individual exercise of the patrimony copyrights in accordance with the provisions of the law and of the present statute;
- d) the members of UCMR-ADA shall pay the collective administration commission, through its deduction from the gross distributed amounts to which they are entitled, as well as other deductions provided for by the law or the present Statute;
- e) to keep the confidentiality with regard to the activity of the association, the content of the documents of the association and to any information acquired with regard to the association and its activity, except for those that are public, according to the law or the statute;
- f) obligations to be fulfilled by the members according to the legal provisions
- g) to submit to UCMR-ADA along with its assignors or, as the case may be, with its assignees, new declarations for musical works for the registration of the new holders and rates of the patrimony copyrights resulted from any total or partial assignment of the patrimony copyrights administered collectively by UCMR-ADA, within maximum 10 days from the date on which such situation occurred;
- h) to deliver to UCMR-ADA the contracts for assignment in certified copies, which must indicate separately, according to Law 8/1996 amended and completed: the duration of the assignment, the exclusive or non-exclusive nature of the contract, the territory, the percentages from the remunerations resulted from the collective administration belonging to each holder of rights established under the contract, both for right of public execution, as well as for mechanical rights, the assigned portfolio of musical works;
- i) to inform UCMR-ADA about the assignment of the patrimony copyrights for sub-publishing to the Romanian or foreign sub-publishers, indicating their participation in the patrimony copyrights for musical works. The publishers have the obligation to submit at the registered office of UCMR-ADA certified copies, as the case may be translated into Romanian language, of any contract for sub-publishing, comprising the mentions provided for by letter p) within maximum 10 days from its conclusion.
- j) for the musical works and patrimony copyrights for musical works for which it has the capacity of sub-published and which it entrusts to UCMR-ADA for collective administration on the Romanian territory, to take steps before the similar body in which the publisher is a member, for the registration in the international databases of the rates of patrimony copyrights for musical works resulted from the sub-publishing of the musical works for the Romanian territory;
- k) to reply immediately to the applications for information from the part of UCMR-ADA and to send all of the information related to the ownership of the musical works and contracts for assignments corresponding to the patrimony copyrights for the musical works;
- l) to communicate to UCMR-ADA in a timely manner (max. 10 days from the conclusion) all of the extensions and due dates of the contracts for publishing concluded and all of the changes occurred in the legal configuration of the patrimony copyrights belonging to it;

- m) to inform UCMR-ADA about all of the changes occurred with regard to its relevant data, such as, as the case may be: surname, name, domicile, registered office, contact details, representatives, legal form, etc.;
- n) the members sub-publishing certain international portfolios to submit a complete list of the name of the catalogues that they represent in electronic format as well, respectively CWR2 (or other format established through a Decision of the Board of Directors), the list of the musical works that are included in the catalogues with the indication of the rates of allocation to the sub-publisher both for the rights of public execution, as well as for the mechanical rights;
- o) to communicate the termination of the capacity of sub-publisher for a catalogue within maximum 2 days from the occurrence of this termination, with the indication if it exists or not a clause for post-collection, the duration for which such clause is in force and the new sub-publisher who obtains the catalogue for the Romanian territory;
- p) to declare to UCMR-ADA the musical works, according to the patrimony copyrights for musical works administered collectively by UCMR-ADA under the law, before claiming UCMR-ADA to distribute and pay any remuneration for their use and to declare any amendments interfered with regard to the patrimony copyrights for musical works held and declared to UCMR-ADA;
- q) to declare to UCMR-ADA its fiscal residence and the Code of Tax Registration attributed to it for the Romanian territory or, if they do not own such a code, to communicate to UCMR-ADA all of its identification data to be allocated such a code;
- r) to verify and to update permanently the personal data registered at UCMR-ADA;
- s) sub-publishers are bound to submit in a timely manner to UCMR-ADA the documents related to the date on which it starts and the date on which it ends the representation of a catalogue.
- t) to register itself on the online applications made available by UCMR-ADA.

#### **4.8. Access to information**

##### **4.8.1. Access of members to information**

(1) The access of the association members to the documents and information related to the activity of UCMR-ADA is made according to the legal provisions and the present Statute.

(2) The access of the members at information is made online, by means and under the conditions of the platform dedicated to this end by UCMR-ADA, for the following personal information:

- a) the contact detailed existing in the records of UCMR-ADA with regard to the author or the holder of the rights, for its identification and localization;
- b) the amounts allocated to the respective member, broken down by categories of rights administered and by types of uses;
- c) the amount of the sums paid by UCMR-ADA to the respective member, broken down by categories of rights administered and types of uses;
- d) the period in which they have taken place the uses corresponding to the amounts allocated and paid to the respective member, except for the cases in which UCMR-ADA cannot supply this information for objective reasons, related to the reports made by the users;
- e) the commission for collective administration retained, broken down by categories of rights administered and by types of uses;
- f) any other legal or statutory deductions applied;
- g) deductions applied for the compensation of some mutual debts;

- h) any remunerations or revenues originating from patrimony copyrights for musical works allocated and not paid to the author or to the holder to whom they have been allocated, for any period

(3) The information laid down above may be solicited as well in writing, according to the law.

#### **4.8.2. Access of non-members to information**

(1) UCMR-ADA puts at the disposal of the holder of rights who is not a member, to whom it distributed individually remunerations, based on an application, once a year, at the end of the financial year, including by electronic means, the following information:

- a) the amounts that have been allocated individually to the holder, amounts paid to it, broken down by categories of rights administered and by types of uses for the rights administered under an agreement for representation between UCMR-ADA and the holder, as well as any revenues originating from the rights, allocated individually to the holder for any period for which it has not been reached the limitation period, and not paid to it;
- b) the deductions applied in the account of the commissions for administration;
- c) any deductions for the purpose of performance of social, cultural or educational services;
- d) information regarding any licences granted or refused with regard to works and other protected items subject to an agreement for representation concluded between UCMR-ADA and the holder who is not a member, with regard to its works;
- e) the decisions adopted by the general assembly of members, in so far as these decisions are relevant for the administration of the rights under an agreement for representation concluded between UCMR-ADA and the non-member holder.

(2) The information laid down above is communicated by UCMR-ADA to the non-member holder also during the year, whenever it is required to do so, except for the case in which this information has already been communicated in prior, and for the information accessible to it by electronic means.

#### **4.8.3. Confidentiality**

The access to the information provided for by the present statute or by the legal provisions in the field is made upon the written request based on a prior agreement for confidentiality according to the model established through the decision of the Board of Directors.

#### **4.8.4. Time limit**

The information and the documents are communicated within 30 days from the acceptance of the request by UCMR-ADA, communication which can be made by UCMR-ADA in any of the following methods:

- a) it is picked up from the registered office of UCMR-ADA;
- b) at the domicile of the author or holder of the rights or, as the case may be, at its registered office;
- c) through a post in the personal account dedicated within the online applications of UCMR-ADA;
- d) by electronic mail at the email address indicated in writing by the author or by the holder of the rights.

### **4.9. RIGHTS OF MEMBERS**

The members who are principals have the following rights:

- a) the right to cast one vote in the General Assembly;
- b) the right to assign and to be assigned in the management bodies;
- c) the right to the amounts originating from the allocation of the remunerations collected by UCMR-ADA by types of use;

- d) the right to the amounts originating from the financial investments existing in the bank deposits or under the title of damages or prejudices collected for the violation of the copyrights, according to the provisions of the present Statute;
- e) the right to access the information and the documents provided for by the law;
- f) the right to choose the categories of rights for which it grants to UCMR-ADA, based on a written mandate, the collective administration of the patrimony copyrights for musical works that it holds;
- g) the right to grant directly licences for non-commercial uses of the patrimony copyrights for musical works for which it has entrusted to UCMR-ADA their collective administration;
- h) the right to revoke the mandate of administration, to withdraw one or several categories of patrimony copyrights for musical works from the collective administration entrusted to UCMR-ADA;
- i) the right to collect the remunerations which are collected and allocated by UCMR-ADA for uses of the musical works that have taken place prior to the termination of the mandate for collective administration or to the restriction of the collective administration for one or several categories of patrimony copyrights for musical works.

## **5. MANDATE FOR ADMINISTRATION**

**5.1.** (1) The categories of works contained by the portfolio of UCMR-ADA are represented by the musical compositions, with or without text, as well as by the musical arrangements, irrespective of the destination or the manner in which they are exploited.

(2) UCMR-ADA administers collectively only the patrimony copyrights from the musical field, respectively the rights generated by acts of musical creation by which they have been created musical compositions, with or without text, except for the cases in which it is assigned a sole collector also with regard to other categories of patrimony copyrights or related rights.

**5.2.** The portfolio of works belonging to UCMR-ADA is formed of the totality of musical works, with or without text, belonging to the members of UCMR-ADA and for which they have been submitted at the registered office of UCMR-ADA declarations for musical works.

The portfolio administered collectively by UCMR-ADA is represented by the totality of musical works administered collectively by UCMR-ADA on the basis of the mandates granted directly, by its own members, or indirectly by means of the contracts for mutual representation concluded with similar bodies from abroad or on the basis of some contracts directly concluded with publishers from abroad.

The extended portfolio is represented by the totality of musical works for which, according to the law, the patrimony copyrights for musical works are administered collectively by UCMR-ADA.

### **5.3. Mandate for collective administration**

If the law does not provide otherwise, UCMR-ADA administers collectively the patrimony copyrights for musical works as follows:

#### **5.3.1. Collective administration arising from the law**

(1) In the cases and within the limits provided for by the law, UCMR-ADA also represents under the law the authors and, as the case may be, all of the holders of patrimony copyrights for musical works, who have not granted to it a mandate for collective administration, directly or indirectly.

#### **5.3.2. Optional collective administration**

(1) UCMR-ADA represents only its members and the members of collective administration bodies with which it concluded contracts for representation, according to the portfolio of musical works declared to UCMR-ADA and respectively to the similar bodies from abroad.

**5.3.3. Special mandate**

(1) The patrimony right to authorize or forbid the adjustment of a musical work is administered collectively by UCMR-ADA based on a special mandate granted by the holder, except for the cases in which the law grants to UCMR-ADA the exercise of this right.

(2) In any other cases in which the law provides the collective administration on the basis of a special mandate, UCMR-ADA represents all of the authors and all of the holders of patrimony copyrights for musical works who, under a contract for direct mandate or under the contracts for representation concluded with bodies similar to UCMR-ADA, mandated UCMR-ADA to administer collectively the patrimony copyright for musical works.

**5.3.4. Restriction of the mandate for collective administration**

(1) The author or the holder of patrimony copyrights for musical works has the rights:

- a) to restrict the territorial scope of the mandate for collective administration. The termination of the mandate for the Romanian territory represents a revocation of the mandate and it leads to the loss of the capacity of member;
- b) to revoke the mandate for administration, case in which it loses the capacity of member;
- c) to restrict the collective administration mandate for certain patrimony copyrights or musical works;

(2) The restriction of the mandate for collective administration comes into force on the first day of the month following the one in which it has been approved by the Board of Directors.

(3) In case of repeated restrictions, the Board of Directors may refuse the acquisition of the capacity of member or the amendment by extension of the contract for empowerment.

(4) In case that the collective administration is exercised pursuant to the law, if the law does not provide otherwise, the author or any other holder of the patrimony copyright may ask the revocation/termination of the collective administration, according to the rules established under the law.

**5.3.5.** In consideration of the collective nature of the benefit of administration of the patrimony copyrights for musical works, during the legal or, as the case may be, the conventional mandate for collective administration, the exercise of the patrimony copyrights provided for by art. 2.1. letter a) and b) of the Statute remains with UCMR-ADA and is made exclusively in a collective manner.

**5.3.6. Collective administration of the patrimony rights of the authors without inheritors**

The patrimony rights of author of musical works subject to the legal terms of protection that belonged to some authors without known inheritors are exercised by UCMR-ADA pursuant to art. 28 paragraph (1) of Law no. 8/1996 on copyrights and related rights, republished.

**5.3.7. Indirect mandate for collective administration**

The patrimony rights of author of musical works of the authors and other holders of patrimony copyrights for musical works who are members of another collective administration body from abroad are administered collectively by UCMR-ADA on the basis of the contract for representation concluded between UCMR-ADA and that collective administration body.

**5.4. Form of the administration mandate**

(1) The mandate for collective administration is granted to UCMR-ADA in written form, in any of the following methods:

- a) directly, under a contract for empowerment concluded between UCMR-ADA and the author, the publisher or, as the case may be, another holder of patrimony copyrights for musical works;
- b) indirectly, under a contract for representation concluded between UCMR-ADA and the similar body from abroad for the members and the portfolio of that body;

(2) In case of the collective administration exercised under the law, the mandate for administration is conferred by the law.

**5.5.** UCMR-ADA has the exclusive right to authorize or forbid the use of musical works from the portfolio administered collectively, as appropriate, with regard to:

- a) the public communication, direct or indirect, of the musical work by any means, in order to be accessed in any place and at any time, individually by the public, irrespective whether this communication is made by artists or by technical means of playback from any type of media, including by putting at the disposal of the public the musical work through the internet or other computer networks in any form, including by means of some radio or television programmes;
- b) the right to broadcast by radio the musical works by any technical means, with or without wire, including by satellite, irrespective whether it is known or it shall be discovered and used in the future;
- c) the transmission by cable or any other transmission system, with or without wire, by any technical means, including by satellite, irrespective whether it is known or it shall be discovered and used in the future;
- d) the integral or partial reproduction, direct or indirect, temporary or permanent of the musical works on phonograms, videograms and in general on any types of media known or unknown, irrespective of the procedure (sound or audio-visual fixation, reproduction, multiplication), as well as the distribution of the reproductions of the works made public in prior;
- e) the audio-visual adjustment of the musical works made public in prior for the members who have granted to this end a special mandate to UCMR-ADA.

**5.6.** UCMR-ADA can authorize the transformation of the work in a derived work only under a special mandate from the part of the member who is a principal.

**5.7. Extent of the mandate for administration**

(1) The extent of the mandate for administration is the one established by law, by the contract for empowerment for administration or by declaration for musical works, as the case may be.

(2) For territories outside Romania, the collective administration of the patrimony copyrights for musical works is made:

- a) only with regard to the portfolio and patrimony copyrights for musical works entrusted to the UCMR-ADA directly under contracts for empowerment;
- b) only by means of the similar bodies from abroad, within the limits and under the conditions of the contracts concluded by UCMR-ADA with the latter. By way of exception, UCMR-ADA may administer directly for other territories as well the right of online multi-territorial licensing of musical works.

**5.8.** The duration of the administration mandate: the administration mandate of the patrimony copyrights is granted to UCMR-ADA for the entire period for which the author or the holder of the copyrights holds patrimony copyrights for musical works entrusted to UCMR-ADA for collective administration.

**5.9.** Relation with users: UCMR-ADA authorizes or forbids the use of musical works, granting non-exclusive authorizations to users at their request, in exchange of a remuneration through authorizations for non-exclusive license in written form.

**5.10.** The musical works subject to the mandate after having been brought to the knowledge of the public are:

- a) for the composers and lyricists – the works created and to be created;
- b) for publishers – the works included in their own portfolio, the patrimony rights of which have been acquired through assignment;
- c) for arrangers – the derived musical works that have been created, starting from one or several pre-existing works, with the consent of the holder of the patrimony rights over the original work, if its patrimony right is under the legal term of protection;

- d) for inheritors and other beneficiaries: the totality of works the patrimony rights of which remained with them through an inheritance or assignment.

## 6. COLLECTION AND ALLOCATION OF REMUNERATIONS

**6.1.** UCMR-ADA shall collect the remunerations corresponding to the patrimony copyrights, from all of the types of users provided for by the law, such as:

- a) Radio stations, televisions;
- b) Cinemas;
- c) Producers of sound or audio-visual recordings containing images accompanied by sounds;
- d) Users of any kind performing any type of activities by means of which musical works are communicated to the public, irrespective whether the work is presented as an essential, ambient or sound music, irrespective whether the execution is made directly by the artists or by mechanical or electrical acoustic means;
- e) distributors by cable or other system of transmission, with or without wire, including by satellite;
- f) producers, importers or other natural or legal persons who produce or introduce in the commercial circuit on the Romanian territory some forms of media that can be used to make sound or audio-visual recordings and/or devices which allow their reproduction, irrespective whether the procedure used is analogue or digital (compensatory remuneration for a private copy).
- g) mobile phone communication operators, other users of musical works as ringtones, holding tones or other tones, as well as the users of musical works online;
- h) suppliers providing services with online musical content, including digital platforms;
- i) any other categories of users.

### 6.2. Collection

UCMR-ADA collects remunerations for all types of use provided for by the law and by the present Statute and, as the case may be:

- a) interests, default interests or damages corresponding to the remunerations with the title of patrimony copyrights of musical works not paid on the due date and which are administered collectively by UCMR-ADA, according to the law or according to the present Statute;
- b) interests, default interests or damages corresponding to the remunerations that the users have to pay with the title of patrimony copyrights or related rights in the cases in which UCMR-ADA is designated as sole collector.

#### 6.2.a. Establishment of remunerations

##### *Establishment of remunerations, interests, default interests and/or damages*

**6.2.a1.** The remunerations owed to UCMR-ADA are established, usually:

- a) through methodologies, in the cases in which the patrimony copyrights for musical works are administered collectively pursuant to the law;
- b) through methodologies, in the case in which the patrimony copyrights for musical works are administered collectively optionally;
- c) through direct negotiation, within the limits established by the Board of Directors, in case of uses that are not rules through methodologies.

#### **6.2.a2.** Direct negotiation

In the case in which there are no methodologies in force in order to establish the remunerations, the interests or the default interests, these can be established by direct negotiation within the limits

established by the Board of Directors or, in case of any divergence, UCMR-ADA may address the court of law.

**6.2.a3. Settlement or prevention of disputes**

The settlement or the prevention of the disputes through the conclusion of some transactions is made according to the decisions of the Board of Directors of UCMR-ADA.

**6.2.a4. Allocation of remunerations**

**6.3 Distribution of remuneration**

**6.3.1. General rules**

(1) The allocation of the remunerations, penalties, damages and interests collected from users, as well of the interests and revenues resulted from the bank investments or from the investments of the remunerations in government bonds is made:

- a) usually directly pro rata with the duration of use of musical works, as their use results from the documents received by UCMR-ADA from the user of musical works, when the transmission of such reports is provided for methodologies or through the authorization for the non-exclusive license concluded after a direct negotiation, when the use is not comprised in the methodologies in force;
- b) by analogy or in other manner, in all of the cases provided for by the Statute or the Regulation which constitutes an annex to it, as well as in any other cases in which the allocation pro rata with the duration of use is not possible.

**6.3.2. Specific rules**

(1) The specific rules of allocation of the remuneration are the ones provided for by the Regulation which constitutes an annex to the present Statute and they comprise:

- a) rules for the declaration of the musical works in view of their identification, the identification of the authors and other holders of patrimony copyrights for musical works, and of the rates of patrimony rights held by each of them in relation to the musical work;
- b) rules of allocation of the remunerations per musical work and per author and, as the case may be, other holder of patrimony copyrights for musical works.

(2) The methods of allocation of the remunerations are established within the General Assembly of the members of UCMR-ADA, by vote, according to its statute and to the provisions of art. 169 para.

(1) letter a) of Law no. 8/1996 regarding the copyright and the related rights, republished.

**6.3.3.** (1) For the identification of the musical works, for the individual allocation of the remunerations and in order to be able to claim the payment of the remunerations allocated individually, the declaration to UCMR-ADA of the musical works is mandatory, except for the musical works registered in the portfolio of the similar bodies from abroad with which UCMR-ADA concluded a contract for representation.

(2) The declaration of the musical works is made according to the Regulation which constituted an Annex to the present Statute.

**6.3.4.** (1) The playlist reports and other documents regarding the musical works used, on which it relies the allocation of the remunerations, are subject to the endorsement of the Permanent Committee for Works and Programmes of UCMR-ADA.

(2) A playlist report or a documentation can be rejected by the Permanent Committee for Works and Programmes according to the following criteria:

- a) the playlist or the documentation received from the user does not comprise the information necessary to UCMR-ADA for the allocation of the remunerations;
- b) it has been changed in prior a correspondence with the user, the latter not fixing the inconsistencies;



(3) The Permanent Committee for Works and Programmes may endorse partially a playlist or a documentation, with regard to the information which can be used in the allocation of the remunerations.

(4) The remunerations in relation to which the Permanent Committee for Works and Programmes rejected the corresponding playlist or documentation are distributed according to the rules provided for by the Regulation which constituted an annex to the present Statute for the remunerations without a playlist, according to the corresponding type of use of musical works.

**6.3.5.** The use for common purposes of the unclaimed or undistributed amounts can be made only according to the present Statute, to the Regulation attached to it or to the prior decisions of the General Assembly of the UCMR-ADA members.

**6.3.6.** The allocation of the remunerations is made usually quarterly, except for the compensatory remuneration for the private copy, the remuneration of which is made half-yearly. Through a Decision of the Board of Directors they can be established other terms of allocation of the remunerations, shorter or longer, but not later than the completion of nine months from the expiry of the calendar year in which the remunerations have been collected.

**6.3.7.** The rules of allocation of the remunerations collected for each category in part of patrimony copyrights or type of use, as well as for the ones prescribed and any other remunerations are established by the General Assembly through the Regulation constituting an Annex to the present Statute.

**6.3.8.** The Board of Directors may adopt rules and methodologies to put in application the rules for the declaration of musical works and for the allocation of the remunerations comprised in the present Statute and/or in the Regulation constituting an Annex to the present Statute, to be published on the site at the disposal of the members.

**6.3.9.** The amounts collected as damages or prejudices are allocated to the remunerations collected by types of users and they are distributed usually half-yearly within the first allocation by type of use appropriate.

The documents sent by the users with regard to the musical works used will be endorsed by the Permanent Committee for Works and Programmes within UCMR-ADA.

The committee may reject the documentation sent by a user in the situation in which it considers that, by fulfilling cumulatively the following conditions, the allocation of the remunerations cannot be made:

- a) the absence of the signature and stamp of the users;
- b) the absence of the period for which the reporting is made.

**6.4. (1)** The payment of the remuneration distributed by UCMR-ADA according to the present Statute and the Regulation constituting an Annex to it is made usually quarterly, and for the compensatory remuneration for a private copy it is made half-yearly, except for the cases in which the Board of Directors established other time limits for allocation and/or payment of the remunerations, without the possibility to exceed the maximum time limit provided for by Law no. 8/1996 on the copyright and the related rights, republished.

(2) For the amounts transferred to the similar bodies from abroad, usually once a year or twice if necessary, or in accordance with the provisions of the bilateral conventions concluded by UCMR-ADA with the similar bodies from abroad, without the possibility to exceed the maximum time limit provided for by Law no. 8/1996 on the copyright and the related rights, republished.

**6.4.a** In the situation in which, according to the data sent by the foreign bodies of collective administration similar to UCMR-ADA, or according to the distribution and own records of UCMR-ADA, they have been made any erroneous payments to a holder of patrimony copyrights for musical works, the holder in question has the obligation to repay the amounts collected in excess. In case that the holder of patrimony copyrights for musical works is allocated new remunerations, UCMR-ADA has the right to deduct from them the corresponding amounts until the full compensation with the amounts that the same holder of rights owes to UCMR-ADA.

**6.4.b** (1) The payment of the patrimony copyrights for musical works is suspended in the following situations:

- a) for the same musical work, they have been submitted two or several declarations for musical works by which two or several persons declare themselves at the same time authors of the same musical work contrary to the first declaration;
- b) The Professional Committee within UCMR-ADA finds the identity or a relevant similarity of the musical work declared to UCMR-ADA with a pre-existing musical work having another author than the one mentioned in the declaration for musical works;
- c) The Professional Committee within UCMR-ADA finds discrepancies between the mentions comprised in the declaration for the musical work submitted to UCMR-ADA and the audio registration of the work declared;
- d) UCMR-ADA is notified about the existence of a dispute with regard to the capacity of author of a musical work or with regard to the capacity of holder of patrimony copyrights over that work;

(2) In the situation laid down above, the musical works and the corresponding remunerations are classified in the category of conflicts.

(3) The remunerations corresponding to these musical works shall be paid to the holders of the patrimony rights entitled:

- a) for the situations provided for by letters a), b) and d) after the submission of a final and irrevocable legal judgment or of an amicable agreement of the parties regarding the settlement of the dispute.
- b) for the situation provided for by letter c), after the endorsement by the Professional Committee of a new declaration for musical works to be drawn up accordingly and submitted to UCMR-ADA;

(4) The Board of Directors may adopt Rules and Regulations regarding the application of the provisions of the present statute.

**6.4.c.** The payment of the amounts established with certainty as belonging to the authors or, as the case may be, to other holders of patrimony copyrights for musical works, following certain errors of reporting from the part of the users or certain errors of documentation or allocation of the remunerations is made as follows:

- a) from the amounts recovered from the user, if they have been recovered;
- b) from the amounts unclaimed/not distributed and prescribed, if the amounts have not been recovered from the user, as well as in case of certain errors of documentation or allocation.

## **6.5 Deductions**

UCMR-ADA shall apply percentage deductions to the gross remunerations collected as follows:

- a) a collective administration commission at the maximum level established by law;
- b) 2% directed to the social and cultural fund, calculated after the deduction of the statutory contribution in the form of the collective administration commission, applicable to the UCMR-ADA members and the foreign similar bodies of collective administration, according to the provisions of the contracts concluded with them. The social and cultural fund is not deducted in case of members legal persons, and the latter do not benefit from the cultural and social services of UCMR-ADA. The deduction directed to the social and cultural fund can be ceased, reduced or increased with up to maximum 3% through a decision of the general assembly of the UCMR-ADA members.
- c) Taxes, legal contributions or other deductions provided for by the law or the present Statute.
- d) In the absence of any contrary and express provisions established through the agreements for mutual representation, the same contributions in the form of shares are

applicable as well to the holders of the amounts allocated to the similar bodies from abroad.

#### **6.6. Deductions for social and cultural purposes**

(1) The social and cultural fund will be used for purposes such as:

- a) scholarships granted to young creators;
- b) cultural events of national and/or international interest for the promotion of the Romanian music: concerts, recordings, sheet music;
- c) the publishing of a profile magazine;
- d) interest free loans granted to the members, repayable within maximum 1 year. The annual maximum limit of the loan from which a member can benefit is established by the Board of Directors;
- e) Non-repayable material help granted to the UCMR-ADA members in case of need;
- f) Prizes granted to the authors, by genre of creation.
- g) Prize granted to the composer of the year for the number of albums sold in the preceding years;
- h) Prize for “new coming young composer”;
- i) Excellence prize for the entire creative work;
- j) Prize for the best Romanian music performer designated by a jury formed of composers;
- k) For the constitution or establishment of a private cultural association or foundation for the purpose to promote musical works included in the portfolio of UCMR-ADA;
- l) Other social and cultural purposes approved by the Board of Directors;

(2) The accounting balance of the creditor account – Social and Cultural Fund – existing at the end of the economic and financial year (31 December of each calendar year) is carried over for the following economic and financial year and it will be used for the purposes mentioned in art. 6.6.

### **7. MANAGEMENT AND ADMINISTRATION**

#### **7.1 General Assembly**

**7.1.1.** The management of UCMR-ADA is ensured by the General Assembly, which is the assembly of all members who are principals.

**7.1.2.** In the General Assembly each member being a principal who granted a mandate directly to UCMR-ADA has the right to cast a vote.

**7.1.3.** The works of the General Assembly are managed by the Director General or, in the absence of the latter, by the Deputy Director General.

#### **7.1.4. Duties of the General Assembly:**

- a) it appoints the members of the Board of Directors and the substitute members whose mandate is equal to 4 years from the date of appointment.
- b) it appoints and revokes the members of the Committee of Censors according to the legal provisions, for a mandate of 4 years;
- c) it appoints and revokes the members of the Supervisory Committee, for a mandate of 4 years
- d) it appoints and revokes the members of the special permanent Committee regarding the access to information for a mandate of 4 years;
- e) it approves the annual reports and the annual balance sheet;
- f) it approves the session indemnities, and level of remuneration of the Director General, of the members of the Board of Directors and of the other internal committees constituted of UCMR-ADA members;

- g) it approves the annual reports of the Board of Directors, of the Supervisory Board, of the General Manager, of the Committee of Censors and of the special permanent Committee regarding the access of the members to information;
- h) it discharges the Board of Directors and the General Manager;
- i) it modifies the statute on the proposal of the Board of Directors;
- j) it dissolves the association under the conditions of art. 12 of the present Statute and it decides the destination of its patrimony;
- k) it approves the rules of allocation and their modifications;
- l) it approves the general policy of allocation of the remunerations owed to the authors of musical works or other holders of patrimony copyrights for musical works;
- m) it approves the level of the contributions in the form of shares – collective administration commission and of any other statutory deductions, applicable on the remunerations and amounts resulted from the investment of the remunerations, in compliance with the legal provisions, the present statute and the contracts for mutual representation;
- n) it approves the general policy regarding the use of the amounts which cannot be distributed;
- o) it approves the general policy of investments, as regards the remunerations representing patrimony copyrights for musical works and the amounts derived from their investment, including the purchase of government bonds;
- p) it approves the risk management policy;
- q) it approves any purchases, mortgage or sales of immovable properties
- r) it approves mergers, alliances, the establishment of subsidiaries, purchases of other legal persons or shares in other legal persons;
- s) it approves the proposals for contracting loans, for constituting guarantees for loans, it approves the regulation and limits for the loans granted to the members for the fulfilment of its social purpose;
- t) it adopts decisions with regard to any other problems regarding the activity of the association.

**7.1.5.** (1) The General Assembly of the members takes place every year, usually in the first semester of the calendar year.

(2) The extraordinary general assemblies of the members may be convened during the entire year.

(3) Any General Assembly of the members is convened with at least 30 days before the date on which it shall take place, through the publication of the notice providing information related to: the date, the place and the agenda, both on the internet page of UCMR-ADA, as well as in a national newspaper or, in its absence, on the internet page of an electronic publication.

(4) In the announcement regarding the first convocation they may be published as well the date, the time and the place for which the General Assembly is convened again, on any subsequent date, with the same agenda, in case that at the first meeting of the General Assembly they are not fulfilled the conditions of a quorum.

(5) In case that the new convocation of the General Assembly is made through the publication of a new notice, the General Assembly thus convened again cannot be held earlier than 15 days from the publication date of the announcement for the new convocation.

(6) In the situation in which the agenda of the General Assembly regards the modification of the Statute and/or of the general Regulation regarding the declaration of musical works and the allocation of remunerations, the modifications are put at the disposal of the members, at the registered office of UCMR-ADA, in the time interval comprised between the date of publication of the convocation and the date of the session of the General Assembly.

**7.1.6.** For the deliberations of the General Assembly to be valid, at the first convocation, it is necessary the presence of at least a half of the total number of members who are principals, and the

decisions must be made with the vote of half plus one of the attending members who are principals. The General Assembly constituted at the second convocation can deliberate validly, irrespective of the number of the attending members, and the decisions must be adopted with the vote of half plus one of the attending members.

**7.1.7.** The decisions related to the modification of the statute are made with the vote of at least  $\frac{3}{4}$  of the number of members who are principals attending the first or, as the case may be, the second convocation.

**7.1.8.** The vote within the General Assembly is open; at the express request of 10% of the attending persons, the vote may be secret.

**7.1.9.** In case of even votes, a new poll shall take place, in cases of repeated equality, the vote of the Director General is decisive.

**7.1.10.** The notice of the General Assembly will be published in a newspaper distributed nationally, indicating the agenda, the date, the time and the place where the General Assembly will perform its works. The notice will be published with 30 days before the date set for the General Assembly. In the announcement of the first convocation they will be provided the date, the time and the place of the second convocation, if the first Assembly cannot be held because the statutory quorum is not constituted. The second General Assembly will not take place in the same day as the first Assembly.

**7.1.11.** (1) The UCMR-ADA members have the right to take part in the General Assembly and to cast their vote within the assembly with regard to the aspects recorded in the agenda.

(2) An UCMR-ADA member can empower only one other member of UCMR-ADA to represent him/her and to vote on his/her behalf within the General Assembly, and the member empowered may represent only one member.

(3) The representation and the exercise of the right of vote by the empowered person is allowed if they are fulfilled cumulatively the following conditions:

- a) the empowerment is granted for only one General Assembly;
- b) the empowerment is given in compliance with the provisions of paragraph (2);
- c) the empowerment is granted through a power of attorney authenticated by a Notary Public and it is submitted in original at the registered office of UCMR-ADA with at least 2 days before the date of the General Assembly;
- d) the empowerment indicates expressly: the identification date of the member who is a principal, the General Assembly for which it has been granted, the conditions of participation in the General Assembly, the instructions for the exertion of the right to vote, the handwritten signature of the member who is a principal;
- e) the empowerment does not lead to a conflict of interests.

## **7.2. Board of Directors**

**7.2.1.** The Board of Directors is the management body of UCMR-ADA which activates between the General Assemblies, and is formed of 14 members appointed by the General Assembly for a mandate of 4 years, which can be renewed, of which  $\frac{1}{2}$  must be members certified by a professional union in the field.

**7.2.2.** Each member of the Board of Directors has the right to one vote.

**7.2.3.** The Board of Directors is entitled to make decisions on any issue which does not fall expressly under the competence of other bodies, being entitled particularly:

- a) to confer the capacity of principal, or to decide the exclusion of the members of the association in accordance with art. 4.4.2.;
- b) to decide and approve the projects and proposals presented by the social and cultural committee for the use of the social and cultural fund;
- c) to prepare and convene the General Assembly;
- d) to elaborate the Rules of Allocation to be subject to the vote of the General Assembly;

- e) to formulate proposals for the modification of the Rules of Allocation to be subject to the vote of the General Assembly;
- f) to submit to the General Assembly the activity report for the prior period and the balance sheet;
- g) to appoint the members of the committees of the association (except for the Committee of Censors and the Special Permanent Committee regarding the access to information) and to establish their indemnities;
- h) to appoint the General Manager or to replace him/her upon the termination of the employment contract in compliance with the provisions of the labour legislation in force;
- i) to appoint the persons authorized to represent UCMR-ADA in specific situations;
- j) to set the salary and the benefits of the General Manager;
- k) to make decisions with regard to the organisational structure of UCMR-ADA and with regard to the establishment or dissolution of territorial sub-units not having legal personality, called inspectorates;
- l) to approve the destination of the Social and Cultural Fund;
- m) to approve the organisational chart of the association;
- n) to approve, as the case may be, any expenditure for common purposes;
- o) to fulfil any other duties provided for by the statute or established by the General Assembly;
- p) to ensure the implementation of the decisions of the General Assembly;
- q) to approve the conclusion of any transactions or any other legal acts for the amicable settlement or prevention of the disputes;
- r) to approve the level of the remunerations for the types of uses or users for which there are no methodologies;
- s) to make decisions with regard to the cases in which they can be awarded any reductions of the amount of remunerations in case that the according to the law or to the methodology such reductions can be negotiated.
- t) to approve the level of the lump remunerations when they can be negotiated according to the law or to the methodologies;
- u) to approve the waiver of penalties;
- v) to make decisions with regard to the change of the registered office;
- w) to decide the application of the sanctions provided for by the statute for deviations committed by the members of the association;
- x) to approve the repayment of the remunerations for which it has been established under a final and irrevocable legal decision the repayment to the user;
- y) to adopt rules of application of the statute or of the decisions of the general assembly;
- z) to approve current investments;
- aa) to establish the classification of one or several musical works in a musical genre provided by the statute in case it is referred to this end by the Professional Committee, with the prior endorsement of this committee;
- bb) to approve co-opting some persons in the capacity of specialty consultants at the sessions of the Professional Committee, at the request of this commission;
- cc) to approve the loans granted to the members;
- dd) to make decisions with regard to any other aspects which are not provided expressly in charge of the General Assembly;
- ee) to elect the Director General for a mandate of 4 years, in the first session of the Board of Directors, after the election of the Board of Directors by the General Assembly;

- ff) to elect the Deputy Director General for a mandate of 4 years, among the proposals forwarded to the Board of Directors by the General Director in office;
- gg) it can approve temporarily the reduction of the level of the contribution in the form of shares (collective administration commission) provided for by art. 6.5. letter a) of the statute.

**7.2.4.** The sessions of the Board of Directors are chaired by the Director General or, in the absence of the latter, by the Deputy Director General

- a) The Board of Directors gathers whenever the current activity requires it, but at least once a month, excluding the months of July and August;
- b) The Convocation of the sessions of the Board of Directors is made by the secretariat of UCMR-ADA at the request of the Director General or, in the absence of the latter, at the request of the Deputy Director General;
- c) The decisions can be made in the session in which they take part at least 7 of the members of the Board of Directors;
- d) The decisions are made according to the simply majority of votes;
- e) In case of equality, the final decision belongs to the Director General;

**7.2.5.** (1) The Board of Directors is elected for a period of 4 years. The members of the Board of Directors are elected usually within the same session of the General Assembly.

The members of the Board of Directors are elected by the General Assembly as follows:

- a) 7 members elected among the members of UCMR-ADA representing pop, jazz, ethnic music, publishers, etc.
- b) 4 members elected among the members of UCMR-ADA representing symphonies, chamber music, opera and other similar, attested by a professional union in the field;
- c) 3 members elected among the members of UCMR-ADA representing choir music and other similar;

(2) The submission of the applications for the position of member of the Board of Directors is made at the secretariat of UCMR-AA with at least 10 days before the date on which it shall take place the General Assembly having in the agenda such elections. The application must be accompanied by a curriculum vitae and a presentation of the objectives to pursue in case of election as a member of the Board of Directors, in accordance with the legal and statutory provisions.

(3) They can apply and be elected as members of the Board of Directors only those who fulfil the requirement of having at least 5 years in the capacity of member of UCMR-ADA and who are not in one of the cases of incompatibility provided for by the statute.

(4) The applications that fulfil the statutory conditions, the curriculum vitae and the objectives corresponding to them shall be published on the website of UCMR-ADA with 5 days before the date of the General Assembly.

(5) The Board of Directors may invite at its sessions members of UCMR-ADA, with consultation role, whenever is considers necessary.

**7.2.6.** The Director General and the members of the Board of Directors are re-eligible.

**7.2.7.** That member of the Board of Directors who, because of a lack of interest or because of a legal incapacity, does not take part in three consecutive sessions or five session per year, can be dismissed from the Board of Directors, through the decision of 2/3 of the members of the Board of Directors. In this case, as well as in any other cases of termination of the mandate before the term, the position shall be occupied, for the remaining period of the mandate, by a person designated by the Board of Directors with the vote of 2/3 of its members.

**7.2.8.** The Director General and the other members of the Board of Directors have the obligation to complete and to submit to the general assembly an annual individual declaration, according to Law no. 8/1996 on the copyright and the related rights, republished, in compliance with the legal provisions on personal data protection.

**7.2.9.** The rights, obligations and responsibilities of the Director General of UCMR-ADA and of the other members of the Board of Directors of UCMR-ADA.

(1) The Director General of UCMR-ADA has the following rights:

- a) the right to represent with full powers UCMR-ADA;
- b) the right to chair the sessions of the General Assembly and of the Board of Directors;
- c) the right to a remuneration, bonuses and other benefits established according to the present Statute and to the decisions of the General Assembly of the UCMR-ADA members;
- d) the right to bonuses in all of the cases in which UCMR-ADA grants bonuses to its employees;
- e) the right to conduct the activity of UCMR-ADA;
- f) the right to a company car, to the settlement of the ancillary expenses and to the expenses for transportation incurred in the interest of UCMR-ADA;
- g) any other rights arising from the law, from the present Statute, from the contract concluded with UCMR-ADA or from the decisions of the General Assembly;

(2) The Director General of UCMR-ADA has the following obligations and responsibilities:

- a) to participate in the sessions of the General Assembly and Board of Directors of UCMR-ADA, except for the case in which its presence is not possible;
- b) to order the implementation of the decisions of the General Assembly and Board of Directors of UCMR-ADA;
- c) to comply within its activity with the legal provisions and with the provisions of the Statute of UCMR-ADA;
- d) to not cause any prejudices to the image and reputation of UCMR-ADA;
- e) to draw up and submit to the General Assembly of the UCMR-ADA members the annual individual declaration provided for by art. 7.2.8., in compliance with the legal provisions on personal data protection;
- f) to sign the transactions on the settlement or prevention of certain disputes and other legal acts applicable to UCMR-ADA;
- g) any other obligations and responsibilities allocated in its charge under the law or under the Statute of UCMR-ADA;

(3) The Deputy Director General of UCMR-ADA has the following rights:

- a) the right to represent with full powers UCMR-ADA in the absence of the Director General or according to the competences delegated to him/her;
- b) the right to chair the session of the General Assembly and Board of Directors of UCMR-ADA in the absence of the Director General;
- c) the right to a remuneration, bonuses and other benefits established according to the present Statute and the decisions of the General Assembly of UCMR-ADA members;
- d) the right to bonuses, in all of the cases in which UCMR-ADA grants bonuses to its employees;
- e) the right to conduct the activity of UCMR-ADA in the absence of the Director General;
- f) the right to a company car, to the settlement of the ancillary expenses and of the expenses for transportation incurred in the interest of UCMR-ADA;
- g) any other rights arising from the law, from the present Statute, from the contract concluded with UCMR-ADA or from the decisions of the General Assembly;

(4) The Deputy Director General of UCMR-ADA has the following obligations and responsibilities:

- a) to participate in the sessions of the General Assembly and Board of Directors of UCMR-ADA, except for the case in which its presence is not possible;
- b) to order the implementation of the decisions of the General Assembly and Board of Directors of UCMR-ADA, in the absence of the Director General or according to the competences delegated to him/her;



- c) to comply within its activity with the legal provisions and with the provisions of the Statute of UCMR-ADA;
  - d) to not cause any prejudices to the image and reputation of UCMR-ADA;
  - e) to draw up and submit to the General Assembly of the UCMR-ADA members the annual individual declaration provided for by art. 7.2.8., in compliance with the legal provisions on personal data protection;
  - f) to sign the transactions on the settlement or prevention of certain disputes and other legal acts applicable to UCMR-ADA, in the absence of the Director General or according to the competences delegated to him/her;
  - g) any other obligations and responsibilities allocated in its charge under the law or under the Statute of UCMR-ADA;
- (5) The members of the Board of Directors of UCMR-ADA have the following rights:
- a) the right to take part in the sessions of the Board of Directors of UCMR-ADA;
  - b) the right to vote within the session of the Board of Directors of UCMR-ADA;
  - c) the right to a remuneration according to the present Statute and to the decisions of the General Assembly of members of UCMR-ADA;
  - d) the right to a remuneration for the participation in the sessions of the committees of UCMR-ADA of which it is a part;
  - h) any other rights arising from the law, from the present statute, from the contract concluded with UCMR-ADA or from the decisions of the General Assembly;
- (6) Each member of the Board of Directors of UCMR-ADA has the following obligations and responsibilities:
- a) to take part in the session of the Board of Directors of UCMR-ADA and of the statutory committees of which they are part, except for the case in which its presence is not possible;
  - b) to inform itself and document with regard to the aspects recorded in the agenda of the Board of Directors of UCMR-ADA and, as the case may be, of the committees of UCMR-ADA of which it is a part;
  - c) it is liable severally for the implementation of the decisions of the General Assembly of the members of UCMR-ADA and for the application of the present Statute;
  - d) to participate in the deliberative and decision-making process within the Board of Directors of UCMR-ADA and to express in this respect its vote within the session of the Board of Directors of UCMR-ADA in which it takes part, according to the competences of the Board of Directors of UCMR-ADA provided for by the present Statute;
  - e) to participate in the deliberative and decision-making process of the committees of UCMR-ADA of which it is a part and to express in this respect its vote within the sessions, according to the competences of these committees;
  - f) to draw up and submit to the General Assembly of UCMR-ADA members the annual individual declaration provided for by art. 7.2.8., in compliance with the legal provisions on personal data protection;
  - g) not to cause any prejudices to the image and reputation of UCMR-ADA;
  - h) any other obligations and responsibilities provided in its charge under the law or under the Statute of UCMR-ADA.

### **7.3. Committees**

**7.3.1.** The committees are permanent or special bodies, constituted in view of settlement of some specific duties.

**7.3.2.** The committees are subject to the following general rules;

- a) the components of the committees, except for the Committee of Censors, are established by the Board of Directors;
- b) it functions according to some regulations elaborated by the Board of Directors.

**7.3.3.** The Permanent Committee for Works and Programmes is formed of 5 principals and it has at least the following duties:

- a) It examines and endorses the content of the documents received from the users based on which the remunerations are distributed;
- b) It decides to remove from the allocation the documents which are clearly incorrect, after having exchanged a correspondence with the user and if the latter has not fixed the deficiencies;
- c) It contributes to the identification of the musical works, in so far as this identification is possible;
- d) It has a consultation role in the analysis of the challenges submitted to the Board of Directors.

**7.3.4.** The Social and Cultural Committee is constituted of 3 members and it supervises the constitution and use of the social and cultural fund.

**7.3.5.** The Committee of Censors is formed of 3 members and it is elected according to the legal provisions by the General Assembly and it ensures the economic and financial control of UCMR-ADA, having in this respect unlimited access to the documents of the association. One of the members of the Committee of Censors will be an expert accountant or an authorized accountant.

**7.3.6.** The Committee of Tariffs is established according to the needs and it has the following duties:

- a) it can participate along with the executive management in the elaboration of draft methodologies;
- b) it can propose the initiation of negotiations, under the conditions of the law, for the establishment of some new methodologies
- c) to promote and to distribute among the users the Methodologies in force published in the Official Journal, Part I.

**7.3.7.** The Professional Committee is composed of 5 members, one for each musical genre, composers attested by a Professional Union in the field. The Professional Committee elaborates points of view with regard to the situations of plagiarism.

**7.3.8.** The Special Permanent Committee regarding the access to information is formed of 5 members.

#### **7.3.9. Sessions of the committees**

- (1) The committees gather at the convocation of the Board of Directors.
- (2) the committees may gather at the request addressed to the Board of Directors by 1/3 of its members.
- (3) In the committee sessions, each member has the right to cast a vote.
- (4) The sessions of the committees can be attended as well by other members solicited in the capacity of consultants.
- (5) The committees conclude annual reports of activity.

#### **7.4. Executive management**

**7.4.1.** (1) The executive management is exercised by the General Manager, the Deputy Manager, the Head Accountant, the Head of the Service of Allocation, and the Head of the Legal Office, according to the duties of each of them. The General Manager may represent with full powers the association in its relations with third parties, being able to delegate its competences to the Deputy Manager, the Head Accountant, the Head of the Legal Office and/or another employee with delegated duties, in full or in part.

#### **7.4.2. Rights and duties of the General Manager of UCMR-ADA.**

- (1) The General Manager has the following duties

- a) to represent the company in its relations with members, third parties natural or legal persons, local or central public authorities, courts of law or arbitration tribunal etc., being able to perform all of the operations required for the fulfilment of the purpose and activity object of the association.
- b) to ensure the current management of the association, monitoring the implementation of the decisions of the Board of Directors;
- c) to represent the company in its relations with third parties;
- d) to commit the company before third parties through its signature;
- e) to hire and dismiss the employees of the association according to the legal provisions, including the members of the Executive Committee, establishing the rights and obligations of each of them, the Rules of Procedure, the job description for each employee as annexes to the individual employment contract;
- f) to establish the salary level for the subordinated employees according to the provisions of the labour legislation;
- g) to represent the association within the procedures of negotiation of the methodologies regarding the establishment of the remunerations;
- h) to inform the Board of Directors with regard to the result of the negotiations or of the arbitral or legal decisions regarding the establishment of the methodologies;
- i) to inform the Board of Directors about the monthly activity of the association;
- j) to organize the activity of the association;
- k) to establish the form of the authorizations and reports according to the methodologies in force;
- l) to establish the form of the contract for empowerment which is concluded with the holders of patrimony copyrights for musical works;
- m) to establish the components delegated for negotiations;
- n) to hire specialists or consultants;
- o) to appoint and revoke the heads of the departments and the head inter-county inspectors;
- p) to sign the financial and accounting documents along with the Head Accountant;
- q) to promote, reward and apply disciplinary actions to the employees of the association;
- r) to conclude protocols with other collective management bodies;
- s) to coordinate the activity of the territorial structures of UCMR-ADA;
- t) to conduct the activity of all departments;

(2) Besides the rights arising from the individual employment contract and from the specific employment relations, the General Manager of UCMR-ADA is also recognised to have the following rights:

- a) the right to a company car, to the settlement of the ancillary expenses and of the expenses for transportation incurred in the interest of UCMR-ADA;
- b) the right to use for the purpose of fulfilment of the duties the necessary resources of UCMR-ADA;
- c) any other rights arising from the law, from the present Statute, from the employment contract concluded with UCMR-ADA, from the decisions of the General Assembly or from the decisions of the Board of Directors of UCMR-ADA;

(3) To the General Manager of UCMR-ADA they are subordinated:

- a) The territorial sub-units – called INSPECTORATES;
- b) The departments constituted within UCMR-ADA;
- c) In general, all of the employees of the association.

**7.4.3.** In the executive management of UCMR-ADA they are included as well the Deputy Manager, the Head Accountant, the Head of the Service of Allocation, and the Head of the Legal Office,

according to the duties of their job description, who fulfil the decisions of the Board of Directors, make sure the scripts are kept, as well as the accounting records and correspondence of UCMR-ADA and the performance of all of the activities corresponding to the fulfilment of the activity object of the association.

**7.4.4.** The members of the Executive Management cannot be members of UCMR-ADA, nor they can be involved directly or indirectly in commercial enterprises having an activity object which is tangential to that of UCMR-ADA.

**7.4.5.** Upon an invitation from the Director General, the members of the Executive Management participate in the sessions of the Board of Directors of UCMR-ADA, ensuring its information about the current activity.

**7.4.6.** To the Executive Management they are subordinated the following services:

- a) The territorial sub-units – called INSPECTORATES
- b) The service of documentation-allocation, responsible for the performance of the corresponding operations: the keeping of the records of the administration mandates, of the declarations for musical works, of the contracts for assignment, of the documentation and capture of musical works, as well as of the allocation of the remunerations according to the documentation sent by users in conjunction with the Rules of Allocation established under the present statute, the General Rules for Allocation, and the rules for their application, of the database of UCMR-ADA, as well as of the international databases.
- c) The information service responsible for the maintenance and functioning of the computers, components and computer networks, of software and databases used in the activities imposed by the activity object of the association.
- d) The financial and accounting service, responsible for the performance of the current financial and accounting operations, for the elaboration of the balance sheet and of the statistical reports, as well as for the expert assistance.
- e) The legal service, responsible for the expert legal assistance and for the representation of the association or possibly of its members before the court.
- f) The service for international relations.
- g) Any other services or departments constituted by the Board of Directors, on the proposal of the General Manager.

**7.4.7.** (1) The Head Accountant will monitor and communicate to the General Manager, separately for each type of use, category of holders and rights, the amounts collected monthly with the title of remuneration representing patrimony copyrights for musical works, the remunerations collected for the capacity of sole collector, the amounts distributed and paid, the situation of the invoices not paid and of the penalties corresponding to the authorizations for non-exclusive license and to the methodologies in force and he/she will draw up an annual report on cash flow.

(2) The Head Accountant is responsible to draw up in timely manner all of the tax statements, monthly, half-yearly and annual, the monthly, annual financial statements (balance sheet) of the association, the annual report on cash flow, the annual full account report, the coordinating report of collection representing remunerations for copyrights, to distribute them, by types of use, of rights and holders, to comply with the due dates for the payment of the remunerations provided for by the law and by the Statute, as well as to fulfill any other duties laid down in the job description, decisions of the General Assembly, of the Board of Directors or under a decision of the General Manager.

## **7.5. Supervisory Board**

**7.5.1.** The Supervisory Board is formed of 3 members designated by the General Assembly on the proposal of the Board of Directors, as follows:

- a) a member designated from the members of UCMR-ADA representing pop, jazz, folk, ethnic music, publisher and other similar;

- b) a member designated from the members of UCMR-ADA representing symphonies, chamber music, opera, fanfare and other similar, attested by a professional union in the field;
- c) a member designated from the members of UCMR-ADA representing choir music, folklore and other similar, attested by a professional union in the field.

**7.5.2.** Each of the members of the Supervisory Board has the obligation to draw up within 10 days from the appointment and in compliance with the legal provisions on personal data protection, the declaration containing the following information:

- a) any interests in the collective administration body of UCMR-ADA;
- b) any amount received from UCMR-ADA during the previous financial year, including as salaries, compensatory payments or other benefits of monetary and non-monetary nature;
- c) any amount received from the part of UCMR-ADA during the previous financial year, in the capacity of author or holder of rights;
- d) any existing or potential conflict between the personal interests and the interests of UCMR-ADA or between the obligations in relation with UCMR-ADA and the duties in relation with other natural or legal person.

**7.5.3.** The Supervisory Board gathers half-yearly and it has the duties provided for by Law no. 8/1996 on the copyright and the related rights, republished.

**7.5.4.** The Supervisory Board draws up an annual report on its activity, it submits it to the general assembly and it communicates it to the Romanian Copyright Office.

**7.5.5.** (1) Within the collegial management bodies of UCMR-ADA it can be designated only one member having an uninterrupted age in the capacity of member of UCMR-ADA, as follows:

- a) 10 years, for the capacity of member of the Supervisory Board;
- b) 5 years for the capacity of member of the Board of Directors;

(2) The age is calculated from the date of appointment in the capacity of member of UCMR-ADA.

## **8. ASSOCIATION PATRIMONY**

**8.1** The initial patrimony for the establishment of the asocial is RON 1,100.

**8.2** The patrimony of UCMR-ADA cannot be burdened with debts or other personal liabilities of the members.

## **9. BUDGET OF REVENUES AND EXPENSES OF THE ASSOCIATION**

**9.1.** The revenues of the association are made of:

- a) the contributions in the form of shares – the collective administration commission, owed by authors and any other holders of patrimony copyrights for musical works, members and non-members, collected as a percentage according to the legal and statutory provisions from the gross amounts distributed to them;
- b) monetary sanctions applied for deviations;
- c) legal expenses advanced from the revenues of the association and recovered from third parties;
- d) the contribution in the form of shares (collective administration commission) retained for the activity of sole collector for the coverage of the expenses necessary for the performance of this activity;
- e) any prejudices recovered from third parties, other than the ones obtained following an infringement of the copyrights or related rights;
- f) any amounts obtained from the administration of the goods belonging to the association or replacing such goods;
- g) the interests of the current account;
- h) donations and other amounts originating from acts of concession;

- i) in general, from any sources which according to the law, the present statute or decision of the general assembly can constitute revenues of the association.

**9.2** The expenses of the association represent:

## 1. operating expenses;

- a) expenses regarding own operation such as: expenses with the personnel and bodies of management, supervision or control, including internal or external audit, expenses regarding the possession under any title of movable or immovable properties, of any material means and of the services required for the performance of the activity, expenses regarding the possession and use under any title of the spaces where the activity is carried out at central level, as well as through territorial and/or local structures (purchase, rents, administration, tax, etc.);
- b) other expenses necessary for the establishment, collection and allocation of the remunerations such as, without limitation: fees for arbitration, stamp duties, judicial stamps, fees for lawyers, experts, consultants, etc.);
- c) bank charges and commissions.
- d) expenses occasioned by actions of fight against piracy in the musical field;
- e) interests corresponding to potential credit contracted;
- f) incidental expenses such as fines, damages and other expenses according to legal provisions;
- g) expenses with the purchase of software or services of software useful for the collection or allocation of the remunerations or for the monitoring of the use of musical works;
- h) expenses with taxes and fees;
- i) any expenses necessary for the operation of the association;

## 2. expenses for common purposes

- a) expenses regarding the performance of the activities and the fulfilment of the purposes in the social and cultural field;
- b) any other expenses arising from the performance of the activity or for the fulfilment of the purposes of the association approved by the Board of Directors;

**9.3.** (1) From the excess of the previous years is constituted the reserve fund of UCMR-ADA to be used for:

- a) the coverage of the losses from the previous years or of those within the current financial and accounting year;
- b) the coverage of the VAT for the remunerations invoiced and not collected or the payment of any other budgetary obligations;
- c) the payment of any outstanding obligations to the national or local budgets that have been paid within the annual financial year;
- d) the repayment of some potential remunerations collected unduly from the users;
- e) the payment to the holders of patrimony copyrights for musical works of some potential differences of remunerations resulted from a reporting or processing error;
- f) the purchase or construction of buildings necessary for the performance of the activity of the association;
- g) other destinations established through a decision of the General Assembly, on the proposal of the Board of Directors;

(2) In case of the use of the reserve fund according to the provisions of letter e), the reserve fund is unified with amounts paid in excess to the holders of patrimony copyrights for musical works following a capturing or processing error, at the time and in so far as they are recovered.

**9.4.** The economic and financial years starts on 1 January and it ends on 31 December of each year.**10. REPRESENTATION**

**10.1.** In the relations with the third parties, UCMR-ADA is represented, jointly or separately, by the Director General (Deputy Director General), the General Manager (Deputy Manager). The Head Accountant grants the preventive control on all of the financial and accounting documents, draws up the annual financial statements of the associations and signs along with the General Manager all of the legal acts concluded with third parties.

**10.2.** The signatures of the persons indicated at 10.1 engage entirely UCMR-ADA.

**10.3.** In specific and limited activities, the delegation of the authority and of the right of signature is made by the Board of Directors.

**10.4.** The Director General and the General Manager of UCMR-ADA have the obligation to maintain permanently the relation with the bodies of the State Administration competent in the field of copyrights and the statute of the creator.

## **11. INTERNATIONAL COOPERATION**

**11.1.** To monitor abroad the rights of its members, UCMR-ADA is entitled to conclude conventions for mutual representation.

**11.2.** In case of the mutual representation, UCMR-ADA will inform periodically the collaborating companies about the portfolio and the lists of its members.

**11.3.** The conditions of mutual representation will be compliant with the international regulations, pursuing the unitary form and content of the contracts.

## **12. DISSOLUTION**

**12.1.** The decision for dissolution of UCMR-ADA may be adopted in the General Assembly, following the vote of at least 2/3 of the total number of attending members.

**12.2.** In case of the decision to dissolve UCMR-ADA, the activity of the association continues until the allocation of all of the sums collected during the year in which it is adopted the decision for dissolution, to the holders, principals and companies with which they have been concluded conventions for mutual representation.

**12.3.** The dissolution can only occur after the settlement of all of the sums corresponding to the last economic and financial year.

**12.4.** The destination of the patrimony goods of UCMR-ADA is decided by the General Assembly. The latter can designate for this purpose a Committee for Liquidation.