**Royalty Rates** 



# **Royalty Rates Schedule VR-T-H 5**

for the reproduction of works from GEMA's repertoire as music videos (video clips and concert videos) on DVDs (Digital Versatile Discs) and their distribution for personal use as supplements to magazines or other products or services, for promotion of published music video editions and for distribution via special distribution channels

Net amounts plus value added tax at the current rate of 7 %

# I. Scope of Application

1. The royalty rates apply exclusively to music video DVDs as supplements to magazines or other products or services, music video DVDs intended for the promotion of published music video DVD editions and music video DVDs, which are published for distribution via special distribution channels (distribution channels other than the retail trade).

2. The royalty rates apply to DVDs (Digital Versatile Discs).

## **II. Royalties**

## 1. Percentage royalty

Subject to the following paragraph, the royalty shall amount to 13.75 % of the highest price for dealers published by the producer excluding VAT (PPD) for the music video DVDs in question. No bonuses, discounts, rebates in kind and similar discounts, commissions or agency fees, etc. shall be deducted from the PPD.

If the producer applies fixed or recommended retail selling prices in Germany and these prices are generally paid by the public at large, the royalty rate is calculated at 10 % of the said prices (excluding VAT).

The highest published prices for dealers and the fixed or recommended retail selling prices are based on the relevant price lists published on the date of delivery of the audio data carrier.

Should the above-mentioned PPD or recommended retail selling prices not be available, other comparable price lists shall be taken as a basis.

If the producer is not in a position to provide the above-mentioned price lists, or there is any doubt as to which price is to be taken as a basis or the price for the music video DVD, e.g. in the case of a supplement,

has not been specifically laid down in accordance with the above paragraphs of Section II., the producer shall in good time reach an agreement with GEMA about the calculation of the royalties, the outcome of which shall be consistent with paragraph 1 above.

#### 2. Pro rata royalty

Where works from GEMA's repertoire and works not belonging to its repertoire are contained in the music video DVD, GEMA shall receive a pro rate royalty as provided in No. 1. above according to the percentage proportion that the playing time of the works from GEMA's repertoire bears to the total playing time of the music on music video DVD.

## 3. Minimum royalty

The minimum royalty shall apply in those cases where the percentage royalty as per Nos. 1. and 2. above is lower than the minimum royalty.

The minimum royalty per work from GEMA's repertoire and music video DVD shall amount to at least EUR 0.032 for a playing time of up to 5 minutes. If the playing time of the work from GEMA's repertoire is longer than 5 minutes, a further charge of EUR 0.0064 shall be payable per work for each additional minute.

## 4. Minimum royalty for trailers

In the event of use of excerpts from music videos (from video clips or works in concert recordings) with a playing time of up to one minute in each case, the minimum royalty per work shall amount to EUR 0.016. If the excerpt is more than one minute long, the minimum royalty referred to under Section II. (3.) shall apply.

## **III. General Provisions**

#### **1**. Scope of authorisation

The authorisation shall cover only the rights vested in GEMA with respect to reproduction and distribution for private use without advertising.

The authorisation shall not cover any other rights, in particular graphic rights or rights in the sheet music or text-related images, rights of public performance (communication), broadcasting rights and synchronisation rights for broadcasting purposes. Rights of third parties in the case of using scores of works for which royalties have been paid shall remain unaffected.

The royalty rates do not take account of any compensation for the use of copies by rental or lending to the public in the licensee's own name and for its own account or by (re-)letting third parties.

The authorisation is granted in condition that the right to use works from GEMA's repertoire for the purpose of synchronising a cinematographic work or other recordings on music video DVDs is or has been duly obtained from the rights owners in question themselves or from GEMA as provided in the relevant royalty rates schedules.

The moral rights of authors shall not be violated.

## 2. Acquisition of authorisation in due time

The royalty rates shall only apply, if GEMA's authorisation has been obtained in due time prior to reproduction.

#### **3. Delimitation**

The royalty rates do not apply to music videos on carriers other than DVDs, nor to music video DVDs, which are distributed via the retail trade, multimedia DVDs (including, for example, those with ROM-Part or data link), DVD-Audio or DVDs containing films (film video).

#### 4. Conclusion of agreements

Producers, who enter into an agreement with GEMA, are granted a discount of 20 % on the royalty rates under the said agreement.

#### www.gema.de

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