

HOW TO FILL IN YOUR SALES REPORT

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Base price

For Sound Carriers (CD/LP etc) Light Entertainment Videos- (DVU/BRU) and karaoke productions:

Report your highest PPD (Published Price to Dealers) excl. VAT in the field *Baseprice* and number of outgoing in the field *Itemssold*.

Outgoing direct to consumers, are to be reported at your highest RRP (Recommended Retail Price) excl. VAT in the field *Baseprice* and number of outgoing in the field *Itemssold*. Also remember to report outgoing direct to consumers with the **9** code in the field *Typeofoutg*.

Turnover

For AV/Film-products only (DVF, BRF)

Report the gross turnover excl. VAT in the field *Turnover*. Please note that you are not supposed to report the number of outgoing anymore. The field *Itemssold* is therefore set default to be **1**. For free issues though, you still must report the exact number of units.

For rental reporting, please remember to use the **Z** code in the field *Typeofoutg*.

Box sets

Indicate the total price as well as the number of outgoing on the level with the word BOX. The separate parts of the box will not appear on the sales file you receive, but they will appear finally when it comes to the invoice specification.

Retention

Only for products referring to 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 The actual sales of the withdrawn retention must be reported in the following reporting period.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 1000 units pr country are shipped.

Returns

Only for products referring to the contracts for Audio-visual products and for Entertainment Videos: You are allowed to deduct returns within a 3 months period after the actual sales period.

Please report your returns on a separate spreadsheet that you receive from us upon request. Let us know at latest upon return of the sales report if you will make use of returns.

* We need to have your completed spread-sheet 1 April 2014 at latest

Negative sale

Negative figures are not to appear in your report. It is up to the producer /distributor to set off any negative sales in future sales.

Free issues

Report your number of free issues with the F code in *Typeofoutg*. and "0" in the field *Baseprice*. You are allowed to deduct the following numbers of free issues of the first release:

- Sound carriers as CD/LP/DVA/SCD/single etc: Totally 1,000 units
- Light entertainment videos- DVU/BRU and karaoke production: 250 units.
- AV/Film products - DVF/BRF: 250 units

Free issues exceeding the above numbers are to be reported at your highest PPD (Published Price to Dealer).

For AV/Film-products: Free issues exceeding 250 will be invoiced in accordance with NCB's work-by-work tariffs:

Sweden: 0,55 SEK

Denmark: 0,55 DKK

Norway: 0,55 NOK

Finland: 0,10 euro

Exports

For exports, please only use the two-figure ISO country code when indicating the country of sale. You can find the ISO codes on the internet <http://countrycode.org/>

AV/Film-products should be handled according to the 2012 Standard contract -
Audio-visual products

Exports incl copyright

To another Nordic country and Balticum

Use the sales code **3** or **B3** in the field *Typeofoutg* and use the importer's currency and PPD. It is also possible to use retention sales in above combination. Read more under "Retention".

To a country outside the Nordic Baltic territory

Use the **X** or **BX** code in the field *Typeofoutg* and your own currency. It is also possible to use retention sales in above combination. Read more under retention.

Exports excl copyright

Enter the **E** code in the field *Typeofoutg* and state "0" in the field *Baseprice*. Upon request you are supposed to provide a list of names and addresses of your importers.

Exports to the USA

Exports to the USA (exclusive of mechanical royalties) must be approved by NCB in advance.

Sales in previous periods

If you had sales in previous periods that have not been invoiced, please enter the period in question in the field *Salesperiod*. These sales will be invoiced at the rates which had effect in the period(s) of sales.

Withdrawn products

Products that no longer will be in your stock – and that are not supposed to be re-released – are to be indicated with a date in the field *Withdraw-date*.

Enter the withdrawn-date as follows: 2013-01-08 (year-month-date).

Missing products

If you have had sales of products that do not appear from the spreadsheet that you have received, please add them to the spreadsheet and make sure that the products will be registered as soon as possible.

Administration fee

NCB can charge an administration fee for extra work, e.g. late reporting or other circumstances that cause extra work for NCB.

In these cases NCB will provide you with information of the estimated price.

Cover mounts, kiosk deals and premiums

Please note that above mentioned products are supposed to be handled by NCB's Market work-by-work department, and shall not figure in your sales report.

Covermounts = a CD or DVD attached to a newspaper, magazine or periodical either free or for a small charge.

Premiums = a CD or DVD that is provided with another product or service either free of charge or for a small charge.

You can read more and download an application form on NCB's website:
<http://www.ncb.dk/03/3-1-4.html>

Type of outgoings (sales codes)

Please note that the field *Type Of Outgoing* must be blank when specifying normal sale. For any other type of sales use the following types of outgoings:

- B = Budget sales (in your own country)
- E = Exports excl. copyright
- F = Free issues
- K = Club sale excl. copyright (Homeenter AB)
- L = Public use (karaoke productions only)
- R = Bargain sales – sell off
- S = Minority appeal repertoire
- T = Bargain sales – budget sell off
- X = Exports incl. copyright outside the Nordic Baltic territory
- Z = Rental
- 3 = Exports incl. copyright in the Nordic Baltic territory
- 8 = Club sale incl. copyright
- 9 = Outgoings direct to consumers (RPD = Retailprice)
- RT = Retention (in your own country)
- B3** Budget + exports in the Nordic Baltic Territory.
- BX** Budget + exports outside the Nordic Baltic territory
- RTB** Retention + budget sales
- RT3** Retention + exports in the Nordic Baltic Territory.
- RTX** Retention + exports outside the Nordic Baltic territory
- RB3** Retention + budget + export in the Nordic Baltic territory
- RBX** Retention + budget + export outside the Nordic Baltic territory

For AV / Film products you will only have to use the Z and F code

B, B3, BX = Budget sales

Products accepted by NCB as being budget releases are to be reported with the **B** code in the field *Typeofoutg*. For export purpose, please use either the code **B3** or **BX**.

1 year old releases can be accepted as budget-sales.

R = Bargain sales – (sell off)

Only to be used when the products are not supposed to be re-released

T = Bargain sales (budget sell off)

Only to be used when the products are not supposed to be re-released and when the product has been accepted and sold as budget-line in a previous sales-period.

S = Exports of minority appeal repertoire

Exports of minority appeal repertoire will still be possible but requires a separate agreement. Be aware that you cannot combine the minority reporting with budget line sales

- **Less than 100 copies** (of each catalogue number per country of destination):
Add the total number of copies and state your own country code. Use the **S** code)
- **More than 100 copies:**
Specify your outgoings for each catalogue number and country of destination. Use the **S** code + country ISO code
- **More than 1,000 copies**
Only accepted as normal exports. Use the **X** code or **B** code + country ISO code

Outgoings to record clubs

NCB only accepts outgoings exclusive of mechanical royalties to Homeenter AB as being sales to record clubs.

K = Club sale excl. copyrights

State your outgoings by specifying the **K** code (Homeenter AB) in the field *Typeofoutg* number of outgoings in the field *Itemssold*, and "0" in the field *Baseprice*

8 = Club sale incl. copyright

State these outgoings with the **8** code in the field *Typeofoutg*, number of outgoings in the field *Itemssold*. and the PPD in *Baseprice*

Outgoings of karaoke productions and light entertainment videos must be reported as ordinary sales at your highest PPD.

RT, RT3, RTX = Retention normal sales

RTB, RB3, RBX = Retention budget sales

The Retention codes should be used only the first time, where you report 75% of the sale.

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

Be aware that you are not allowed to use retention in two consecutive periods, for 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 20132

Sales report for this period 20132

- In this report you report 75% of the sale by
 - Writing 20132 in column E = sales period
 - Writing 600 in column I = items sold
 - Writing RT in column G = type of outgoing
- The sales file is returned to NCB as usually

Sales report for 20141 will be

- Of the 200 copies that you didn't report, 150 were in fact sold in 2nd half of 2013
You report them by
 - Writing 20132 in column E = sales period
 - Writing 150 in column I = items sold
- Moreover, an additional 130 copies were sold from in 1st half of 2014
You report them by
 - Writing 20141 in column E = sales period
 - Writing 130 in column I = items sold

Royalty rates

Royalty rate of 9.009%

The net royalty rate is 9.009% as regards your ordinary sales of the formats covered by the following standard contracts:

- Sound Carrier Contract 2012 – Nordic Baltic territory
- Standard Contracts - Entertainment Videos
- Standard Contracts - Karaoke Productions

Royalty rate of 7.2%

The net royalty rate is 7.2% as regards your ordinary sales of music video DVDs according to:

- Protocol to Sound Carrier Contract ☐ Music Video DVDs.

Royalty rate of 10%

The net royalty rate is 10% for bargain sales covered by the

- Sound Carrier Contract 2012 – Nordic Baltic territory

Royalty rate of 6%

The net royalty rate is 6% as regards your sales of

- Karaoke productions intended for public use.

Royalty rate of 2.5725 %

The net royalty rate is 2.5725 % of the turnover for all kinds of outgoings. As we for AV products no longer operate with **minima**, the only sales codes you need to use, are those for rental, exports and free issues.

- AV productions