

How to fill in your NCB sales report

Sales period: 1st half of 2016
Audio products





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General information

Deadline & important information

This sales report covers your sales during the period 1 January 2016 - 30 June 2016.

Please complete the report – according to the guidelines below – and return it to NCB in Copenhagen by **1 August 2016** at the latest.

All prices must be indicated exclusive of VAT.

If NCB has to take on extra work – e.g. due to late reporting, missing release information or other manual tasks – we are entitled to charge an administration fee for the extra work.

Do not change the format of the report

Note! **Do not** convert the spreadsheet to pdf or any other format, but keep the Excel format when you return it to us – and **do not** change the order of the columns as this will complicate our processing of the report.

Products that do not appear from your sales report

If you have had sales of products that **do not** appear from you sales report, please add them to the spreadsheet – and make sure to register such releases with NCB immediately.

In case we do not have your release registration in our systems before invoicing, we will charge interest.

Columns that are already completed

Based on the information you gave us when you registered your releases, the following information is already in the spreadsheet:

- [CATALOGUE_NUMBER] = your catalogue number
- [TITLES] = your cover title of the release in question
- [FORMAT] = format of the recording
- [REPORT_PERIOD] = the sales period for which you are reporting your sales
- [SALES_PERIOD] = the period in which you have effected your sales
- [SALES_COUNTRY] = country of sale
- [PRODUCER_NUMBER] = your NCB registration number
- [INTERNAL_NCB_NUMBER] = NCB's internal reference number to the release in question

Information that you must supply

In the below columns on your sales report you must supply the required information:

1. [TYPE_OF_OUTG]
2. [BASEPRICE]
3. [ITEMS_SOLD]
4. [WITHDRAW_DATE]

1 • [TYPE_OF_OUTG] = type of outgoings/sales codes

Please use the below sales codes in the column [TYPE_OF_OUTG] when completing your sales report.

| Sales codes | Type of sales | Additional information |
|----------------------------------|---|--|
| NORMAL SALES | | |
| (blank) | = Leave the field blank when specifying normal sales. | In general you must report your highest published dealer price (PPD) exclusive of VAT in this field. |
| SALES TO RECORD CLUBS | | |
| 8 | = Outgoings/sales to record clubs approved by NCB. | NCB accepts outgoings exclusive of mechanical royalties only to Homeenter AB as being sales to record clubs. |
| K | = Club sales exclusive of royalties. | Sales code K: Always write "0.00" in the column [BASEPRICE]. |
| DIRECT SALES TO COMSUMERS | | |
| 9 | = Outgoings/sales direct to consumers. | You must report your highest price to consumer exclusive of VAT. |
| BUDGET SALES | | |
| B | = Budget sales. | Budget sales are products accepted by NCB as budget releases. You must obtain NCB's approval in advance |
| B3 | = Budget sales + exports in the Nordic/Baltic territory. | |
| BX | = Budget sales + exports outside the Nordic/Baltic territory. | |
| 9B | = Outgoings/sales direct to consumers + Budget sales. | |

| Sales codes | Type of sales | Additional information |
|-----------------------------------|--|---|
| EXPORTS | | |
| 3 | = Exports inclusive of mechanical royalties in the Nordic/Baltic countries. | See page 9 for details. Sales code E: Always write "0.00" in the column [BASEPRICE]. |
| B3 | = Budget sales + exports in the Nordic/Baltic territory. | |
| T3 | = Bargain sales (sell off) budget sales + exports in the Nordic/Baltic territory. | |
| X | = Exports inclusive of mechanical royalties outside the Nordic/Baltic countries. | |
| TX | = Bargain sales (sell off) Budget sales + exports inclusive of mechanical royalties outside the Nordic/Baltic countries. | |
| E | = Exports exclusive of mechanical royalties. | |
| BX | = Budget + exports outside the Nordic/Baltic territory. | |
| R3 | = Bargain sales (sell off) + exports inclusive of mechanical royalties in the Nordic/Baltic countries. | |
| RX | = Bargain sales (sell off) + exports inclusive of mechanical royalties outside the Nordic/Baltic countries. | |
| MINORITY APPEAL REPERTOIRE | | |
| S | = Minority appeal repertoire. | NOTE! You cannot combine this kind of repertoire with budget line sales. |
| Promotion | | |
| J | = Promotion | See page 11 for details. Always write "0.01" in the column [BASEPRICE]. |
| FREE ISSUES | | |
| F | = Free issues. | See page 11 for details. Always write "0.00" in the column [BASEPRICE]. |
| BARGAIN SALES | | |
| R | = Bargain sales (sell off) – normal sales. | Only to be used when the products are not supposed to be re-released. |
| T | = Bargain sales – budgetline. | |

| Sales codes | Type of sales | Additional information |
|--|---|--------------------------|
| <p>RETENTION</p> <p>NOTE! The below retention sales codes can only be used the first time when you report only 75% of the sales.</p> | | |
| RT | = Retention. | Retention normal sales. |
| RT3 | = Retention + exports in the Nordic/Baltic territory. | |
| RTX | = Retention + exports outside the Nordic/Baltic territory. | See page 10 for details. |
| RB3 | = Retention + budget sales + exports in the Nordic/Baltic territory. | Retention budget sales. |
| RBX | = Retention + budget sales + exports outside the Nordic/Baltic territory. | See page 10 for details. |
| RTB | = Retention + budget sales. | |

2 • [BASEPRICE] = base price exclusive of VAT

In general you must report your **highest published dealer price** (PPD) exclusive of VAT in this field.

In case of sales/outgoings direct to consumers, you must report your **highest price to consumer** exclusive of VAT – plus the sales code “9” in the field [TYPE_OF_OUTG] (see table above).

3 • [ITEMS_SOLD] = number of outgoings

Please report the number of your outgoings during the period 1 January 2016 - 30 June 2016.

4 • [WITHDRAW_DATE] = products deleted from your catalogue

If there are products appearing on your sales report that actually have been deleted from your catalogue and not supposed to be re-released, you must indicate the date of deletion in the field [WITHDRAW_DATE].

The date must have the following format: year-month-date – e.g. 2016-03-12.

Additional explanations

Exports

Please always use the two-figure **ISO county code** when indicating country of sale. You can find the codes on this website: www.countrycode.org

Exports inclusive of mechanical royalties

Please specify country of sale as well as sales price.

Please indicate your outgoings inclusive of mechanical royalties to importers **in another Nordic/Baltic country** by using the **3, B3 or T3** code in the column [TYPE_OF_OUTG] and specify the currency and the PPD (highest published dealer price) of the country of importation.

Please indicate your outgoings inclusive of mechanical royalties to importers **in a country outside the Nordic/Baltic territory** by using the **X, BX or TX** code in the column [TYPE_OF_OUTG] and specify the currency and the PPD (highest published dealer price) of the country of exportation.

Exports exclusive of mechanical royalties

Please indicate these exports by using the **E** code in the column [TYPE_OF_OUTG] and enter "0.00" in the column [BASEPRICE].

Exports to the USA

Exports to the USA must be approved by NCB in advance.

Exports of minority appeal repertoire

Exports of so-called minority appeal repertoire inclusive of mechanical royalties to countries outside the Nordic/Baltic territory can be accounted to NCB in one of the following ways:

- From 1 July 2014 – 30 June 2016: The basis of calculation (PPD) will be reduced by 40%.
- From 1 July 2016 and onwards: The basis of calculation (PPD) will be reduced by 30% however never below applicable minimum rates.

Royalty calculation according to these provisions requires a separate agreement.

Exports exceeding 1,000 copies must be reported as normal exports.

Retention

For products covered by the Sound Carrier Contract you are allowed to withdraw 25% retention from new releases. The actual sales of the withdrawn retention must be reported in the following reporting period. Below you will find a detailed description of how to report this sale.

For releases older than one year you can get the same option if the product has been reactivated due to campaigns – but only if more than 1,000 units per country are shipped.

The Retention codes can only be used the first time when you report only 75% of the sales.

The codes **RT3** and **RTX** should be used if you make use of the retention possibility for your exports. If both budget and retention is allowed you should use either **RTB**, **RB3** or **RBX**

Please note that you are not allowed to use retention in two consecutive periods or the same product.

Your sales reporting for the retention, however, is spread over two periods.

Retention – example:

800 copies of a CD is sent out to the shops in 2016/2 (second half of 2016)

Sales report for this period 2016/2

- In this report you report 75% of the sale by
 - writing 20162 in the column [SALES_PERIOD]
 - writing 600 in the column [ITEMS_SOLD]
 - writing RT in the column [TYPE_OF_OUTG]

Sales report for 2017/1 will be

- Of the 200 copies that you did not report, 150 were in fact sold in the 2nd half of 2016

You report them by

- writing 20162 in the column [SALES_PERIOD]
- writing 150 in the column [ITEMS_SOLD]

- Moreover, an additional 130 copies were sold in the 1st half of 2017

You report them by

- writing 20171 in the column [SALES_PERIOD]
- writing 130 in the column [ITEMS_SOLD]

Promotion

Please report your number of manufactured promotions using the **J** code in the field [TYPE_OF_OUTG] and "0.01" in the field [BASEPRICE].

Promotional sound carriers – The royalties payable on specially manufactured sound carriers, the object of which is genuine sales promotion of The Producer's sound carriers to retail, outlets, shall be calculated as 50 pct. of minimum rate.

Free issues

Please report your number of free issues using the **F** code in the field [TYPE_OF_OUTG] and "0.00" in the field [BASEPRICE].

You are allowed to deduct at total of up to **1,000** free issues of the first release of formats covered by the contract.

Free issues exceeding the above numbers are to be reported as normal sales = your highest published dealer price (PPD) exclusive of VAT.

Box sets

Indicate the total price as well as number of outgoings. The separate parts of the box will not appear from your sales report, however, they will be listed on your invoice specification.