

Verwertungs-
gesellschaft
der Filmschaffenden
VdFS GenmbH

Collecting
Society
of Audiovisual
Authors

**Vd
FS**

Transparency report 2019

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The standing of VdFS, related to the responsibility towards all filmmakers, is now regarded as exemplary both at home and abroad. Because of this we need to continue to make

intensive efforts to ensure that VdFS is also able to face new challenges in the coming future.

In the course of the corona crisis, the VdFS has once again proven itself to be the backbone of the interest representation of Austrian filmmakers and has provided quickly and uncomplicatedly accessible means of help. Between mid-March and mid-August 2020, almost half a million EUR emergency aid was paid out to colleagues who were in distress as a result of this crisis.

In addition to the usual cultural and social supports, VdFS also funded the evaluation of a study on the social situation, which examined areas such as discrimination, illness, and mortality. The initiative #we_do! was financed together with the VAM. The active participation in both projects underscores the urgency of the concerns formulated by the filmmakers!

In the past year, VdFS has again proven to be a center of competence in all aspects of copyright and ancillary copyright and has set important impulses. Copyright Initiative (urhebervertragsrecht.at) has succeeded in uniting the relevant interest groups and collecting societies under its umbrella and formulating a common line to the legislature. With the implementation of the directive in June 2021, however, many things will change in other areas of our sector as well. We must be aware that both, in copyright law and in the improvement of working conditions, the collective perception of our rights is the indispensable prerequisite for fair conditions.

Fabian Eder
(Chairman of the Executive Board)



In the year under review our society has decided to change and to strike out in a new direction. A new location at one of the best addresses in Vienna and the expansion of the col-

leagues created optimal conditions for the further development of VdFS. The positioning of VdFS as a modern and dynamic service company and as a powerful voice of filmmakers concerning all copyright and political matters, is a special concern of the Supervisory Board.

Change also brings uncertainties and conflicts within a growing company. It shows her true character how she deals with such situations. A big goal of the Supervisory Board was (and is) to ensure stability and continuity within our society in both calm and turbulent times. This is not only in line with the Supervisory Board's itself, but also in line with the supervisory function, which is required to perform under the Cooperative Act and the Articles of Association.

I would like to thank the General Assembly and all cooperative members for the fact, that together we have succeeded in ensuring both stability and continuity in our company in these challenging times of change and in ensuring that VdFS can continue the successful path of the past years.

With this in mind, the economically pleasing result in 2019 needs to be noted, which is a pleasure for all Beneficiaries. It is also a benefit to all activities, which could be supported and promoted by VdFS. The importance of the VdFS social network for Austrian filmmakers was demonstrated - not only, but above all - during the Corona crisis.

Erwin Steinbauer
(Chairman of the Supervisory Board)



The encouraging business development of the past years has enabled VdFS to set the course for a further positive future of our company in the year under review. The expansion of the workforce will help to ensure that VdFS continues to be able to handle the constantly growing fields of activity and tasks in the best possible way for the benefit of beneficiaries.

This is accompanied by a new company location which, in addition to optimum accessibility of the office for those entitled to occupy it at a central address within Vienna's first district, also offers a larger and more modern office space for the VdFS team. I am particularly pleased that with the EU XXL - Team, a long-standing and committed cooperation partner of VdFS has been brought into the new location as well. It allows us to coordinate mutual activities and use synergies at its best.

The fact that it was possible to accommodate the VdFS in the House of Cooperatives (ÖGV) is very welcome too and a great opportunity to use the network and the concentrated competence of the ÖGV. The challenges facing our society in the coming years are numerous. The implementation of the Digital Single Market Directive 2019 within the framework of the UrhG amendment is imminent. It is important to represent the interests of filmmakers in this process in the best possible way, especially with regard to the issues of liability of the major online platforms, copyright contract law and new remuneration claims.

However, it needs to be ensured that the business operations of VdFS can continue as smoothly as possible in the future with regular royalty payments from Germany and abroad despite the Corona pandemic. How important VdFS social grants in particular are for the industry, has been demonstrated in recent weeks and months. These challenges can only be met in a climate of trust and with a management team free of conflict.

The General Assembly, as the highest body of VdFS, is particularly to be thanked for having ensured a composition of committees and management that, based on its expertise and experience, can best meet the challenges ahead.

In addition to the comprehensive agendas of interest representation, VdFS again successfully

completed its core business in the year under review: one main settlement, three supplementary settlements, special settlements, and various settlements from abroad were carried out.

This Transparency Report is the expression of an economically pleasing business year and we look to the future with confidence – despite the Covid-19 situation, which is truly not easy for the entire Austrian film industry.

Mag. Gernot Schödl, LL.M.
(Managing Director)

Activity report

Chapter

Information
about income
and revenues

Costs of rights
management and
other services

Information about
distribution

Information
about payments
from and to
other collecting
societies

SKE report -
report about
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Collecting societies have to prepare annual transparency reports which include the annual accounts (including the balance sheet, the income statement as well as the cash flow statement, see Annex), reports concerning the activities in the previous financial year (see Point 1.5), reports concerning the deductions for social and cultural institutions (see Point 6), and information about the items referred to in Points 1.1 to 1.4 of this report.

1.1. Rejection of usage authorisations

According to VdFS's currently collection authorisation, the society's collection area is limited to so-called secondary uses of film-works. VdFS only grants usage authorisations to users (cable network operators) in the area of integral cable retransmission (cable TV, IP-TV and mobile TV). In the financial year 2019, there were no refusals of usage authorisations.

1.2. Legal form and organisational structure

1.2.1. Legal Form

Founded:	04 March 1992
Legal Form:	Genossenschaft mit beschränkter Haftung (Cooperative with limited liability)
Headquarters of the society:	Vienna
Commercial register:	Commercial Court Vienna FN 97743 s
Member of the cooperative association Schulze-Delitzsch	

The current collection authorisation of VdFS (notification from the supervisory authority for collecting societies), AVW 9.119/16-013 dated 11 May 2016 can be downloaded at vdfs.at/files/license_to_operate.pdf.

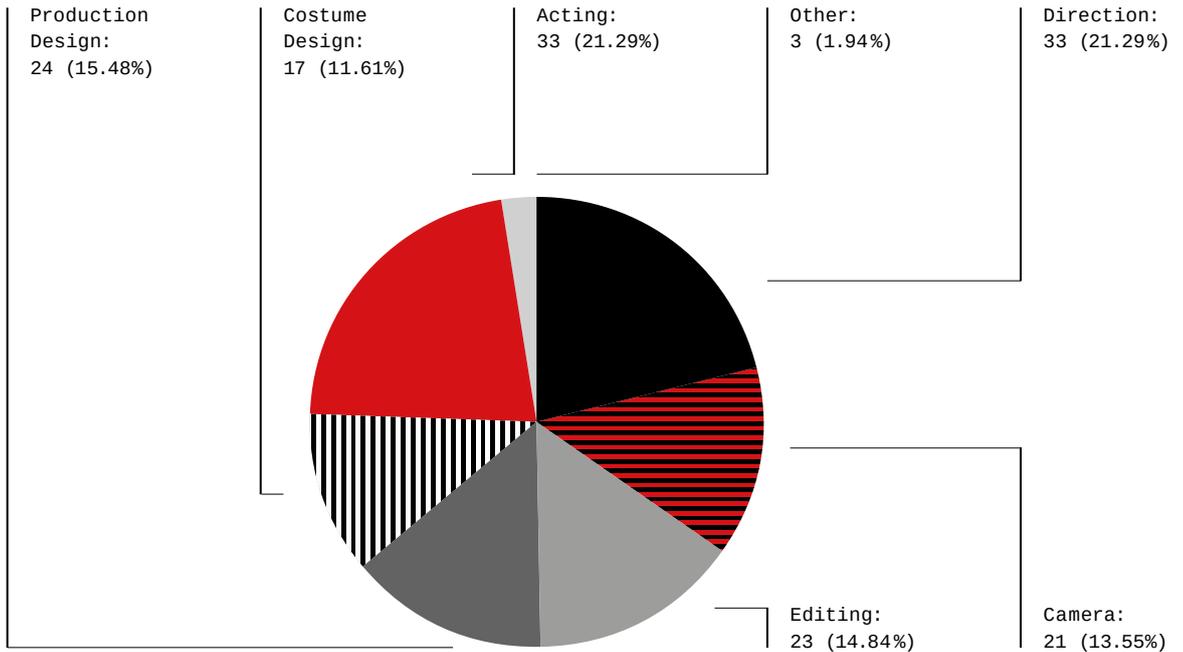
The Articles of Association of VdFS GesmbH were last comprehensively amended on June 21st 2016 due to the entry into force of the VerwGesG 2016 and can be downloaded from vdfs.at/files/statutes_2016.pdf.

Membership development

In 2019, the annual general meeting of VdFS consisted of 155 members of the cooperative (9 members were newly accepted in the reporting year):

Members of the cooperative of VdFs as of 31st of December 2019:

155 Persons

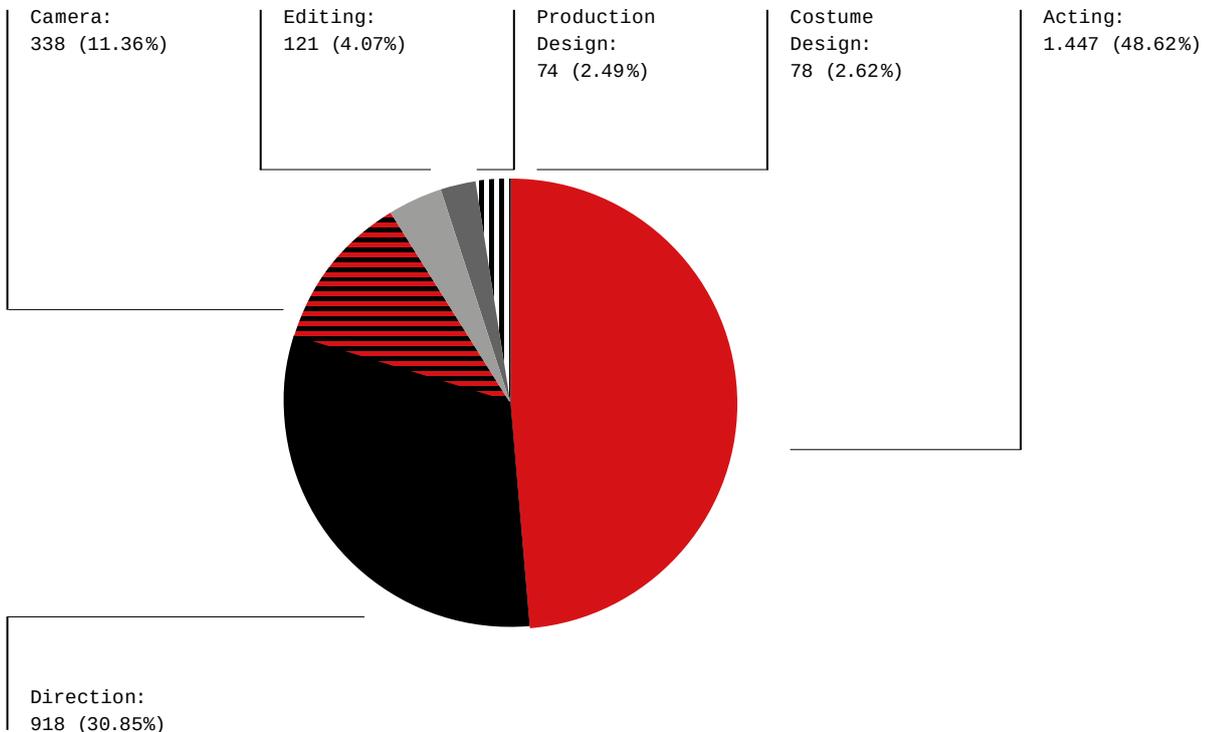


Development of the beneficiaries

As of 31 December 2019, VdFS counted a total of 2,976 beneficiaries*.

Beneficiaries according to film function (main role) as of 31st of December 2019:

2.976 Persons



* New beneficiaries in 2019: 153; Departures due to the change of the society and termination of membership: 1.

Organisational structure

Business purpose of VdFS

Collective and custodial management of the copyright and neighbouring rights of film makers and performing artists in the audiovisual field pursuant to the Copyright Act (UrhG).

Categories of the managed rights

VdFS distinguishes between the following categories of managed rights:

a. Copyright

All rights and claims of the film authors of the professional groups of directing, camera, editing, costume design and production design pursuant to UrhG.

b. Neighbouring rights

All rights and claims of the performing artists in the audiovisual field (film actors, dubbing actors, speakers) pursuant to UrhG.

Types of usage

In the year under review, VdFS paid remuneration for the following types of usage:

a. Blank tape remuneration/storage media remuneration (BTR/SMR)

— Private copying remuneration pursuant to Section 42b para. 1 UrhG

b. Cable (CAB)

— Participation claims pursuant to Section 38 para. 1a UrhG (Cabel TV)

— Right of the integral cable transmission pursuant to Section 59a para. 1 UrhG

c. Public transmission (PT)

— Remuneration for public screen transmission (of authors/in-house films) pursuant to Section 18 UrhG

— Remuneration for the use of picture or sound carriers pursuant to Section 56b Para. 1 UrhG

— Remuneration for public transmission for educational purposes pursuant to Section 56c para. 2 UrhG

— Remuneration for public transmission in accommodation facilities pursuant to Section 56d para. 2 UrhG

d. Other (O)

— Lending remuneration (library royalties) pursuant to Section 16a para. 2 UrhG

— Remuneration for uses by people with disabilities pursuant to Section 42d para. 4 UrhG

— Remuneration for educational film uses in schools and universities pursuant to Section 42g para. 3 UrhG.

The categories of perceived rights and types of use can be found in the membership contract of VdFS at vdfs.at/files/membership_contract.pdf. Further rights and claims included in VdFS's licence to operate were not exercised during the year under review.

Debt collection

In the year under review, VdFS did not perform independent debt collection.

This was conducted by domestic affiliates for VdFS as follows:

- Cable TV (incl. IP TV and Mobile-TV): Literar-Mechana
- Blank tape/storage media remuneration: AKM/Austro-Mechana
- Public transmission in education: AKM (Federal schools, technical colleges and universities) and Literar-Mechana (community and rural schools)
- Lending remuneration (library royalties): Literar-Mechana
- Public transmission in accommodation facilities and usage of picture or sound carriers: VAM

General assembly

The 2018 annual financial statements were resolved by the Board of Directors, approved by the Supervisory Board, passed to the general assembly on 13th of June 2019 for adoption and approved by the general assembly by unanimous resolution with abstention of voting from the Board of Directors and the Supervisory Board. It has been provided with an unqualified auditors report by the auditor Bernardini & Co. Wirtschaftsprüfung GmbH. The general assembly unanimously approved the discharge of the Board of Directors, the Supervisory Board and the Managing Director (CEO).

Board of Directors

In the financial year 2019, the Executive Board of VdFS was composed of the following people:

Chairman
Vice Chairman
Members

Fabian Eder (Director of Photography)
Florian Reichmann (Stage Design)
Carl Achleitner, until 10/03/2020 (Acting)
Paul Harather, until 13/01/2020 (Direction)
Michael Kreihsl (Direction)
Ingrid Leibezeder (Costume Design)
Daniela Padalewski-Gerber, decreased on 27/03/2020 (Film Editing)

The following members were appointed interemistically by the Supervisory Board until the next Annual General Meeting:

Members

Fritz von Friedl (Acting)
Ruth Mader (Direction)
Veronika Mossböck (Film Editing)

The Board of Directors was elected in the general assembly on 28th of June 2017 for a term of 4 years.

The Board of Directors met five times during the reporting period. It was responsible for all the activities foreseen under the Statutes of VdFS and the Rules of Procedure of the Board of Directors.

The current function period of the Board of Directors ends with the adoption of the resolution concerning the annual financial statement and the 2020 transparency report in the 2021 general assembly.

Supervisory Board

The Supervisory Board was composed as follows in the financial year 2019:

Chairman	Erwin Steinhauer
Vice Chairman	Norbert Arnsteiner
Members	Thomas Oláh
	Sonja Lesowsky-List
	Thomas Roth
	Thomas Vögel

The Supervisory Board was elected in the general assembly on 28th of June 2017 for a term of 4 years.

In the year under review, the Supervisory Board convened for five meetings. It was responsible for all (supervising) activities provided for in the Statutes of VdFS and the Rules of Procedure of the Supervisory Board.

The current function period of the Supervisory Board ends with the adoption of the resolution on the annual financial statement and the 2020 transparency report in the 2021 general assembly.

Management

Mr. Gernot Schödl, M.A., LL.M. has been serving as Managing Director (CEO) of VdFS since 1st of January 2012 within the meaning of Section 5 VerwGesG 2016 and has been registered as a joint signatory in the company register. The responsibilities of the Managing Director (CEO) are established in the Statutes as well as in his employment contract.

Office

Four staff members (full-time) as well as the Managing Director (CEO) were employed on 31st of December 2019 at the office of VdFS. As in the past, services for data processing, data management, tax-related consulting, homepage, graphics, PR etc. were outsourced.

Supervision

VdFS is supervised by several authorities. On one hand, by the Supervisory Board as an internal supervision body, by the auditor regarding business practices and every two years by the revision of the Austrian Cooperative Association (ÖGV).

The audit of the 2018 and 2019 financial years by the cooperative review took place in September 2020.

Furthermore, VdFS is under the permanent supervision of the Supervisory Authority for Collecting Societies: [justiz.gv.at/avg](https://www.justiz.gv.at/avg). Representatives of the Supervisory Board attended the Board of Directors and Supervisory Board meetings and the general assembly in the financial year 2019.

Distribution Rules

In accordance with Section 34 para. 1 VerwGesG 2016, VdFS is obliged, on the basis of the general principles adopted by its general assembly, to draw up fixed rules for the distribution which exclude an arbitrary approach (distribution rules).

The current version of the distribution rules of VdFS can be downloaded at vdfs.at/files/distribution_rules_2020.pdf.

International umbrella organisations

VdFS is a member of CISAC, the international umbrella organisation of the collecting societies based in Paris. Furthermore, VdFS is a member of the SAA (Société des Auteurs Audiovisuels) and SCAPR (The Societies' Council for the Collective Management of Performers' Rights) based in Brussels.

Domestic contractual partners

VdFS maintains contractual relationships with numerous affiliates (AKM/Austro-Mechana, Bildrecht, Literar-Mechana, LSG, VAM and VGR), user organisations (departments within the Austrian chamber of commerce, organisers associations) as well as other contractual partners (federal government, states, municipalities, technical colleges, universities, etc.).

Foreign contractual partners

VdFS has concluded mutual agreements with numerous foreign affiliates. As a result, VdFS's beneficiaries are also represented in foreign countries; conversely, the foreign repertoire is also represented in Austria. In the year under review, VdFS was again able to conclude new reciprocity agreements with foreign authors and performers societies in the audiovisual field. A current list of the reciprocal agreements concluded by VdFS can be downloaded at VdFS homepage at vdfs.at/files/contracts_of_mutual_representations_2020_1.pdf.

1.3. Participation report

Facilities that are directly or indirectly, wholly or partly, owned by VdFS or are governed by it directly or indirectly, in whole or in part do not exist.

1.4. Remuneration and other benefits

In the financial year 2019, a total of EUR 133.114,86 in remuneration and other benefits were paid to members of the Supervisory Board, members of the Board of Directors and the Managing Director (CEO). This amount includes meeting fees, allowances, salaries including special payments, travel expenses and contributions to pension provisions.

1.5. Activity report

Relocation of VdFS / new facility

In the year under review, it was decided to move VdFS to a new address (Löwelstraße 14, 1010 Vienna). VdFS moved into the offices on the first floor of the House of Cooperatives (Österreichischen Genossenschaftsverband, ÖGV) in March 2020 (for rent). Parts of the new office space was made accessible to the EU XXL team as part of a SKE grant. The enlargement of the office space enables VdFS to increase the number of employees to cope with the growing range of tasks in the areas of social and cultural institutions (SKE) and data management

VerwGesG 2016

The requirements of the VerwGesG 2016 were fully implemented in the year under review. The General Assembly on 13/06/2019 was streamed on MyVdFS and the members of the cooperative society were given the opportunity to vote online. Fundamental questions of business policy (strategy paper) were resolved at the beginning of the year and a forecast for the year 2019 was drafted. The financial statements for 2019, which are now available, show that the budgeted statement has been met with pinpoint accuracy.

Copyright Amendment (UrhG-Novelle) 2021

The Digital Single Market Directive 2019 is to be implemented within the framework of the Copyright Act Amendment (UrhG-Novelle 2021). The VdFs participated in several stakeholder meetings at the Federal Department of Constitution, Reform, Deregulation, and Justice in early 2020 and submitted written comments. A formal review process is expected in fall 2020 or early 2021. The EU Directive must be implemented by the Austrian legislator by June 7, 2021.

In the year under review, VdFS played a key role in founding of the Initiative Urhebervertragsrecht (Initiative for Copyright Law, www.urhebervertragsrecht.at) as a cross-industry association of various artists' organizations and collecting societies. For the upcoming amendment, the initiative has prepared a legislative proposal for the implementation of the requirements of the 2019 EU Internal Market Directive on the protection of authors and performers in Austria (Urhebervertragsrecht).

Furthermore, the initiative also submits proposals for new claims to appropriate remuneration (statutory remuneration claim).

VfGH proceedings

In its decision of 28/11/2019, the Constitutional Court (VfGH) dismissed as inadmissible the complaint filed by VdFS at the beginning of 2019 to review the statutory provisions in § 38 and § 69 for constitutional conformity (not dismissed as unfounded). Because the VfGH consider that VdFS can initiate legal proceedings and, in the course of these proceedings, file an appeal to the VfGH on the occasion of an appeal. The Court of Justice did not deal with the arguments put forward by VdFS in the complaint to why this is unreasonable in the present context.

Storage media remuneration (SMR)

Austro-Mechana has generated revenues for the years 2012-2017 from the SMV, which came into force on 01/10/2015, on the basis of overall and framework agreements concluded with the Austrian Federal Economic Chamber (WKO) in 2016, which have so far been accounted for at agreed proportions - including to VdFS - due to the lack of a final distribution agreement among the eligible companies. In the event of legal proceedings concerning the distribution of the proceeds among the companies for the above-mentioned years, a provision has been recognized on the basis of the current status of negotiations - six of seven companies have already reached an economic agreement. This provision is made as a precautionary measure by VdFS, in addition to the creation of a compensation fund at Austro-Mechana, which is allocated proportionally by all companies.

In the year under review, the collecting societies conducted further negotiations with Bildrecht. However, a final distribution of SMR revenues is still open. A mediation procedure is currently pending with the supervisory authority, which is expected to be concluded in 2020. In the event of a failure to reach agreement, there is the option of mutually agreeing to arbitration proceedings or taking recourse to the ordinary courts.

In addition, a settlement was reached between the collecting societies and Amazon in the reporting year regarding the outstanding payments for the years 2002-2018. The payments from the settlement with Amazon were repaid to the societies by Austro Mechana in December 2019. VdFS accounted for approximately EUR 2.1 million of this amount, which will be distributed to the beneficiaries starting in 2020.

VdFS is participating strategically and in the costs of the cloud test case of Austro Mechana against the German Strato AG (operator of a "dumb-cloud"). Among other things, these proceedings are intended to clarify the fundamental legal question of whether the offering of storage space in the cloud can be regarded as putting a storage medium into circulation in Germany, or whether only the distribution of physical carriers is covered by the current statutory provision in § 42b UrhG.

Withholding Tax

The tax authorities of Poland, Italy and Spain have triggered an intensive discussion at the European level on the definition of the beneficial owner in the bilateral double taxation agreements and the obligation of companies to deduct withholding tax in the case of royalty payments to foreign sister companies.

In the aforementioned countries, withholding tax has been withheld for quite some time despite the submission of residence certificates of the sister companies. In Poland, proceedings have been pending for several years. Separate working groups have been set up within SAA and CISAC for this purpose.

The deduction of withholding tax on royalty payments by the sister company VG Bild Kunst was successfully averted in proceedings with the German tax authorities (retention of 100% exemption).

Negotiations on remuneration in accordance with § 42g UrhG

After concluding agreements with the public universities on remuneration for the public provision of films for teaching and learning (intranet uses pursuant to § 42g UrhG), it was possible to conclude agreements with the Austrian Conference of Private Universities (ÖPUK) and the Conference of Universities of Applied Sciences in the reporting year.

In this context, an agreement was also concluded with the private universities on the remuneration for the communication of films to the public in class pursuant to Section 56c UrhG. Framework agreements were concluded with approximately 20 private universities by the collecting societies entitled to receive royalties.

Further negotiations were held with the federal schools in the reporting year, which are expected to be concluded in 2020.

The conclusion of a sharing agreement between the eligible collecting societies is still pending.

Sounddesigner / VOESD

In the year under review, talks were held with representatives of the Association of Sound Designers. They generally want to be recognized as co-authors of film works in Austria and to participate in the royalties of VdFS. It was agreed that, for the time being, developments in other EU member states, especially Germany, should be observed.

Revision of the distribution rules

The broadcasting factors were adjusted - as provided for in the distribution regulations - on the basis of AGTT/GfK Teletest data as of 31/12/2019 (weighting of billable stations by market share, reach, reception potential and a culture factor).

Revision of the SKE guidelines

The SKE guidelines were further revised in the reporting year.

In the process, a definition of film festivals and, for the first time, content-related funding criteria were created and incorporated into chapter 5.3.1. of the Funding of Festivals and Events guidelines.

In March 2020, a separate Covid-19 (Corona virus) emergency clause was included in the SKE guidelines to cushion social emergencies that arise for beneficiaries as a result of loss of earnings due to canceled film productions or other canceled orders. This COVID-19 grant, which can be applied for until December 31, 2020, is a one-time, non-repayable grant of max. EUR 4,500. The grant is financed by the social and cultural facilities (SKE) of VdFS. Furthermore, an SKE grant for consulting services (labor law, tax law, etc.) with regard to the effects of the COVID-19 measures was paid out to the umbrella organization of filmmakers (Dachverband der österr. Filmschaffenden) in March 2020.

The income limits and amounts of the seniority subsidy were adjusted as of 01/01/2019 based on the Consumer Price Index (CPI 2015), as provided for in the SKE Guidelines. The current version of the SKE guidelines is available at vdfs.at/files/2020-01_ske-richtlinien.pdf.

Investments

VdFS's investments continued to be very conservative in the year under review. Investments were made in fixed-term deposits and securities (funds, bonds) in compliance with the General Principles for Investment Policy adopted by the general assembly. Due to the low or negative interest rate level, only relatively low financial income – as in the previous years – could be achieved in the reporting year.

Committees, extraordinary meetings and working groups

During the year under review, VdFS held multiple committees, extraordinary meetings and working groups in addition to the regular meetings of the bodies. Representatives of the Board of Directors and the Supervisory Board, representatives of the associations of filmmakers as well as external experts took part in the working groups.

Information exchange

In the year under review, an exchange of information again took place with representatives of the beneficiaries (BBV) and the professional associations in VdFS. Current activities within VdFS, the umbrella organization of filmmakers (Dachverband der österr. Filmschaffenden) and the professional associations were discussed and mutual wishes and concerns were expressed.

Revision of the Financial Years 2018 and 2019

The audit of the financial years 2018 and 2019 by the auditing department of the Austrian Cooperative Association (ÖGV) took place in October 2020 in VdFS. The audit report was discussed in detail in a joint meeting of the Board of Directors and the Supervisory Board in December 2020.

KSVF (Artists' Social Insurance Fund)-Curiae

In the year under review, VdFS sent again representatives to the curiae of the Artists' Social Insurance Fund (KSVF). The Managing Director (CEO) and a few board members of VdFS are represented in the film curia and participated in several meetings of the curia (general curia, appeals curia, etc.) during the reporting year.

Developments at EU-level

The Internal Market Directive 2019 provides, among other things, for regulations on the issues of responsibility (liability) of the major online platforms, copyright contract law, new free uses of works, ancillary copyright for press publishers and extended collective licenses.

At the European level, several stakeholder dialogs on article 17 of the Internal Market Directive (liability of online platforms) took place in the reporting year. The European Commission's goal is to issue its own guidelines for the national implementation of this provision.

The Online Sat/Kab Directive provides for relief for broadcasters in acquiring online licenses for media libraries with regard to certain formats (in-house productions, news, etc.).

The Austrian legislator must transpose the two directives into national law by June 7, 2021.

In the reporting year, VdFS actively participated in shaping and positioning the issues at the European level through its representation on the Board of the European Society of Audiovisual Authors (SAA) based in Brussels. Due to changes in Belgian law, a change in the legal form of the SAA is also imminent.

Media and public relations

The tried-and-tested quote campaign and video clip series were continued. Four newsletters were sent to beneficiaries, press contacts and various stakeholders in the reporting year. The transparency report was translated into English, posted on the English website and sent to all foreign sister companies with which mutual agreements exist for information purposes. The social media channels were continuously filled with content and the media cooperations with film-specific industry magazines continued.

Corporate governance code

In the financial year 2019, the Board of Directors of VdFS complied with the provisions of the Austrian Corporate governance code for goods, services and productive cooperatives under the Schulze-Delitzsch System (compliance rules for cooperative societies). A corresponding written declaration will be submitted to the general assembly and published on the VdFS website.

IT-projects

The MyVdFS online system was further expanded in the reporting year and a login area for foreign sister companies was implemented. Credit notes and settlement data to foreign sister companies are also no longer sent by e-mail, but uploaded to MyVdFS. The foreign sister companies also have the option of managing their master data in this area (address, VAT number, etc.).

MyVdFS will be further expanded in 2020 and the development of a MyVdFS app is being prepared.

The SKE database was further developed in the reporting year and has also been in practical use since the beginning of 2020.

Usage data MyVdFS

The MyVdFS system was very positively received and intensively used by the beneficiaries in the reporting year. A few selected data since 01/01/2019:

- Total logins: 15,048
- Users logged in: 1,780
- File downloads: 17,587
- Plant end messages: 4.608 (total 5.024 since start)
- Master data changes: 262 (total 436)
- Bank changes: 75 (total 80)
- Foreign VerwGes / Users: 45
- Foreign VerwGes / online changes (master data and bank): 34

The annual overviews pursuant to § 41 VerwGesG 2016 (bonuses paid out in the previous year and open balances) were uploaded to MyVdFS at the end of January 2020.

VdFS provides its beneficiaries with modern electronic communication in line with the requirements of the EU Directive for collecting societies and the VerwGesG 2016.

Information about income and revenues

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The following chapter provides an overview of revenue from the rights, broken down according to category of the managed rights and type of use (Point 2.1.), the income from the investment of the revenue (Point 2.2.) and the use of these revenues broken down according to distribution to rights holders, distributions to other collecting societies or other uses (Point 2.3.).

2.1. Income from rights

In the year under review, domestic revenues totalling EUR 7,389,296.20 were generated from the exploitation of copyrights by the film authors and neighbouring rights of the performing artists in the audiovisual sector.

These are broken down as follows:

Cable-TV (CAB)

Remuneration for the integral cable retransmission of films by cable network operators via cable networks pursuant to § 38 para. 1a UrhG and Section 59a UrhG.

Storage media remuneration (SMR)

Remuneration from private copies on storage media (PCs, tablets, smart phones, external hard disks, DVDs, etc.) pursuant to § 42b para. 1 UrhG.

Public transmission (PT)

Remuneration for the public transmission of films in the area of secondary exploitation (teaching and educational use, libraries, etc.) and the public screening of authors / in-house films.

OTHER (O)

Remuneration for the lending of films in public libraries (public lending right pursuant to § 16a para. 2 UrhG).

Income from rights:
Stated in EUR

Cable TV (CAB) total		3,084,194.35
Traditional cable TV	1,691,387.00	
IP TV	707,464.64	
Mobile TV	32,351.29	
Participation in VGR revenues	539,458.03	
Revenues from ARGE cable	113,533.39	
Storage media remuneration (SMR) total		4,149,871.23
Public transmission (PT) total		151,956.58
PT - Screen transmission (Section 18 UrhG)	2,543.55	
PT in instruction (Section 56c UrhG)	149,413.03	
other (0) total		3,274.04
Library royalties (Section 16a para. 2 UrhG)	3,274.04	
Σ		7,389,296.20

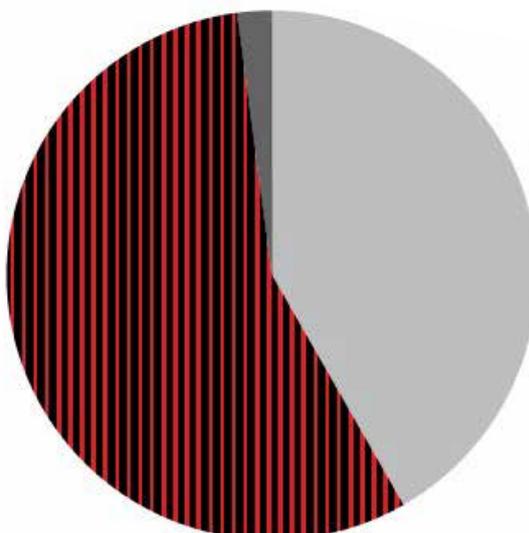
Income from rights total:
EUR 7,389,296.20
Stated in EUR

Storage media remuneration:
4,149,871.23
(56.16%)

Public Transmission:
151,956.58
(2.06%)

Other:
3.274,04
(0.04%)

Cable TV:
3,084,194.35
(41.74%)



2.2. Revenues from the investment of income

In the collection and management of revenues from rights VdFS proceeds with due care. Collecting societies have to distribute the proceeds from the rights and the income from the investments of these revenues to the rights holders or use them for the purposes decided by the general assembly.

If a collecting society invests the proceeds of the rights or the income from the investment of those proceeds, it shall be done in the best interest of the right holders, whose rights they exercise, and in accordance with their general investment policy and risk management principles.

VdFS ensures that

- the investment solely takes place in the interest of the right holders,
- the assets are so invested, that the safety, quality, liquidity and return of the portfolio as a whole is guaranteed and
- the investment is diversified in a reasonable manner, so that an excessive dependency of a specific asset and its risk concentration in the portfolio is avoided.

The assessment of revenues in the reporting year was made based on the **General principles for investment policy** adopted by the general assembly in accordance with § 14 para. 2 Item 4 VerwGesG 2016.

Considering this, the investment policy of VdFS always has to follow the overriding objectives of the greatest possible security of the investment of custodial managed funds, which are mostly provisions for future royalties, liabilities and unconsumed SKE-funds, in conjunction with the greatest possible caution. In order to achieve as much risk diversification as possible, VdFS funds have to be allocated to different financial institutions and the investment volume per institution may not exceed EUR 1 million.

Outsourcing of investment activities to professionally managed asset management is permissible and, in the financial year 2019, occurred in the area of securities investments (funds, bonds).

Investments are performed based on recommendations from the Managing Director by resolution of the Executive Board and approval by the Supervisory Board.

In the year under review, VdFS invested funds at ten different banks (five fixed deposits, four securities deposits) within the meaning of the above-mentioned risk diversification.

In the 2019 financial year, financial income totalling EUR 72,756.46 was generated from investments.

These are broken down as follows:

Interest income

Interest income from the investment of fixed deposits (time deposits): EUR 3,471.45

Securities

Income from securities and from the disposal and write-ups on financial securities and current assets:

— Interest income securities: EUR 62,496.41

— Income from write-ups on securities: EUR 6,788.60

The following expenses from financial investments were incurred in financial year 2019:

Expenses from financial investments

Revenue from the disposal of other financial assets, the carrying value of other financial assets, the amortisation of financial assets: EUR 24,954.79

Financial result

Financial income less expenses from financial investments: EUR 47,801.67

2.3. Use of these revenues

Financial income can either be allocated to the distribution budget and distributed to the domestic beneficiaries and foreign affiliates, or used for other purposes – particularly social and cultural purposes – or to cover expenses.

The financial income generated by VdFS in the year under review totalling EUR 72,756.46 was used as a whole to cover expenses (other use) as in the past.

Through the deduction of the financial income from the expenses, the beneficiaries benefit proportionally/indirectly from the investments of VdFS.

Gregor Seberg

I am one of those actors who would never be able to overview the use of their performances. I am left stunned with awe at what VdFS is quietly and silently doing for us artists.





Barbara Eder

Artwork does not just happen. There is a long intensive process and hard work behind it. Especially in a time when creative production seems so natural, so quickly consumed, it is even more important that VdFS stands up for our rights and keeps the value of intellectual property high.

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The following chapter provides an overview of the operating costs and financial expenses for the exploitation of rights and for other services (incl. SKE), as well as the funds used to cover the costs. Furthermore, the deductions from rights revenues and the percentage of rights revenues accounted for by expenses for rights management and other services are presented.

3.1. Operating costs and financial expenses overall

Due to its operational structure, VdFS does not perform cost centre accounting. A direct allocation of operating costs and financial expenses to individual cost centres is therefore as impractical as is their break down according to category of exercised rights.

The business areas of VdFS can basically be divided into rights management (see Point 3.2) and management of social and cultural institutions (see Point 3.3.).

In financial year 2019, VdFS has generally performed deductions for social and cultural institutions (SKE) amounting to 10 % of the domestic income from the rights. The only exception is the deduction of 50 % of the revenues from storage media remuneration (SMR), as required by law in accordance with § 33 para. 2 VerwGesG 2016. The deduction of max. 10 % for SKE is equivalent to that agreed in the reciprocal agreements with foreign sister societies and the usance agreed with the international umbrella organisation CISAC. The calculation of the indirect costs has therefore involved the amount of the basic SKE-deductions from the income resulting from the rights. This results in a ratio of 90 % for the rights management (RM) at 10 % for SKE.

Operating costs and financial expenses:
EUR 820,783.00

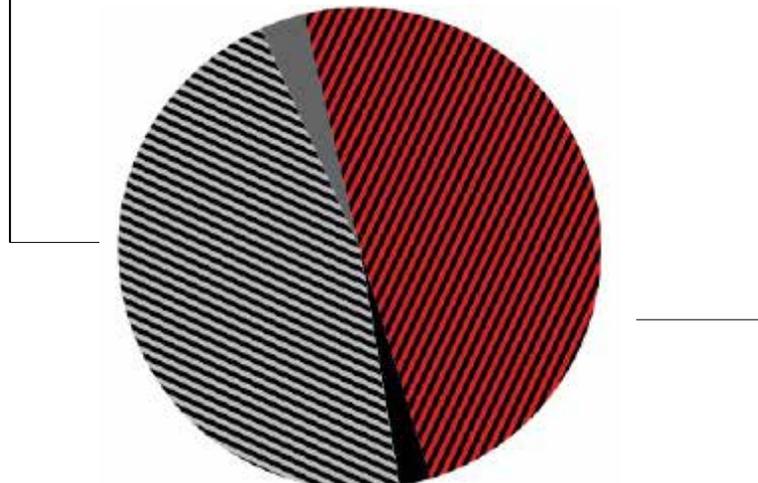
Stated in EUR

Other operating expenses:
376,682.00
(45.89%)

Financial expenses:
24,955.00
(3.04%)

Personnel expenses:
401,721.00
(48.94%)

Depreciation:
17,425.00
(2.12%)



The expense (incl. financial expenses) amounts to a total of EUR 820,783.00 and is broken down as follows:

RM = Rights management
SKE = Social and cultural institutions

Administration expenses	total	RM	RM	SKE	SKE
	EUR	%	EUR	%	EUR
Wages	314,763.00	90.00	283,287.00	10.00	31,476.00
Severance payments contributions	4,646.00	90.00	4,181.00	10.00	465.00
Retirement benefits	1,500.00	90.00	1,350.00	10.00	150.00
Statutory social security contributions	78,416.00	90.00	70,575.00	10.00	7,842.00
Other social expenses	2,395.00	90.00	2,156.00	10.00	240.00
Σ Total Personnel expenses	401,721.00		361,549.00		40,172.00
Σ Total Depreciation	17,425.00	90.00	15,683.00	10.00	1,743.00
Operating taxes	3,962.00	90.00	3,566.00	10.00	396.00
Fees and contributions	42,664.00	90.00	38,398.00	10.00	4,266.00
Membership fees	5,043.00	90.00	4,539.00	10.00	504.00
Maintenance	647.00	90.00	582.00	10.00	65.00
Operating costs	1,130.00	90.00	1,017.00	10.00	113.00
Insurance	3,498.00	90.00	3,148.00	10.00	350.00
Transport expenses	137.00	90.00	124.00	10.00	14.00
Travel expenses	10,129.00	90.00	9,116.00	10.00	1,013.00
Communication expenses	7,856.00	90.00	7,070.00	10.00	786.00
Rental and leasing expenses	34,268.00	90.00	30,841.00	10.00	3,427.00
Education and professional training	3,550.00	90.00	3,195.00	10.00	355.00
Office and administration expenses	2,604.00	90.00	2,344.00	10.00	260.00
Charges for money transactions	12,177.00	90.00	10,959.00	10.00	1,218.00
Advertising expenses	18,381.00	90.00	16,543.00	10.00	1,838.00
Legal and consulting expenses	73,498.00	90.00	66,148.00	10.00	7,350.00
Expense to the provision SMR	61,000.00	90.00	54,900.00	10.00	6,100.00
Meeting fees	16,140.00	90.00	14,526.00	10.00	1,614.00
IT expenses	56,174.00	90.00	50,557.00	10.00	5,617.00
External labour	6,540.00	90.00	5,886.00	10.00	654.00
Incidental	17,283.00	90.00	15,555.00	10.00	1,728.00
Σ Total other operating expenses	376,682.00		339,014.00		37,668.00
Σ Total Expenditure	795,828.00		716,246.00		79,583.00
Depreciation of financial assets	17,535.00	90.00	15,782.00	10.00	1,754.00
Interest and related expenses	7,419.00	90.00	6,667.00	10.00	742.00
Σ Total Financial expenses	24,955.00		22,459.00		2,495.00
Σ Total expenses	820,783.00		738,705.00		82,078.00

3.2. Operating costs and financial expenses for rights management

Rights management

In particular, the area of rights management includes tasks such as royalties management (repartition), legal agendas (contracts, procedures), economic and financial agendas (investments), internal relations (bodies, meetings, working groups), external relationships (supervisory authority for collecting societies, the Austrian cooperative association (ÖGV), ministries, the artistic social insurance funds (KSVF), other collecting societies), European and international relations (SAA, SCAPR, CISAC, affiliates), interest representation (studies, expert opinions, statements), media and public relations (PR, website, public relations, newsletters, social media), reporting, IT, data management (work and broadcasting data, international data-bases) and member organisations (ÖTAF).

The costs indirectly allocated to this area are shown under RM in the figure on page 31 and totalled EUR 738,705.00 in the financial year 2019.

Administrative costs

The general assembly of VdFS has already decided in the year 2016 upon **General principles for administrative costs** in accordance with Section 14 para. 2 Item 3 VerwGesG 2016. These were published on VdFS website in accordance with Section 44 Item 11 VerwGesG 2016 and can be downloaded at vdfs.at/files/general_principles_of_administrative_costs.pdf.

As administrative expenses, a general interest rate of 15 % was deducted from the income resulting from the rights. The deduction of expenses for financial year 2019 totalled EUR 1,008,637.00.

3.3. Operating costs and financial expenses for other services

In addition to rights management, VdFS also manages social and cultural institutions (SKE).

The costs indirectly allocated to this area are shown under SKE in the figure on page 31 and amounted to EUR 82,078.00 in financial year 2019.

Services other than SKE (with directly or indirectly attributable costs) were not provided by VdFS during the year under review.

3.4. Means to cover costs

The following resources were used to cover costs in the year under review:

Description	Amount in Euro (rounded off)
15% Expenses pursuant to royalties table	725,000.00
Expenses SMV after billing	284,000.00
Revenue RST image right	61,000.00
Other revenues pursuant to G&V	3,300.00
Write up of financial deposits	6,800.00
Interest income from bank	3,400.00
Interest income from securities	62,500.00
Σ	1,146,000.00
The surplus was transferred to the profit appropriation (the profit surplus) in order to achieve a balanced result	-325,000.00
Cover of administrative costs	821,000.00

The result surplus is an amount of 400,000.00 supplied to the distribution budget 2019.

3.5. Deduction of income from rights

The general assembly of VdFS decided upon General principles for other deductions (as administrative costs) including deductions for social and cultural institutions (SKE) pursuant to § 14 para. 2 Item 3 VerwGesG 2016. These were published on the website of VdFS pursuant to § 44 Item 12 VerwGesG 2016 and are available for download at [vdfs.at/files/general_principles_for_other_deductions.pdf](https://www.vdfs.at/files/general_principles_for_other_deductions.pdf).

In financial year 2019, the following deductions were made from the income resulting from the rights (domestic income):

- 15 % Expenses (general expenses rate)
- 10 % SKE (with the exception of 50 % for SMR, due to legal obligation)
- 20 % Reserves (RES)

This results in the following deductions according to type of use in EUR:

	Expenses	SKE	RES
BTR/SMR	264,116.87	853,452.28	174,925.04
CAB	438,316.48	264,587.79	397,484.96
PT	22,411.95	12,700.11	22,860.19
0	0.00	0.00	0.00
Σ	724,845.31	1,130,740.17	595,270.19

Deductions were not performed according to category of managed rights (copyrights vs. neighbouring rights), which is why a breakdown is not possible.

3.6. Share of expenses for rights management and other services for income from rights

The percentage share of total expenses for total domestic and foreign revenues in financial year 2019 is as follows:

- Total expenses EUR 820,783.22
- Total revenue from rights (domestic and foreign): EUR 8,985,754.04

The share of the expenses for revenue in financial year 2019 is 9.13 %.

A breakdown by category of managed rights (copyrights vs. neighbouring rights) is not possible.



After more than 50 films and 20 years in the film business, I would like to express my warmest thanks to VdFS. In particular, the regular royalties were a valuable support, especially in the early days.

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This chapter deals with the distributions (accounts) made to VdFS's rights holders based on income from the rights of VdFS and performed using VdFS distribution rules. The allocation and distribution of this income to other (foreign) collecting societies is presented in Chapter 5.

The General principles for the distribution as well as the Distribution rules of VdFS were published on the website of VdFS pursuant to § 44 Item 9 VerwGesG 2016 and are available for download at the following links:

vdfs.at/files/general_principles_of_distribution.pdf

vdfs.at/files/distribution_rules_2020.pdf

The terms used in the following sub-capitals are explained as follows:

The amounts assigned to the rights holders are amounts allocated to the respective rights holders in the course of a distribution (accounting). The right holder is known. These amounts form the basis for a distribution.

Amounts distributed to the rights holders are amounts which were actually paid to rights holders in financial year 2019. Reimbursements (such as due to the incorrect statement of bank details) are not taken into account here.

Revenues collected but not yet allocated to the rights holders corresponds to all receipts received in fin. year 2019 (Chapter 2) after deduction which will form the basis for the main, supplementary and special distributions of VdFS in the following years.

Assigned but not yet distributed to the rights holders are amounts of which the rights owner is known, but which could not be allocated (distributed) in the financial year (such as due to unexplained legal successions, missing information about the current bank details, or the like).

The **median** of a listing of numbers is the value that is at the middle (central) position when the values are sorted according to size. An important feature of the median is the sturdiness in relation to outliers that affect the mean (average). The calculation of the median in the following presentations was based on the respective individual amounts from VdFS's royalties' management database (ÖTAF).

For each, participation in a work, a royalty amount is generated in the main settlement for each broadcast. These amounts are also included in the supplementary sheets, which are attached to the credits for the distribution of the main settlement. For the calculation of the median value, however, the total amounts (transfer sums) from the credits are not used, but rather the respective individual amounts. For example, 27,444 individual amounts were used for the main settlement of the median value of the authors in 2018.

Within the framework of the main billing of the broadcasting data 2018, the 2nd subsequent billing of the broadcasting data 2016, the 1st subsequent billing of the broadcasting data 2017 and the SMR back payments for the year 2015 EUR 1,310,005.88 were assigned to VdFS as follows according to the category of the perceived rights and usage:

Allocated amounts:	Legal category	Copyright	Neighbouring right
Stated in EUR	Type of use		
	BTR/SMR	240,571.02	92,930.97
	CAB	445,065.71	228,738.94
	PT	28,924.43	11,527.63
	0	2,591.80	1,090.91
	Return surplus**	186,714.57	68,977.93
	Released reserves	1,193.71	1,678.26
	Σ	905,061.24	404,944.64
	Median value*	13.018	3.752

Moreover, in the course of the 2018 main distribution, rights holders of foreign affiliates (including US) were assigned EUR 1,932,033.71 in the rights category of copyright and EUR 248,017.14 in the rights category of neighbouring (performance) rights.

4.2. Total and median value of the distributed amounts

Below are presented the total amount and the median value of the amounts distributed to VdFS's rights holders, broken down as far as possible by category of managed rights and type of use.

4.2.1. Total of all distributed domestic royalties

A total of EUR 1,325,713.15 was distributed to VdFS's rights holders in financial year 2019, irrespective of the year of allocation or the creation of the entitlement. This sum is composed as follows:

Total distributed amounts:	Legal category	Σ	Median value*
Stated in EUR	Copyright	913,027.07	12.616
	Neighbouring right	412,686.08	3.547

* The median value refers to one broadcast one involvement in one work.

** The expenses retained in 2018 at a general percentage rate of 15% resulted in a surplus in earnings due to the exceptionally high revenues. This surplus was returned to the 2018 distribution budget.

Of these, EUR 1,315,713.15 were distributed from the allocations of the main statement of the broadcasting data 2017, the 1st subsequent billing of the broadcasting data 2017 and the SMR back payments for the year 2015 according to the category of the perceived rights and type of use to entitled persons of the VdFS:

Distributed amounts: Stated in EUR	Legal category	Copyright	Neighbouring right
	Type of use		
	BTR/SMR	243,956.72	95,895.48
	CAB	445,160.35	229,447.96
	PT	28,938.27	11,569.69
	0	2,615.80	1,128.36
	Released reserves**	184,936.52	68,115.25
	Liquidation RSt.	1,407.42	1,840.42
	Σ	907,015.08	407,997.16
	Median value*	13.018	6.617

4.2.2. Allocations and distributions 2019

Of the total EUR 1,316,241.26 transferred to rights holders of VdFS in financial year 2019 as a result of the distribution (allocation) stated under 4.1, EUR 1,302,090.42 were distributed to authors and actors as follows:

Allocations and distributions: Stated in EUR	Legal category	Σ	Median value*
	Copyright	901,699.72	12.908
	Neighbouring right	400,390.70	3.752

4.2.3. Distribution of claims from previous years

During the 2019 financial year, EUR 23,622.73 were distributed to VdFS rights holders, of which EUR 11,327.35 went to authors and EUR 12,295.38 to actors.

These are distributions of amounts allocated to VdFS's rights holders before the 2019 financial year. These actual payments are based, for example, on the clarification of legal successions or contested claims resp. shares in the financial year 2019.

* The median value refers to one broadcast one involvement in one work.

** The expenses retained in 2018 at a general percentage rate of 15% resulted in a surplus in earnings due to the exceptionally high revenues. This surplus was returned to the 2018 distribution budget.

4.3. Dates and number of payments

The following numbers of payments were made to VdFS beneficiaries on the following main dates during financial year 2019:

Dates and number of payments:

Date	Number
25/03/2019	1,411
03/07/2019	190
25/09/2019	1,716
11/10/2019	23
18/12/2019	393
Σ	3,733

A breakdown according to category of managed rights and type of use is not possible for the financial year 2019. There are, for example, rights holders who are beneficiaries of VdFS as both authors and actors and who have, in some circumstances, received a collective settlement. Apart from the main distribution of the respective broadcasting year, VdFS performed mixed settlements (domestic royalties and transfer of foreign royalties) for reasons of efficiency and cost. Individual payments, such as on the basis of clarified legal successions, are not listed here.

4.4. Amounts collected but not yet allocated

In Chapter 2, the income from the rights in 2019 was shown. These form the basis for the distribution budgets for the following financial year.

An amount of EUR 2,817,770.15 was allocated to the distribution budget of 2019 after deduction of the US-share, expenses, SKE and reserves (see Chapter 3.5.).

This amount is divided as follows according to category of managed rights:

- Copyright: EUR 2,183,450.98
- Neighbouring right: EUR 634,319.17

The breakdown of the distribution budget of 2019 by type of use is as follows:

Amounts collected but not yet allocated: Stated in EUR	Type of use	Copyright	Neighbouring right
	BTR/SMR	462,292.44	115,573,11
	CAB	1,314,613.28	417,109.74
	PT	83,095.99	20,774.00
	0*	3,422.02	855.00
	Return result surplus**	320,027.25	80,006.81
	Σ	2,183,450.98	634,319.17

In addition, in 2019, the following amounts have been recovered but have not yet been assigned to the rights holders:

— **Replenishment of Austro-Mechana** for Storage Medium Remuneration (SMR) for old and new media (after deductions):

- 2016: EUR 132,096.76
- 2017: EUR 63,808.23

These amounts were deducted following the conclusion of a new distribution agreement between the collecting societies in the financial year 2018 and will be allocated and distributed aliquot (as a surcharge) under SMR special allocations after the completion of all subsequent billing for the respective broadcasting years.

— **Replenishment of Austro-Mechana** for Storage Medium Remuneration (SMR) for the Amazon settlement (after deductions):

- 2012: EUR 65,323.28
- 2013: EUR 104,226.70
- 2014: EUR 92,058.72
- 2015: EUR 64,099.03
- 2016: EUR 87,678.87
- 2017: EUR 76,688.89
- 2018: EUR 82,248.82

* 0 incl. undistributable royalties

** The expenses retained in 2018 at a general percentage rate of 15% resulted in a surplus in earnings due to the exceptionally high revenues. This surplus was returned to the 2018 distribution budget.

— Reserves

The following amounts from reserves (20 %) for supplementary distributions were covered as of 31st of December 2019 but not yet assigned to the rights holders:

Reserves:		
Stated in EUR	Year	Amount
	2015	151,947.49
	SMR additional payment 2015	122,165.40
	2016	279,326.77
	SMR additional payment 2016	33,024.19
	2017	414,611.81
	SMR additional payment 2017	35,124.28
	2018	508,144.56
	SMR additional payment 2018	20,562.20
	2019	534,270.19

Unused reserves are transferred to the current distribution budget after the last supplementary distribution of the respective broadcasting year. Negative amounts result from subsequent claims of foreign collecting societies.

4.5. Amounts that have been allocated but not yet distributed

The sum of the amounts allocated but not yet distributed to the rights holders of VdFS from distributions (settlements) of VdFS totals EUR 23,836.01 as of 31st of December 2018. Broken down according to category of managed rights, these amounts were allocated in the following years:

Allocated but not yet distributed amounts:

Stated in EUR

Year	Copyright	Neighbouring right
2004	2.13	0.00
2006	2.85	0.00
2008	145.35	0.00
2014	9.50	270.46
2015	-20.68	366.09
2016	232.82	815.62
2017	141.65	760.46
2018	2,103.03	6,190.78
2019	7,713.29	5,102.67
Σ	10,329.93	13,506.08

Of these, the following amounts from the main distribution of the main statement of the broadcasting data 2017, the 1st subsequent billing of the broadcasting data 2017 and the SMR back payments for the year 2015 could not be distributed as of 31st of December 2018:

Allocated but not yet distributed amounts:

Stated in EUR

Legal category	Copyright	Neighbouring right
Type of use		
BTR/SMR	2,164.45	1,626
CAB	4,071.06	3,135.07
PT	264.12	159.54
0	23.45	35.24
Return surplus	1,778.05	862.68
Closing provision	3.35	27.83
Σ	8,304.48	5,846.36

4.6. Obstacles

The assigned but not yet distributed amounts per 31st of December 2019 could not be distributed because of open legal successions resp. unclear affiliations to collecting societies (clashing claims). Other reasons are disputed claims and shares among the rights holders, lacking account information or amounts per rights holders below the threshold value of EUR 10.00.

4.7. Non-distributable amounts

The general assembly decided upon General principles for the use of non-distributable amounts in accordance with Section 14 para. 2 Item 3 VerwGesG 2016. These were published on the VdFS website in accordance with Section 44 Item 10 VerwGesG 2016 and can be downloaded at vdfs.at/files/general_principles_for_the_use_of_non-distributable_funds.pdf.

As of the reporting date of 31st of December 2019, EUR 245.80 were classified as non-distributable. These are old stocks of royalties from the year 2019 which could not be distributed for reasons such as the following:

- No legal successions resp. heir not traceable
- No representation by a collecting society
- Rights holder untraceable (neither address nor collecting society known)

§ 35 VerwGesG 2016 provides for a statutory procedure for non-distributable amounts (research and publication obligations, deadlines, etc.). Following that procedure, all as non-distributable classified royalties from the year 2019 will be made accessible for the general public on the webpage of VdFS at vdfs.at/1-1-About.html#MandatoryPublications.

The undistributable royalties list is regularly updated in the newsletters, in MyVdFS and on all credits to all beneficiaries of VdFS and its foreign affiliates.



As an individual, I would have no chance to get an overview of my remuneration, never mind to claim it, if necessary. VdFS protects (and informs about) the rights of our collective, thanks for that.

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This chapter presents all payments made to and from other (foreign) sister societies in financial year 2019. This item does not cover payments resulting from collections of domestic sister societies. The explanations given in Chapter 2 concerning categories of rights and types of use also apply to this chapter as well as to the explanations and definitions presented in Chapter 4.

5.1. Payments from and to other collecting societies

5.1.1. Payments to other collecting societies

In financial year 2019, EUR 2,362,279.30 were distributed from settlements of VdFS in 2019 from the main distribution of the 2018 broadcasting data, supplementary distributions and special distributions (cf. 4.1) as well as any open balances from previous periods which, for example, were distributed due to rights conflicts which had only been resolved in 2019.

In detail, in 2019, the following payments from VdFS's accounts were made to other (foreign) collecting societies:

Legal category copyright

EUR 2,098,377.45 were distributed to the following sister societies:

Payments to
affiliates
copyright:

Stated in EUR

Country	Society	Amount
AU	ASDACS	4,950.62
CAN	DRCC	5,671.60
CH	SSA	2,561.13
CH	SUISSIMAGE	51,959.81
CZ	DILIA	939.06
DE	VGBK	1,130,075.31
DK	COPYDAN	3,627.07
ES	DAMA	733.64
ES	SGAE	3,736.92
EE	EAÜ	95.78
FI	KOPIOSTO	1,034.53
FR	SACD	52,758.36
FR	SCAM	7,299.97
		50

GB	DIRECTORS UK	71,500.13
GB	SCREEN CRAFT RIGHTS	23,771.63
HU	FILMJUS	2,300.43
IT	SIAE	19,359.54
NL	VEVAM	1,672.92
NO	NORWACO	4,092.16
PL	ZAPA	1,572.60
RU	RUR	406.96
SE	COPYSWEDE	28,638.52
SK	LITA	983.57
USA	DGA	678,635.20

Legal category neighbouring rights

EUR 263,901.85 were distributed to the following sister societies:

Payments to
affiliates neigh-
bouring rights

Stated in EUR

Country	Society	Amount
BE	PLAYRIGHT	2,477.89
CH	SWISSPERFORM	14,004.80
CO	ACTORES	40.16
DE	GVL	149,430.22
ES	AISGE	16,814.54
FR	ADAMI	61,441.40
IT	NUOVOIMAIE	14,389.35
NL	NORMA	2,112.32
NO	NORWACO	2,852.80
PT	GDA	338.36

Legal category copyright

* In the context of the main distribution of the 2018 broadcasting data the 2nd subsequent billing of the broadcasting data 2016, the 1st subsequent billing of the broadcasting data 2017 and the SMR back payments for the year 2015 EUR 2,098,363.92 were distributed to other (foreign) author societies as follows according to the categories of managed rights and type of use:

Payments to affiliates copyright:

Stated in EUR

Society	AU - ASDACS	CAN - DRCC	CH - SSA
Type of use			
BTR/SMR	1,009.77	1,156.82	815.10
CAB	2,599.43	2,978.00	1,233.31
PT	168.42	192.95	80.03
0	13.51	15.47	6.54
Repat. Surplus**	1,159.49	1,328.35	408.46
Resol. RES.	0.00	0.00	17.69
Σ	4,950.62	5,671.59	2,561.13
Society	CH - SUISSIMAGE	CZ - DILIA	DE - VGBK
Type of use			
BTR/SMR	15,253.92	397.15	342,370.55
CAB	24,910.66	357.45	519,890.14
PT	1,619.85	23.16	33,690.66
0	147.09	1.86	2,719.89
Repat. Surplus**	9.895.38	159.44	231,349.76
Resol. RES.	132.00	0.00	54.31
Σ	51,959.80	939.06	1,130,075.31
Society	DDK - COPYDAN	EE - EAÜ	ES - DAMA
Type of use			
BTR/SMR	871.01	19.54	149.64
CAB	1,817.93	50.29	385.22
PT	117.79	3.26	24.96
0	9.45	0.26	2.00
Repat. Surplus**	810.89	22.43	171.83
Resol. RES.	0.00	0.00	0.00
Σ	3,627.07	95.78	733.65
Society	ES - SGAE	FI - KOPIOSTO	FR - SACD
Type of use			
BTR/SMR	1,283.81	274.62	14,849.40
CAB	1,618.11	526.32	25,040.05
PT	104.84	34.14	1,622.46
0	8.41	2.76	130.16
Repat. Surplus**	721.76	194.07	11,108.74
Resol. RES.	0.00	2.64	7.55
Σ	3,736.93	1,034.55	52,758.36

* Due to technical reasons, a breakdown by use type is only possible for all settlements from the year 2016 onwards.

** The expenses retained in 2018 at a general percentage rate of 15% resulted in a surplus in earnings due to the exceptionally high revenues. This surplus was returned to

Society	FR – SCAM	GB - DIRECTORS UK	GB - SCREEN CRAFT RIGHTS
Type of use			
BTR/SMR	1,674.17	15,950.30	5,671.55
CAB	3,745.87	36,890.50	11,995.16
PT	243.02	2,395.18	777.91
0	20.42	207.92	64.64
Repat. Surplus**	1,609.32	16,011.23	5,254.52
Resol. RES.	7.18	45.02	7.84
Σ	7,299.98	71,500.15	23,771.62
Society	HU - FILMJUS	IT - SIAE	NL - VEVAM
Type of use			
BTR/SMR	576.09	5,761.68	542.79
CAB	1,200.55	9,176.69	745.45
PT	79.90	596.03	48.30
0	13.36	52.00	3.87
Repat. Surplus**	405.33	3,730.45	332.51
Resol. RES.	11.65	42.68	0.00
Σ	2,286.88	19,359.53	1,672.92
Society	NO - NORWACO	PL - ZAPA	RU - RUR
Type of use			
BTR/SMR	834.67	663.80	83.01
CAB	2,148.68	599.45	213.68
PT	139.22	38.84	13.85
0	11.16	3.11	1.11
Repat. Surplus**	958.43	267.39	95.31
Resol. RES.	0.00	0.00	0.00
Σ	4,092.16	1,572.59	406.96
Society	SE - COPYSWEDE	SK - LITA	USA - DGA
Type of use			
BTR/SMR	6,001.20	200.62	325,446.67
CAB	14,931.85	516.45	353,188.53
PT	967.47	33.46	
0	77.58	2.68	
Repat. Surplus**	6,600.42	230.36	
Resol. RES.	0.00	0.00	
Σ	28,638.52	983.57	678,635.20

Legal category neighbouring rights

* Of these, in the context of the main distribution of broadcasting year 2018, the 2nd sub-sequent billing of the broadcasting data 2016, the 1st subsequent billing of the broadcasting data 2017 and the SMR back payments for the year 2015 EUR 2,62,889.22 were distributed to other (foreign) actor societies in the categories of managed rights and type of use, as follows:

Payments to affiliates neighbouring right:

Stated in EUR

Society	BE – PLAYRIGHT	CH – SWISSPERFORM	DE – GVL
Type of use			
BTR/SMR	675.88	3,804.60	42,797.60
CAB	1,286.90	7,746.92	76,063.24
PT	64.66	394.62	3,825.55
0	5.13	58.78	319.47
Repat. Surplus**	445.31	1,881.65	25,603.46
Resol. RES.	0.00	112.57	117.66
Σ	2,477.88	13,999.14	148,726.98
Society	ES – AISGE	FR – ADAMI	IT – NUOVOIMAIE
Type of use			
BTR/SMR	3,611.09	14,831.62	3,443.70
CAB	9,530.47	33,582.52	7,918.79
PT	480.20	1,692.05	398.16
0	44.86	158.18	33.32
Repat. Surplus**	3,124.40	10,823.57	2,534.14
Resol. RES.	23.47	117.15	36.48
Σ	16,814.49	61,205.09	14,364.59
Society	NL - NORMA	NO - NORWACO	PT - GDA
Type of use			
BTR/SMR	489.65	505.21	59.93
CAB	1,157.56	1,676.52	198.83
PT	58.26	84.26	10.00
0	4.71	6.67	0.80
Repat. Surplus**	399.59	580.15	68.80
Resol. RES.	0.10	0.00	0.00
Σ	2,109.87	2,852.81	338.36

* Due to technical reasons, a breakdown by use type is only possible for all settlements from the year 2016 onwards.

** The expenses retained in 2018 at a general percentage rate of 15% resulted in a surplus in earnings due to the exceptionally high revenues. This surplus was returned to

5.1.2.

Payments from other collecting societies

In financial year 2019, VdFS received payments from other (foreign) collecting societies in the amount of EUR 1,596,468.82.

In detail, the following payments from other (foreign) collecting societies have been made:

Legal category copyright

EUR 1,015,678.22 were received from the following sister societies:

Payments from other collecting societies copyright: Stated in EUR	Society	Amount
	ARG - DAC	1,388.39
	CH - SSA	222.13
	CH - SUISSIMAGE	294,945.35
	CZ - DILIA	1,527.16
	DE - VGBK	578,444.95
	DK - COPYDAN	1,680.36
	EE - EAÜ	2,690.64
	FI - KOPIOSTO	2,577.28
	FR - SACD	21,859.52
	FR - SCAM	37,946.27
	GB - Directors UK	1,336.21
	HR - DHFR	11,300.36
	HU - FILMJUS	18,782.10
	IT - SIAE	5,581.50
	LT - AKK / LAA	261.83
	LT - LATGA	278.48
	NL - VEAM	16,496.48
	NO - NORWACO	1,438.39
	PL - ZAPA	10,419.35
	PT - SPA	3,131.62
	SE - COPYSWEDE	2,305.69

Due to the data from foreign sister societies for the financial year 2019 which, in many cases, has not been provided in detailed form, a presentation according to type of use is not possible.

Legal category neighbouring right

EUR 580,790.60 were received from the following sister societies:

	Society	Amount
Payments from other collecting societies neighbouring right: Stated in EUR	BE - PLAYRIGHT	19,491.79
	CH - SWISSPERFORM	52,366.81
	CO - ACTORES	794.63
	DE - GVL	283,720.96
	ES - AISGE	45,333.77
	FR - ADAMI	137,105.09
	IT - NUOVOIMAIE	33,027.21
	NL - NORMA	8,950.34

Due to the data from foreign sister societies for the financial year 2019 which, in many cases, has not been provided in detailed form, a presentation according to type of use is not possible.

5.1.3. Repayments and transfers (third-party funds)

In financial year 2019, VdFS could not allocate EUR 8,661.01 from payments of other collecting societies to any rights holder. For this reason, these amounts, referred to as third-party funds, were either returned to the foreign sister societies or transferred to the collecting society that actually represents the respective rights holder(s).

5.2. Administrative costs and other deductions

The deductions relate exclusively to the amounts allocated in financial year 2019 in the course of the main and supplementary distributions and any special distributions.

VdFS calculates the claims of domestic and foreign beneficiaries as follows: A contractually agreed deduction for the claims of the DGA (US) is initially made from the domestic revenues from BTR/SMR and cable. After deducting expenses, SKE and reserves, the claims of domestic and other foreign beneficiaries are calculated. The administrative costs and other deductions from the revenue of foreign beneficiaries therefore correspond to those of the revenue of domestic beneficiaries and are as follows:

Administrative costs: 15 % (general tax rate for Austria and foreign countries)

Other deductions (for Austria and foreign countries):

— SKE 10 % (with the exception of 50 % of ECR/SMR due to statutory Obligation in Section 33 para. 2 VerwGesG 2016).

— Reserves (RES): 20 %.

In relation to the main distribution of the 2019 broadcasting data performed in financial year 2018, the 2nd sub-subsequent billing of the broadcasting data 2016, the 1st subsequent billing of the broadcasting data 2017 and the SMR back payments for the year 2015 in total the administrative costs and other deductions are broken down according to category of rights and types of use as follows:

Legal category copyright:*

Type of use	Collecting society	Expenses	SKE	Reserves
BTR/SMR	ASDACS	445.48	1,262.21	252.44
	COPYDAN	394.66	1,118.20	247.19
	COPYSWEDE	2,660.25	7,537.36	1,536.16
	DAMA	66.02	187.05	37.41
	DILIA	191.49	542.57	145.41
	DIRECTORS UK	7,020.57	19,891.62	4,224.52
	DRCC	510.36	1,446.03	289.21
	EAÜ	8.62	24.42	4.88
	FILMJUS	218.81	619.96	121.36
	KOPIOSTO	112.99	320.14	74.92
	LITA	88.51	250.77	50.15
	NORWACO	368.24	1,043.34	208.67
	RUR	36.62	103.76	20.75
	SACD	6,855.33	19,423.44	4,617.75
	SCAM	748.88	2,121.82	457.28
	SCREEN CRAFT RIGHTS	2,538.92	7,193.61	1,586.08
	SGAE	607.68	1,721.77	437.96
	SIAE	2,572.88	7,289.82	1,780.85
	SSA	336.95	954.69	241.94
	SUISSIMAGE	6,708.81	19,008.30	4,593.70
	VEVAM	255.43	723.71	180.92
	VGBK	159,504.72	451,930.05	109,913.45
	ZAPA	320.01	906.70	242.90
	CAB	ASDACS	637.12	361.03
COPYDAN		445.57	252.49	454.48
COPYSWEDE		3,659.77	2,073.87	3,732.96
DAMA		94.42	53.50	96.30
DILIA		87.61	49.65	89.36
DIRECTORS UK		8,797.85	4,985.45	8,973.80
DRCC		729.90	413.61	744.50
EAÜ		12.33	6.98	12.57
FILMJUS		222.72	126.21	227.18
KOPIOSTO		106.64	60.43	108.77
LITA		126.58	71.73	129.11
NORWACO		526.64	298.43	537.17
RUR		52.37	29.68	53.42
SACD		6,104.03	3,458.95	6,226.11
SCAM		909.21	515.22	927.39
SCREEN CRAFT RIGHTS		2,887.25	1,636.11	2,945.00
SGAE	396.59	224.74	404.53	
SIAE	2,049.81	1,161.56	2,090.80	

* The calculation basis for administrative costs and other deductions consists of the domestic revenue after calculation of the US-share.

Type of use	Collecting society	Expenses	SKE	Reserves
	SSA	224.44	127.18	228.93
	SUISSIMAGE	5,437.31	3,081.14	5,546.06
	VEVAM	182.71	103.53	186.36
	VGBK	127,121.99	72,035.79	129,664.43
	ZAPA	146.93	83.26	149.86
PT	ASDACS	41.28	23.39	42.11
	COPYDAN	28.87	16.36	29.45
	COPYSWEDE	237.13	134.37	241.87
	DAMA	6.12	3.47	6.24
	DILIA	5.68	3.22	5.79
	DIRECTORS UK	570.03	323.02	581.43
	DRCC	47.29	26.80	48.24
	EAÜ	0.80	0.45	0.81
	FILMJUS	14.43	8.18	14.72
	KOPIOSTO	6.91	3.92	7.05
	LITA	8.20	4.64	8.37
	NORWACO	34.12	19.34	34.80
	RUR	3.39	1.92	3.46
	SACD	395.49	224.11	403.40
	SCAM	58.92	33.39	60.10
	SCREEN CRAFT RIGHTS	187.07	106.01	190.81
	SGAE	25.70	14.56	26.21
	SIAE	132.81	75.26	135.47
	SSA	14.54	8.24	14.83
	SUISSIMAGE	352.30	199.63	359.34
	VEVAM	11.84	6.71	12.07
	VGBK	8,236.54	4,667.37	8,401.27
	ZAPA	9.52	5.39	9.71

Legal category ancillary copyright*

Type of use	Collecting society	Expenses	SKE	Reserves
BTR/SMR	ADAMI	6,676.17	18,903.58	4,468.86
	AISGE	1,595.81	4,521.46	1,016.26
	GDA	26.44	74.91	14.98
	GVL	19,985.53	56,625.67	14,053.54
	NORMA	224.91	637.25	147.61
	NORWAC	222.89	631.51	126.30
	NUOVOIMAIE	1,527.63	4,328.29	1,109.89
	PLAYRIGHT	316.34	896.29	220.41
	SWISSPERFORM	1,568.97	4,445.41	1,108.85
CAB	ADAMI	7,781.58	4,409.56	7,937.21
	AISGE	2,231.14	1,254.12	2,257.41
	GDA	48.73	27.62	49.71
	GVL	18,405.72	10,429.91	18,773.84
	NORMA	283.71	160.77	289.39
	NORWAC	410.91	232.85	419.13
	NUOVOIMAIE	1,804.61	1,022.61	1,840.70
	PLAYRIGHT	315.42	178.74	321.72
	SWISSPERFORM	1,368.35	775.40	1,395.71

* The calculation basis for administrative costs and other deductions consists of the domestic revenue after calculation of the US-share.

Type of use	Collecting society	Expenses	SKE	Reserves
PT	ADAMI	391.18	221.67	399.01
	AISGE	111.22	63.02	113.44
	GDA	2.45	1.39	2.50
	GVL	925.47	524.43	943.98
	NORMA	14.28	8.09	14.57
	NORWAC	20.65	11.70	21.07
	NUOVOIMAIE	90.70	51.40	92.51
	PLAYRIGHT	15.85	8.98	16.16
	SWISSPERFORM	68.88	39.03	70.26

5.3. Administrative costs and other deductions for payments from other collecting societies

VdFS transfers payments from foreign collecting societies directly to its beneficiaries, without deducting administrative costs or making any other deductions.

5.4. Distribution of payments from other collecting societies

In financial year 2019, EUR 1,361,004.12 were distributed to VdFS's rights holders from payments by foreign sister societies, irrespective of the year of receipt and the occurrence of the claim. The payments are divided as follows:

Legal category copyright

In financial year 2019, EUR 414,223.80 were transferred to film authors without any deduction of administrative costs or other deductions.

Distributions of foreign payments:

Stated in EUR

Origin	Amount
ARG - DAC	5,316.65
CH - SSA	555.05
CH - SUISSIMAGE	263,408.03
CZ - DILIA	1,358.52
DE - VGBK	44,324.39
DK - COPYDAN	3,372.96
EE - EAÜ	1,014.16
ES - SGAE	4.20
FI - KOPIOSTO	2,612.19
FR - SACD	13,441.52
FR - SCAM	21,388.73
GB - DIRECTORS UK	1,056.90
HU - FILMJUS	7,336.30
IT - SIAE	12,251.34
LT - AKKA/LAA	423.30
LT - LATGA	1,564.33
NL - VEVAM	18,825.56
NO - NORWACO	2,912.85
PL - ZAPA	8,587.65
PT - SPA	76.95
SE - COPYSWEDE	3,455.26
SK - LITA	959.67

Legal category neighbouring rights

In financial year 2019, EUR 946,780.32 were transferred to performing artists in the audiovisual field without the deduction of administrative costs or other deductions.

Distributions of foreign payments:

Stated in EUR

Origin	Amount
AL - AKDIE	38.84
BE - PLAYRIGHT	18,590.04
CH - SWISSPERFORM	82,802.05
CO - ACTORES	761.41
DE - GVL	568,664.90
ES - AISGE	107,659.20
FR - ADAMI	134,474.77
IT - NUOVOIMAIE	32,080.69
NL - NORMA	1,685.66
	60

Copyright is a dry subject. It takes a lot of time and expertise to enter the profundity of this complex set of rules. That is why I am glad that VdFS is fighting professionally for the legal and therefore economic improvement of filmmakers.

Sebastian
Brameshuber



SKE report – report about deductions for social and cultural institutions

Activity report

Information
about income
and revenues

Costs of rights
management and
other services

Information about
distribution

Information
about payments
from and to
other collecting
societies

Chapter

I.

II.

III.

IV.

V.

VI.

Since VdFS claims storage media remuneration (SMR) pursuant to Section 42b para. 1 UrhG, it is obliged, pursuant to § 33 para. 2 VerwGesG 2016, to create social and cultural institutions (SKE) for its beneficiaries and to provide these with 50 % of the total income from this remuneration, minus the resulting administrative costs.

In addition to this legal obligation, 10 % of VdFS's other domestic royalty income is reserved for SKE within the framework of a solidarity and voluntary deduction.

Collecting societies have to establish firm rules for grants from their social and cultural institutions based on fair criteria, particularly with regard to access to such services and their scope.

The SKE-Guidelines of VdFS (current version is available at vdfs.at/files/2019_ske_guidelines_en.pdf) are based on the General principles of the distribution adopted by the 2016 general assembly (available at vdfs.at/files/general_principles_of_distribution.pdf) and form the basis for the management and allocation of the funds. The SKE-Guidelines were last amended by resolutions of the Executive Board of 2nd of December 2019 and by the Supervisory Board on 2nd of December 2019.

The SKE-Guidelines to be published on VdFS website pursuant to Article 44, Item 9 VerwGesG 2016 are agreed upon by the Executive Board and approved by the Supervisory Board. Amendments to these guidelines can only be made by unanimous decisions of the Executive Board and the Supervisory Board.

The Executive Board decides on the allocation of the funds. In order to prepare its decisions, the Executive Board has established a committee (SKE-Committee), which reviews the submitted applications and makes non-binding recommendations for their implementation. The Supervisory Board has to approve the grants which have been agreed upon by the Executive Board.

In the financial year 2019, four meetings of the SKE-Committee and five meetings of the Executive Board took place concerning the awarding of SKE-grants.

Detailed information concerning prerequisites, application, allocation and settlement are summarised and explained for applicants in the service area of vdfs.at.

6.1. SKE-deductions

In financial year 2019, a total of EUR 1,076,911.53 were deducted for SKE from the revenues from rights shown in Chapter 2. These previously annotated deductions can be broken down pursuant to type of use as in the following table.

At the time of the deduction for SKE-purposes (statutory obligation/voluntary deduction based on decisions of the committees), no dedication for a specific purpose has yet occurred. A breakdown of the deductions pursuant to purpose is therefore not possible.

The deductions were made according to the type of use as follows:

SKE Deductions: Stated in EUR	Type of use	SKE Deduction
	BTR/SMR	853,452.28
	CAB	264,603.00
	PT	12,684.89
	0	0.00
	Reclassification	-53,828.64
	Σ	1,076,911.53

A breakdown according to category of managed rights (copyright vs. neighbouring rights) is not possible.

6.2. Use of the SKE-amounts

The status of the SKE-Fund (liability from the dedication for SKE) as of 1st of January 2019 amounted to EUR 4,741,006.69. EUR 1,503,856.45 were distributed as follows for social and cultural purposes:

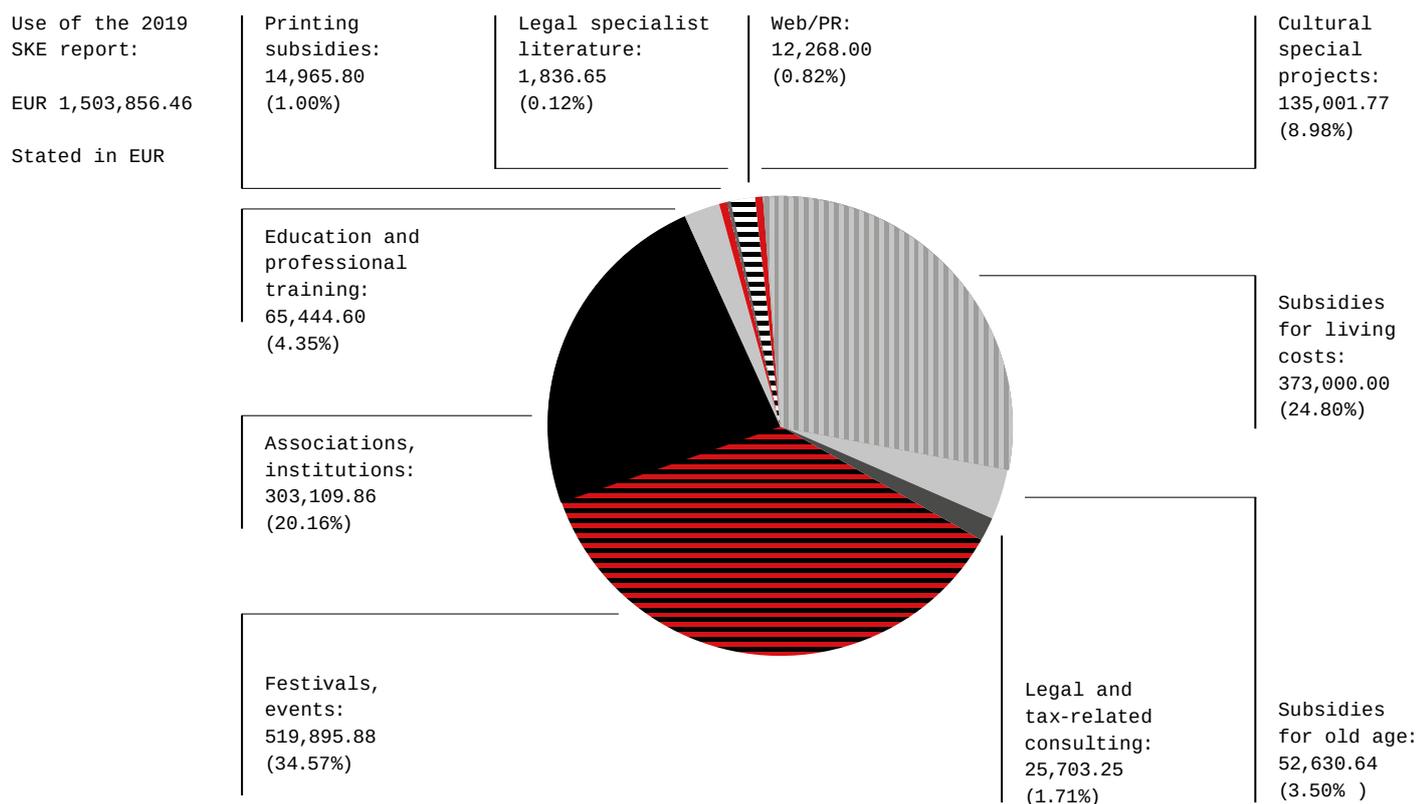
Social purposes

Use of social purposes: Stated in EUR	Subsidies for living costs	373,000.00
	Age subsidies	52,630.64
	Subsidies for legal and tax-related consultation	25,703.25
	Σ	451,333.89

Cultural purposes

Use of cultural purposes: Stated in EUR	Liabilities from festivals and events	519,895.88
	Liabilities from associations and institutions	303,109.86
	Education and professional training	65,444.60
	Printing subsidies	14,965.80
	Legal specialist literature	1,836.65
	Web/PR	12,268.00
	Cultural special projects (infrastructural measures)	135,001.77
	Σ	1,052,522.56

The status of the SKE-fund (liability from the dedication for SKE) as of 31st of December 2019 amounts to EUR 1,076,911.53 and further allocations by SMV Subsequent settlements amounting from EUR 920,645.61 to EUR 5,234,707.38.



Costs for the administration of deductions

The cost for the administration of deductions during the reference year corresponds to the costs for other services totalling EUR 82,087.00 as stated in Chapter 3.3. No additional (special) costs for administrating the SKE have been deducted.

Seperate amounts

This chapter also includes separate amounts used for social and cultural institutions (SKE). In the 2019 financial year, as in the previous year, VdFS received royalties because of a testamentary decision by a beneficiary reserved for SKE-purposes. This payment was linked with the requirement to use the estate solely for the support of actors who, through no fault of their own, are in social distress. Financial authorities of the federal state review the designated use. In the reporting year no payments were made.



In challenging times, solidarity appreciation and cohesion are more important than ever. VdFS represents all this in a very consistent and at

the same time very human way. It is good to know that you can rely on her one hundred percent in every situation.

Magdalena
Zelasko

Annex

Cash flow
statement as of
31st December
2019:

Stated in EUR

	2019	2018
1. Earnings before taxes	8,241,119.05	12,876,098.64
2. Appropriation of earnings	-8,241,119.05	-12,876,098.64
3. Reconciliation to net cash flow from earnings before tax		
a. Loss from the disposal of investment assets	3,515.70	1,723.67
b. Depreciation/write-ups on fixed assets as well as securities held as current assets	28,172.03	46,597.46
Cash flow from earnings	31,687.73	48,321.13
c. De-/Increase in inventories, trade receivables and other assets	1,013,826.44	-873,778.88
d. In-/Decrease in provisions, except for taxes on income	77,264.00	308,579.00
e. Increase in trade payables and other liabilities	1,709,465.20	3,189,086.61
	2,832,243.37	2,672,207.86
4. Net cash flow from profit before tax	2,832,243.37	2,672,207.86
5. Net cash flow from operating activities	2,832,243.37	2,672,207.86
6. Net cash flow from investing activities		
a. Proceeds from asset disposal (excluding financial assets)	223,000.00	166,584.44
b. Proceeds from the disposal of financial assets and other financial investments	-21,390.09	-32,268.56
c. Additions to financial assets and other financial investments	-1,739,559.44	-196,091.56
	-1,537,949.53	-61,775.68
7. Net cash flow from financing activities		
a. Deposits/withdrawals from equity	900.00	700.00
b. Deposits/withdrawals for the taking out/repayment of other financial loans	41.78	0.00
	941.78	700.00
8. Change in cash and cash equivalents	1,295,235.62	2,611,132.18
9. Cash and cash equivalents at the beginning of the period	6,867,851.09	4,256,718.91
10. Cash and cash equivalents at the end of the period	8,163,086.71	6,867,851.09

Balance sheet
as of 31st
December 2019:

Stated in EUR

Assets	31. Dec 2019	31. Dec. 2018
A. Investment assets		
I. Intangible assets		
1. Software	34,277.52	30,162.47
II. Property, plant and equipment		
1. Construction investments in external buildings	1.605.93	0.00
2. Operating and office equipment	5,586.75	7,342.80
	7,192.68	7,342.80
III. Financial assets		
1. Investments	1,239.47	1,239.47
2. Securities (value rights) held as fixed assets	5,208,141.11	3,705,844.24
	5,209,380.58	3,707,083.71
	5,250,850.78	3,744,588.98
B. Current assets		
I. Receivables and other assets		
1. Trade receivables	0.00	143,480.73
2. Other receivables and assets	1,010,802.01	1,884,385.01
	1,010,802.01	2,027,865.74
II. Cash on hand, balances with credit institutions	8,163,086.71	6,867,851.09
	9,173,888.72	8,895,716.83
C. Prepaid expenses	6,321.54	3,084,25
Total assets	14,431,061.04	12,643,390.06

Balance sheet
as of 31st
December 2019:

Stated in EUR

Liabilities	31. Dec 2019	31. Dec. 2018
A. Equity		
I. Total nominal amount of corporate shares		
1. Remaining members	15.500.00	14,600.00
B. Provisions		
1. Other provisions	547,282.00	470,018.00
C. Liabilities		
1. Liabilities towards credit institutions	41.78	0.00
2. Trade payables	28,380.93	44,887.09
3. Liabilities from the dedication for SKE	5,234,707.38	4,741,006.69
4. Liabilities from royalties <i>of which royalties are below threshold</i> <i>of which royalties are indivisible</i>	8,226,917.91 2,199.21 245.80	7,043,107.74 3,908.35 6,580.34
5. Other liabilities <i>of which from taxes</i> <i>of which in the context of social security</i>	378,231.04 150,878.79 7,628.62	329,770.54 100,582.64 7,475.37
	13,868,279.04	12,158,772.06
Total liabilities	14,431,061.04	12,643,390.06

Income
statement
01st of Jan.
2019 - 31st of
Dec. 2019

Stated in EUR

	2019	2018
1. Revenue	8,985,754.04	13,898,589.79
2. Other operating income	3,391.47	7,834.25
3. Personnel expenses		
a. Salaries	314,763.43	309,734.42
b. Social security expenses <i>of which expenses for retirement benefits</i>	86,957.46 1,500.00	85,741.13 1,500.00
	401,720.89	395,475.55
4. Amortisation		
a. of intangible assets and depreciation of property, plant and equipment	17,425.16	19,697.96
5. Other operating expenses	376,682.08	638,074.59
6. Subtotal from Lines 1 to 5 (operating results)	8,193,317.38	12,853,175.94
7. Income from other securities	62,496.41	48,932.47
8. Other interest and similar income	3,471.45	2,613.40
9. Income from the disposal of and write-ups on financial assets	6,788.60	0.00
10. Expenses from financial investments	21,051.17	28,623.17
11. Interest and similar expenses of which relating to affiliated companies	3,903.62 3,903.34	0.00
12. Subtotal from Lines 7 to 11 (financial results)	47,801.67	22,922.70
13. Earnings before taxes	8,241,119.05	12,876,098.64
14. Earnings after taxes	8,241,119.05	12,876,098.64
15. Net income for the year	8,241,119.05	12,876,098.64
16. Profit appropriation	-8,241,119.05	-12,876,098.64
17. Profit of the year	0.00	0.00

Auditor's report for the 2019 transparency report

Auditor's report

Report on the transparency report pursuant to Section 45 VerwGesG 2016

Audit opinion

We have audited the transparency report of

VdFS – Verwertungsgesellschaft d. Filmschaffenden reg. GenmbH, Vienna

consisting of the balance sheet as of 31st of December 2019, the income statement for the financial year ending on that date, the cash flow statement and the disclosures pursuant to Section 45 para. 2 to 6 VerwGesG 2016, pursuant to the regulations in Section 46 VerwGesG 2016.

In our opinion, the current transparency report complies with the legal requirements.

Pursuant 4 para. 2 VerwGesG 2016, we have not identified any facts which indicate that the collecting society cannot meet its obligations or that the collecting society will not be able to fulfil its obligations.

The annual financial statements as of 31st of December 2019 (consisting of the balance sheet as of 31st of December 2019, the income statement for the financial year ending on this date and the cash flow statement) provide a true and fair view of the assets and financial position as of 31st of December 2019 as well as of the collecting society's income position for the financial year ending on that date in accordance with Austrian corporate law.

The transparency report contains the minimum content required pursuant to Section 45 VerwGesG 2016. The statements and representations contained in the transparency report pursuant to Section 45 para. 2 to 6 VerwGesG 2016 are not in any apparent contradiction to our other perceptions about the collection society.

Basis for the audit opinion

We conducted our audit and the audit of the disclosures pursuant to Section 45 para. 2 to 6 VerwGesG 2016 in accordance with the Austrian principles of proper auditing. These principles require the application of International Standards on Auditing (ISA). Our responsibilities pursuant to these regulations and standards are described further in the section "Responsibilities of the auditor for the audit of the annual financial statements" of our audit certificate. We are – in accordance with Austrian company law and professional regulations – independent of the collecting society and have fulfilled our other professional duties in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to serve as a basis for our audit opinion.

Our responsibility and liability towards the collecting society as well as towards third parties is limited to a total of EUR 2 million, in accordance with Section 275 para. 2 UGB (Austrian Commercial Code – liability regulations for the auditing of a small or medium-sized company).

Responsibilities of the legal representatives for the transparency report

The legal representatives are responsible for the preparation of the transparency report pursuant to Section 45 VerwGesG 2016. They are responsible for ensuring that the annual financial statements provide a true and fair view of the situation of the company assets, finances and earnings in accordance with Austrian corporate law.

In addition, the legal representatives are responsible for the internal controls that they consider necessary to enable the preparation of a financial statement that is free of material misstatements, whether intentional or unintentional.

In the preparation of the annual financial statements, the legal representatives are responsible for assessing the company's ability to continue the business activity, to specify matters relating to the continuation of the business activity, if applicable, and to apply the accounting principle for the continuation of the business activity, unless the legal representatives intend to either liquidate the company or cease business or have no realistic alternative.

Responsibilities of the auditor for the audit of the transparency report

Our objectives are to obtain reasonable assurance as to whether the annual financial statements contained in the transparency report as a whole are free from intentional or unintentional material misrepresentations and to issue an audit certificate which includes our audit opinion. Sufficient security is a high degree of security, but it does not guarantee that a final audit performed in accordance with the Austrian principles of proper auditing (which requires the application of the ISA) will always reveal a material misrepresentation, if any exists. Incorrect representations may result from premeditated actions or errors and are deemed to be material if they individually or collectively could reasonably be expected to affect the economic decisions made by users on the basis of these annual financial statements.

With regard to the disclosures pursuant to Section 45 para. 2 to 6 VerwGesG 2016, we examine whether the statements and representations contained in the transparency report pursuant to Section 45 para. 2 to 6 VerwGesG 2016 are in any apparent contradiction to our other perceptions about the collecting society. We also examine whether there are any facts that indicate that the collecting society will not be able to meet current or future obligations.

As part of a final audit in accordance with the Austrian principles of proper auditing, which require the application of the ISA, we exercise due discretion and maintain a critical fundamental attitude throughout the final audit.

In addition:

— We identify and assess the risks of material misrepresentations – intentional or unintentional – in the financial statements, plan audit procedures in response to these risks, perform them and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.

The risk that material misrepresentations resulting from premeditated actions will not be revealed is higher than one resulting from errors, since premeditated actions may include fraudulent co-operation, counterfeiting, intentional incompleteness, misleading representation or the abolition of internal controls.

— We gain an understanding of the internal control system relevant to the final audit in order to plan audit procedures that are appropriate in the circumstances, but not with the objective of issuing an opinion as to the effectiveness of the company's internal control system.

— We assess the appropriateness of the accounting policies used by the legal representatives as well as the reasonableness of the accounting estimates presented by the legal representatives and related information.

— We draw conclusions concerning the appropriateness of the application of the accounting principle of the continuation of the business activities by the legal representatives as well as, on the basis of the audit evidence obtained, whether there is substantial uncertainty in connection with events or circumstances which cast seriously doubt as to the company's ability to continue its business activity. If we conclude that there is material uncertainty, we are obliged to draw attention in our audit certificate to the related disclosures in the annual financial statements or, if these disclosures are inappropriate, to modify our audit opinion. We draw our conclusions on the basis of the audit evidence obtained as of the date of our audit certificate. However, future events or circumstances may result in the company's departure from the continuation of the company's activities.

— We assess the overall presentation, structure and content of the annual financial statements as of 31st of December 2019, including the disclosures as well as whether the annual financial statements reflect the underlying transactions and events in such a way as to achieve the most accurate picture possible.

Vienna, 25th of September 2020

Bernardini & Co Wirtschaftsprüfung GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Dr. Martin Bernardini e.h.
Auditor

The publication or disclosure of the transparency report with our audit certificate may only take place in the version which we have confirmed. This auditor's report relates exclusively to the German Language and the complete transparency report. In the case of deviating versions, the provisions of Section 281 para. 2 UGB are to be observed.

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