



NON-BINDING CONVENIENCE TRANSLATION

Annual Financial Statements as of December 31, 2015 and Management Report
GWFF Gesellschaft zur Wahrnehmung von Film- und Fernsehrechten mbH, Munich

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Balance Sheet as of December 31, 2015

Assets

Liabilities and Shareholders' Equity

	31.12.2015		31.12.2014			31.12.2015		31.12.2014	
	EUR	EUR	EUR	EUR		EUR	EUR	EUR	EUR
A. Fixed assets					A. Shareholders' equity				
I. Intangible assets					Capital subscribed	103.000,00		103.000,00	
Software		96.880,08		126.035,13					
II. Tangible assets					B. Reserves and accrued liabilities				
1. Leasehold improvements	1.167,00		1.431,00		1. Pension reserves	269.668,00		248.047,00	
2. Office equipment	16.329,00	17.496,00	11.767,00	13.198,00	2. Reserves for rightholders	51.155.760,46		64.232.301,10	
					3. Other accrued liabilities	90.300,00		81.300,00	
						51.515.728,46		64.561.648,10	
III. Financial assets					C. Liabilities				
Shares in affiliated companies		893.124,12		893.124,12	1. Accounts payable	813.539,88		6.803.227,27	
		1.007.500,20		1.032.357,25	2. Other liabilities	422.246,13		34.727,58	
						1.235.786,01		6.837.954,85	
B. Current assets									
I. Accounts receivable and other assets									
1. Accounts receivable	400.115,72		8.180.011,80						
2. Accounts receivable from affiliated companies	0,00		26.549,14						
3. Other assets	211.403,98	611.519,70	515.980,37	8.722.541,31					
II. Cash on hand and cash in banks		51.213.736,60		61.726.453,48					
		51.825.256,30		70.448.994,79					
C. Deferred charges		21.757,97		21.250,91					
		52.854.514,47		71.502.602,95		52.854.514,47		71.502.602,95	

Profit and Loss Statement for the Year ended December 31, 2015

	2015		2014	
	EUR	EUR	EUR	EUR
1. Revenue from copyright remuneration	22.565.493,90		46.462.636,69	
2. Other operating income	420.704,68	22.986.198,58	271.270,63	46.733.907,32
3. Personnel expenses				
a) Salaries	-753.742,83		-777.922,55	
b) Social security, pension --thereof for pensions EUR 11.524,00 (l/y EUR 122.782,00)--	-134.034,02	-887.776,85	-254.621,53	-1.032.544,08
4. Depreciation and amortization		-58.564,35		-67.650,63
5. Other operating expenses		-644.280,18		-630.819,01
6. Interest income		44.322,65		105.693,65
7. Interest expenses		-10.097,00		-10.750,00
8. Result from the ordinary operations		21.429.802,85		45.097.837,25
9. Provision for reserves for rightholders		-21.429.802,85		-45.097.837,25
10. Net income		0,00		0,00

GWFF Gesellschaft zur Wahrnehmung von Film- und Fernsehrechten mbH Notes for Fiscal Year 2015

I. Application of the 'Handelsgesetzbuch' [Commercial Code (HGB)] and the 'Urheberrechtswahrnehmungsgesetz [Act on the Administration of Copyrights and Neighboring Rights (UrhWG)]

The accounting, audit and publication regulations pursuant to Section 9(4)-(6) UrhWG and Section 238 HGB (German Commercial Code) and especially Sections 264 et seq. HGB apply to the Company except where the particularities resulting from the tasks of a collecting society do have to be considered. In the year under review, the Company was to be regarded as a "medium-sized" corporation within the meaning of Section 267(2) HGB. Size-related reliefs for medium-sized corporations pursuant to Section 288(2) HGB have been applied in part.

II. Accounting and valuation methods

The intangible assets and tangible fixed assets are carried at acquisition cost less scheduled depreciation according to use. Depreciation is recorded straight-line pro rata temporis over a useful life of three (3) to thirteen (13) years, low-value fixed assets with a value up to EUR 150.00 are fully written off in the year of acquisition, low-value fixed assets (compound item) with at cost between EUR 150.00 and EUR 1,000.00 are recorded straight-line pro rata temporis over a useful life of five (5) years. Foreign currency additions are converted at the exchange rates applicable at the time of payment. Financial assets are carried at acquisition cost and/or at the lower value to be assessed.

The accounts receivable, other assets as well as cash on hand and cash in banks are carried at their nominal value. They contain all claims for which the Company received statements within the first three (3) months in the following year and which relate to the fiscal year 2015 and/or which were performed during the period under review. The prepaid expenses include expenses paid in 2015 which constitute expenses after the balance sheet date.

The pension reserves correspond to the fulfillment amount pursuant to Section 253(1) s. 2 HGB. The basis for calculation are the "2005G guiding tables" of Dr. Klaus Heubeck. The actuarial interest rate is 3.89 % per annum. The relief provision pursuant to Art. 67(1) sentence 1 EGHGB has not been used. As a result, the interest result has been burdened by an additional amount of EUR 10k (in 2014: EUR 11k).

The reserves for rightholders take account of distribution commitments to rightholders and liabilities of still uncertain amount, the latter estimated in accordance with prudent business principles.

The accrued liabilities comprise all identifiable risks and contingent liabilities in an amount required in accordance with prudent business principles.

The fulfillment amounts required according to prudent business principles are taken as a basis for all reserves/provisions. In the case of provisions with a remaining term of more than one (1) year, the assessment pursuant to Section 253(2) sentence 1 HGB has no effect in terms of amount since,

because of the non-profit nature of the Company prescribed in Article 3.1 of its articles of association, such interest income must be added to the respective reserves for distribution to rightholders. The respective interest income is set off against the respective expenditure incurred for the addition to the reserve so as to give a true and fair view of the earnings situation of the Company.

The liabilities are carried at their repayment amount. They comprise all liabilities for which statements were received with accounting periods prior to the balance sheet date which were paid within the first two (2) months of the following year.

To the extent that revenues were received in foreign currency, they were converted at the exchange rates applicable at the time of receipt. Accounts receivable in foreign currency were converted at the official mean rate of exchange as of the balance sheet date.

III. Notes to the financial statements

Balance sheet

The development of the fixed assets is represented in the statement of fixed assets in the Appendix hereto.

The accounts receivable are due and payable within one (1) year. The other assets relate mainly to tax refund claims and are due in one or less than one year. The term of the cash surrender value of the reinsurances (EUR 138k; 2014: EUR 130k) as well as the investment for rent deposit (EUR 20k; 2014: 20k) which are also shown within the other assets is between one (1) and five (5) years.

The capital stock registered in the Commercial Register amounts to DM 200,000. It is fully paid in. The conversion of the capital stock to EUR 103,000 has meanwhile occurred on the basis of a shareholder resolution, but has not yet been entered in the Commercial Register.

The reserves for rightholders are obligations to rightholders including the social fund and the film promotion fund. The other accrued liabilities in the amount of EUR 90k (2014: EUR 81k) relate to vacation reserves, reserves for the preparation, audit and publication of the financial statements and for the 'Berufsgenossenschaft'.

An amount of EUR 9.233,00 (in 2014: EUR 1.279.491,64) of the accounts payable relates to shareholders.

The full amount of liabilities is due within one (1) year. The other liabilities include:

	31.12.2015	31.12.2014
	EUR	EUR
Liabilities for taxes		
tax deduction on the basis of Sect. 50a EStG	40.094,64	10.196,91
VAT	371.483,80	0,00
wage and church tax	10.217,69	15.466,30
	421.796,13	25.663,21
Liabilities for social security	0,00	1.124,56
Other liabilities	450,00	7.939,81
	422.246,13	34.727,58

Profit and loss statement

Of the total revenues, an amount of EUR 19.637k (2014: EUR 43.391k) is attributable to Germany, thereof EUR 10.922 k (2014: EUR 38.007k) pursuant to Section 54 UrhG, EUR 2.038k (2014: EUR 355k) pursuant to Section 27 UrhG and EUR 6.677k (2014: EUR 5.029k) for cable retransmission rights in Germany according to Section 20b UrhG. An amount of EUR 2.929k (2014: EUR 3.072k) is attributable to countries other than Germany. Because of the business activity of GWFF GmbH most of the revenues are relating to different periods. The revenues from countries which withhold non-refundable withholding tax according to the DTC (Double Taxation Convention) applicable from time to time between Germany and the respective country have been shown after deduction of such withholding tax; this concerns Australia and Spain.

The other operating income includes income, relating to other periods, from the collection commission for copyright remuneration EUR 0k (2014: EUR 4k). In 2014 the other operating expenses included expenses, relating to other periods in the amount of EUR 26k for law advice.

The provision for reserves for rightholders, shown in a separate item of the profit and loss statement, corresponds to the addition to reserves for rightholders for obligations to the rightholders. An amount of EUR 34.135k (2014: EUR 40.875k) was distributed or paid to the rightholders in the year under review. An amount of EUR 305k (2014: EUR 314k) was used for film promotion purposes and an amount of EUR 66k (2014: EUR 64k) for social purposes.

IV. Other information

Management

The Managing Directors holding power of individual representation are Prof. Dr. Ronald Frohne, Rechtsanwalt [Attorney-at-Law], Berlin, and Dr. Gertraude Müller-Ernstberger, Rechtsanwältin [Attorney-at-Law], Munich.

The protective clause pursuant to Section 286(4) HGB is being applied.

Advisory board

In accordance with the articles of association, the Company has an advisory board composed of six (6) persons. Neither actual nor former members of the advisory board received remuneration in the fiscal year.

Employees

The Company had 16 (2014: 17) salaried employees on the average in the fiscal year 2015.

Other financial obligations

There are other financial obligations in the amount of EUR 209k (2014: EUR 209k) for the office rent agreed until December 31, 2016.

Shareholding

Shares within the meaning of Section 285(11) HGB are held in AGICOA Urheberrechtsschutz-Gesellschaft mbH, Munich. As of December 31, 2015, the Company holds 51% of the shares of capital stock (= equity) in the amount of DM 50k (EUR 26k). AGICOA Urheberrechtsschutz-Gesellschaft mbH, Munich, shows a net income for the year of EUR 0 in accordance with the articles of association.

The Company holds 100% of the shares in GWFF USA, Inc., Santa Monica, California, U.S.A. which was formed in the fiscal year 2003 with a common stock of US\$ 1,000k. The financial statements for the year ending December 31, 2015 show an equity amounting to USD 985k and a net income of USD 47k.

In addition, the Company holds 51% of the shares in ISAN Gesellschaft zur Registrierung von Film- und Fernsehwerken mbH, Munich which was formed in the fiscal year 2006 with a capital stock of EUR 25k. The company's financial statements show an equity of EUR 42k and a net income of EUR 17k for the year ending December 31, 2015.

Appropriation of net income

In accordance with the object and purpose of a collecting society, the Company showed no net income in the year under review. The amounts not yet distributed to rightholders or the like are contained in the reserves established for this purpose (see above).

Munich, July 28, 2016

GWFF Gesellschaft zur Wahrnehmung
von Film- und Fernsehrechten mbH
Management Board

Prof. Dr. Ronald Frohne

Dr. Gertraude Müller-Ernstberger

Statement of Fixed Assets in Fiscal Year 2015

	At cost				Accumulated depreciation				Net book value	
	1 Jan 15	Additions	Disposals	31 Dec 15	1 Jan 15	Depreciation fiscal year	Disposals	31 Dec 15	31 Dec 2015	31 Dec 2014
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
I. Intangible assets										
Software	1.685.404,44	22.384,40	0,00	1.707.788,84	1.559.369,31	51.539,45	0,00	1.610.908,76	96.880,08	126.035,13
II. Tangible assets										
1. Leasehold improvements	29.823,31	0,00	0,00	29.823,31	28.392,31	264,00	0,00	28.656,31	1.167,00	1.431,00
2. Office equipment	244.940,50	11.322,90	0,00	256.263,40	233.173,50	6.760,90	0,00	239.934,40	16.329,00	11.767,00
	274.763,81	11.322,90	0,00	286.086,71	261.565,81	7.024,90	0,00	268.590,71	17.496,00	13.198,00
III. Financial assets										
Shares in affiliated companies	893.124,12	0,00	0,00	893.124,12	0,00	0,00	0,00	0,00	893.124,12	893.124,12
	2.853.292,37	33.707,30	0,00	2.886.999,67	1.820.935,12	58.564,35	0,00	1.879.499,47	1.007.500,20	1.032.357,25

GWFF Gesellschaft zur Wahrnehmung von Film- und Fernsehrechten mbH 2015 Management Report

Preamble

In the fiscal year 2015, the activities of the Company comprised, as in the past, the fiduciary administration of the blank tape and VCR levy rights pursuant to Section 54 UrhG [*German Copyright Act*] in Germany in accordance with the Statutes. The rights pursuant to Section 54 UrhG have been administered both in Germany as well as in the area of private copying on the basis of reciprocity agreements with several foreign collecting societies.

In addition, the Company had been entrusted with the administration of the author's claims pursuant to Sections 27, 22, 20b UrhG in Germany.

On the basis of reciprocity agreements with several foreign collecting societies, GWFF GmbH administers blank tape levy rights and rights in the areas of use at schools and cable retransmission abroad. The rights of the rightholders are now represented in the following countries: Austria, France, Belgium, Spain, Switzerland, Liechtenstein, Netherlands, Norway, Ireland, Denmark, Australia, Sweden, Canada, Finland, Luxembourg, Great Britain and New Zealand; since 2005, for the first time, also in Bosnia, Bulgaria, Esthonia, Latvia, Lithuania, Slovakia, Slovenia, Poland and Ukraine as well as Romania and Portugal, South Africa, U.S.A., Iceland, Hungary and Italy.

Course of business

During the period under review, GWFF GmbH recorded revenues of EUR 19,637k for the administration of rights for Germany. Of this amount, EUR 10,922k are attributable to remuneration pursuant to Section 54 UrhG, EUR 2,038k to remuneration pursuant to Section § 27 UrhG and EUR 6,677k to cable retransmission rights in Germany. Compared with the previous year, the domestic revenue declined by EUR 23,754k. The decline is mainly due to the agreement reached by the ZPÜ members in the previous year on the distribution of the PC-income from several years by ZPÜ which has been paid out in the previous year.

The remuneration for cable retransmission rights abroad amounted to EUR 1,656k, thereof EUR 1,253k for Switzerland and Liechtenstein, EUR 8k for Denmark, EUR 112k for Austria, EUR 151k for the Netherlands, Ireland, Luxembourg, Finland, Sweden, Norway, Canada, Poland, Romania, Slovenia, Belgium, Portugal and Hungary, EUR 6k for the Netherlands and EUR 94k for Belgium as well as EUR 32k for Spain.

The remuneration for blank tape levy abroad amounted to EUR 1,179k, thereof EUR 28k for Austria, EUR 611k for France, EUR 483k for Switzerland and Liechtenstein, EUR 6k for Denmark, EUR 50k for Norway and EUR 1k for Portugal.

In addition, an amount of EUR 93k has been received for use at schools abroad, thereof EUR 30k for Australia and EUR 63k for Switzerland and Liechtenstein.

The variation in the received revenues on the basis of a year-on-year comparison is mainly due to the accounting method applied by the respective collecting agency.

In addition to these revenues, there has been an interest income of EUR 34k. These revenues and interest income compared with expenses of EUR 1,170k netted against other operating income. The remaining amount of EUR 21,430k was allocated to the reserves for rightholders for distribution to the rightholders so that a net income for the year of zero is reported in accordance with the Statutes.

The received remuneration is invested at interest – as far as possible in the present market environment - until distribution to the rightholders.

Also in the fiscal year 2015, it was possible to increase the number of rightholders of GWFF GmbH.

During the period under review, the following distributions have been made to the rightholders regarding domestic blank tape revenues: in addition to solved double registrations for 2008 through 2013, revenues based on Section 54 UrhG, revenues from the PC levy pursuant to Section 54 UrhG for 2014 and the PC music share for 2014 have been paid out; likewise, the statements for the copyright remuneration PC for the collecting society Bild-Kunst have been prepared and settled for 2014.

Foreign blank tape revenues for Belgium, Denmark, Spain, France, the Netherlands, Sweden, Norway and Portugal have been distributed.

For the revenues from cable retransmission rights in Germany, distributions for the broadcasting year 2014 as well as subsequent distributions for 2012 through 2013 have been made to the U.S. Guild of Directors and the Guild of Writers.

For the first time, distributions of the PC levy have been made to SAG-AFTRA for the period 2008 through 2013 and also for the first time, distributions of US-Music Performers have been made to AFM & SAG-AFTRA for the period 2010 through 2013.

Moreover, remuneration for cable retransmission rights in Belgium, Denmark, Spain, France, Ireland, Luxembourg, the Netherlands, Norway, Poland, Portugal, Romania, Sweden and Slovenia as well as for cable retransmission of German broadcasters in Austria for U.S. films for 2014 has been paid.

Revenues from use at schools in Australia for 2007 through 2014 have been distributed.

A total amount of EUR 34,506k has been distributed to the rightholders in the fiscal year 2015.

GWFF GmbH efficiently fulfilled the tasks required by law through a small staff of 16 people (including the managing director) on the average in 2015. GWFF GmbH is conscious of its social

responsibility and employs disabled persons even though, in view of the number of staff members, it is not subject to the requirements of the Disabled Persons Act.

GWFF USA Inc., which has been operating in the U.S. since 2003, serves the great number of rightholders in the U.S. especially the members of MPA, IFTA as well as DGA, WGA and SAG.

Within the framework of the EUROCOPYA, the Company again took part in the WIPO negotiations and represented the interests of its members vis-à-vis the European Commission.

In the middle of 2005, GWFF GmbH applied for a license as ISAN Regional Agency Germany with ISAN International Agency in Geneva. The license as sole licensed German Agency was granted in November 2005. ISAN (International Standard Audiovisual Number) is an ISO certified numbering system to identify audiovisual works. In 2006, GWFF GmbH formed a subsidiary which, as ISAN Regional Agency, offers registration services to its rightholders. Meanwhile GWFF GmbH still holds 51% of the shares; the collecting societies VFF, VG Bild-Kunst and VG Wort hold the remaining shares.

Promotion in 2015

GWFF GmbH has, as in the previous years, carried out its sponsoring measures within the framework of the International Film Festival in Berlin (Berlinale) and awarded again the "Best First Feature Award" which was created in 2006. The EUR 50k prize is awarded to the producer and the director of the best feature from the program of the Festival, the Panorama, the Forum and the Perspective of the German Film.

In the fiscal year 2015, GWFF GmbH awarded the first prize, i.e. EUR 20k, at the Festival Osteuropäischer Film in Cottbus in addition to the so-called small scholarships for the participation of students of German film colleges in study-linked projects. Within the framework of the Berlinale, the Company also awards the student promotion prize to a student from Eastern Europe as well as, within the scope of the Studio Hamburg prize for young talents, the EUR 5k GWFF producer prize for the best production of a graduation film of a graduate from a German, Austrian or Swiss film college.

The film university Babelsberg's research expertise was sponsored with EUR 25k as well as dffb Deutsche Film- und Fernsehakademie Berlin with EUR 20k for their exchange program "Talent Transference 2015".

Further sponsoring was provided, in particular, to the Medienboard Berlin-Brandenburg especially for the project "Artist in Residence for Israeli filmmakers in Germany 2015 as well as the International Student Festival "Sehsüchte" and the "Haus der jungen Produzenten". The Berkshire International Film Festival (with many German films) and the Berkshire Film & Media Cooperation were sponsored via GWFF USA Inc. There has been cooperation with the University of Massachusetts in Amherst for the presentation of DEFA films. Moreover, in 2015, discussions have been started in the "German House New York" with respect to the support of the presentation of German films in the U.S. Furthermore, GWFF USA Inc. sponsored the Arthur Burns fellowship (scholarship for a stay of German journalists in the U.S. and of U.S. journalists in Germany with

focus on media) and, conjoined with Carnegie Hall, a documentary film on the National Youth Orchestra of the United States of America.

Financial and earnings situation

The earnings situation of the Company is determined by its statutory status as non-profit organization as prescribed by law for collecting societies. Furthermore, it is inherent in the system that most of the revenues are relating to different periods because the amounts to be distributed are received, and passed on to the Company, by the administering institutions for different periods and the Company then issues the respective statements to the rightholders with time-lag. The balance arising from all income and expenditure in a fiscal year is, as provision for reserves for rightholders, shown in full as reserves for rightholders in accordance with the Statutes.

Despite general cost increases, it has been possible to reduce the general administration costs (without pension scheme costs) from EUR 1,337k to EUR 1,158k. This is an expense-to-revenues ratio of 5.1% and accordingly an expense-to-distribution ratio of 3.4% in the fiscal year.

As a result of the requirements of the law, the balance sheet and thus the financial situation of the Company are determined by items channelled through. The balance sheet is thus characterized by high cash amounts while the fixed assets and the remaining current assets are of secondary importance. The main items on the liabilities side are the reserves for rightholders and liabilities to rightholders while the remaining reserves and also the subscribed capital are secondary items.

Material risks and chances

The main risk inherent in the business of the Company regarding the remuneration claim pursuant to Section 54 UrhG consists in a changed user behavior. The private copying behavior is now changing from blank carriers, storage media and private recorders to cloud storage. Without the corrective and balancing action of the legislator, e.g. by introducing a remuneration regulation for cloud copying, this changed recording behavior leads to a substantial decrease in the amounts payable to the rightholders.

Moreover, an empirical study on user behavior regarding audio works and audio-visual works commissioned by all collecting societies showed that there is a strong decline in recording in particular film recording. The company conducting the empirical study states as reason the increased streaming activity of the users. The results of this study, which will be used as a basis for the income split to be agreed between the collecting societies, will lead to a lower income of the Company.

On February 26, 2014, the EU Commission issued the Directive on collective management of copyright and related rights and multi-territorial licensing of rights in musical works for online use in the internal market (Directive 2014/26/EU). This Directive has meanwhile been implemented in Germany through the Act on Collective Administration of Copyrights and related Rights by Collecting Societies (VGG – Collecting Societies Act) which came into force on June 1, 2016. This new Collecting Societies Act provides for extensive duties to inform both the rightholders as well as the general public. The Collecting Societies Act provides that an annual transparency report must be prepared which contains detailed financial information and which, in part, is subject to an audit

review by the auditors whose result must be summarized in a certificate. These extensive information duties according to the Collecting Societies Act will lead to administrative expenditure and a higher cost rate of the Company. Moreover, the Statutes and the Collection Agreement will have to be adjusted.

There is the risk of new collecting societies being formed in future which might lead to a reduction of the Company's share; in particular since the Collecting Societies Act provides that collecting societies from other EU countries are admitted in Germany.

It is possible that authors and producers presently represented by GWFF GmbH will entrust other collecting societies with their representation.

The chance of the Company consists primarily in the fact that the Company, as collecting society, will administer the rights of its rightholders and will register, collect and distribute their remuneration claims for private copying, for video rental and for cable retransmission rights in Germany and, via reciprocity agreements, via foreign collecting societies as long as such remuneration claims under copyright law exist, regardless of the amount of such remuneration claims. The collecting societies, for example, succeeded in 2015 to enforce the copyright remuneration claims for tablets and mobile phones - also with retroactive effect. Moreover, by its ruling of June 9, 2016, the European Court of Justice clearly rejected the possibility of paying the copyright remuneration claims from the national budget. In particular in Spain, the copyright remuneration claims have from 2012 been paid from the national budget by payment of an amount considerably less than the agreed tariff remuneration per device. It can thus be stated also with respect to Spain that statutory bases for claims have been established which are comparable to Sections 20b, 22, 27, 54 UrhG. Therefore, the management does not expect a dramatic reduction of foreign revenues in the medium term.

Presumable development

It is intended also in the years to come to distribute the money to the rightholders at the earliest possible time. The management will further endeavor to reduce the period between collection and payment of the money. The Collecting Societies Act provides for the obligation to distribute the remuneration within nine (9) months from the end of the fiscal year in which the remuneration has been collected. This deadline does not expire if there are objective reasons which conflict with the distribution. A deadline of six (6) months applies to remuneration collected through other collecting societies on the basis of representation agreements.

Material events after completion of the fiscal year

Apart from the aforesaid coming into force of the Collecting Societies Act, there are no material events after the balance sheet date.

Audit Opinion

We issued the following unqualified audit opinion:

We audited the annual financial statements – consisting of the balance sheet, the income statement and the notes – including the accounting records and the management report of GWFF Gesellschaft zur Wahrnehmung von Film- und Fernsehrechten mbH, Munich, for the fiscal year January 1 to December 31, 2015. The accountings as well as the preparation of the annual financial statements and the management report in accordance with the German commercial law provisions and the supplementary regulations contained in the statutes are the responsibility of the management of the company. Our function is to give an opinion on the annual financial statements including the accounting records and on the management report on the basis of our audit.

We performed our audit of the annual financial statements pursuant to Section 317 HGB [German Commercial Code], in accordance with the generally accepted German auditing standards established by the Institut der Wirtschaftsprüfer (IDW) [Institute of German Certified Public Accountants]. According to this provision, the audit must be planned and performed in such a manner that any incorrectness or violation which has a material impact on the view of the net worth, financial position and results conveyed by the annual financial statements in accordance with the generally accepted accounting principles and by the management report will be identified with sufficient certainty. The knowledge of the business activity and of the economic and legal environment of the company as well as expectations regarding possible sources of error are taken into account when determining the audit acts. Within the framework of the audit, the effectiveness of the internal accounting control system as well as the supporting documents for the information contained in the accounting records, the annual financial statements and the management report are primarily assessed on a sample basis. The audit includes an assessment of the applied accounting principles and of the essential estimations of the management as well as an appreciation of the overall picture conveyed by the annual financial statements and the management report. We are of the opinion that our audit constitutes a sufficiently secure basis for our assessment.

Our audit has not led to any reservations.

In our judgment based on the findings obtained within the framework of the audit, the annual financial statements are in compliance with the statutory regulations and the supplementary provisions of the statutes and present, in compliance with the generally accepted accounting principles, a true and fair view of the net worth, financial position and results of GWFF Gesellschaft zur Wahrnehmung von Film- und Fernsehrechten mbH. The management report is consistent with the annual financial statements, conveys overall a correct picture of the position of the company and correctly presents the chances and risks of the future development.

We, pursuant to Section 9 (5) UrhWG, also issue the unqualified audit certificate provided for therein in the following form:

The accounting records, the annual financial statements and the management report comply with the law and the statutes according to our properly performed audit.

Lindau, July 28, 2016

(Seal of BAY GmbH)

BAY GmbH
Wirtschaftsprüfungsgesellschaft
Rechtsanwaltsgesellschaft

(Signature)

Karl-Christian Bay
Wirtschaftsprüfer

General Engagement Terms

for

Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften

[German Public Auditors and Public Audit Firms]
as of January 1, 2002

This is an English translation of the German text, which is the sole authoritative version

1. Scope

(1) These engagement terms are applicable to contracts between Wirtschaftsprüfer [German Public Auditors] or Wirtschaftsprüfungsgesellschaften [German Public Audit Firms] (hereinafter collectively referred to as the "Wirtschaftsprüfer") and their clients for audits, consulting and other engagements to the extent that something else has not been expressly agreed to in writing or is not compulsory due to legal requirements.

(2) If, in an individual case, as an exception contractual relations have also been established between the Wirtschaftsprüfer and persons other than the client, the provisions of No. 9 below also apply to such third parties.

2. Scope and performance of the engagement

(1) Subject of the Wirtschaftsprüfer's engagement is the performance of agreed services - not a particular economic result. The engagement is performed in accordance with the Grundsätze ordnungsmäßiger Berufsausübung [Standards of Proper Professional Conduct]. The Wirtschaftsprüfer is entitled to use qualified persons to conduct the engagement.

(2) The application of foreign law requires - except for financial attestation engagements - an express written agreement.

(3) The engagement does not extend - to the extent it is not directed thereto - to an examination of the issue of whether the requirements of tax law or special regulations, such as, for example, laws on price controls, laws limiting competition and Bewirtschaftungsrecht [laws controlling certain aspects of specific business operations] were observed; the same applies to the determination as to whether subsidies, allowances or other benefits may be claimed. The performance of an engagement encompasses auditing procedures aimed at the detection of the defalcation of books and records and other irregularities only if during the conduct of audits grounds therefor arise or if this has been expressly agreed to in writing.

(4) If the legal position changes subsequent to the issuance of the final professional statement, the Wirtschaftsprüfer is not obliged to inform the client of changes or any consequences resulting therefrom.

3. The client's duty to inform

(1) The client must ensure that the Wirtschaftsprüfer - even without his special request - is provided, on a timely basis, with all supporting documents and records required for and is informed of all events and circumstances which may be significant to the performance of the engagement. This also applies to those supporting documents and records, events and circumstances which first become known during the Wirtschaftsprüfer's work.

(2) Upon the Wirtschaftsprüfer's request, the client must confirm in a written statement drafted by the Wirtschaftsprüfer that the supporting documents and records and the information and explanations provided are complete.

4. Ensuring independence

The client guarantees to refrain from everything which may endanger the independence of the Wirtschaftsprüfer's staff. This particularly applies to offers of employment and offers to undertake engagements on one's own account.

5. Reporting and verbal information

If the Wirtschaftsprüfer is required to present the results of his work in writing, only that written presentation is authoritative. For audit engagements the long-form report should be submitted in writing to the extent that nothing else has been agreed to. Verbal statements and information provided by the Wirtschaftsprüfer's staff beyond the engagement agreed to are never binding.

6. Protection of the Wirtschaftsprüfer's intellectual property

The client guarantees that expert opinions, organizational charts, drafts, sketches, schedules and calculations - especially quantity and cost computations - prepared by the Wirtschaftsprüfer within the scope of the engagement will be used only for his own purposes.

7. Transmission of the Wirtschaftsprüfer's professional statement

(1) The transmission of a Wirtschaftsprüfer's professional statements (long-form reports, expert opinions and the like) to a third party requires the Wirtschaftsprüfer's written consent to the extent that the permission to transmit to a certain third party does not result from the engagement terms.

The Wirtschaftsprüfer is liable (within the limits of No. 9) towards third parties only if the prerequisites of the first sentence are given.

(2) The use of the Wirtschaftsprüfer's professional statements for promotional purposes is not permitted; an infringement entitles the Wirtschaftsprüfer to immediately cancel all engagements not yet conducted for the client.

8. Correction of deficiencies

(1) Where there are deficiencies, the client is entitled to subsequent fulfillment [of the contract]. The client may demand a reduction in fees or the cancellation of the contract only for the failure to subsequently fulfill [the contract]; if the engagement was awarded by a person carrying on a commercial business as part of that commercial business, a government-owned legal person under public law or a special government-owned fund under public law, the client may demand the cancellation of the contract only if the services rendered are of no interest to him due to the failure to subsequently fulfill [the contract]. No. 9 applies to the extent that claims for damages exist beyond this.

(2) The client must assert his claim for the correction of deficiencies in writing without delay. Claims pursuant to the first paragraph not arising from an intentional tort cease to be enforceable one year after the commencement of the statutory time limit for enforcement.

(3) Obvious deficiencies, such as typing and arithmetical errors and formelle Mängel [deficiencies associated with technicalities] contained in a Wirtschaftsprüfer's professional statements (long-form reports, expert opinions and the like) may be corrected - and also be applicable versus third parties - by the Wirtschaftsprüfer at any time. Errors which may call into question the conclusions contained in the Wirtschaftsprüfer's professional statements entitle the Wirtschaftsprüfer to withdraw - also versus third parties - such statements. In the cases noted the Wirtschaftsprüfer should first hear the client, if possible.

9. Liability

(1) *The liability limitation of § ["Article"] 323 (2) ["paragraph 2"] HGB ["Handelsgesetzbuch": German Commercial Code] applies to statutory audits required by law.*

(2) *Liability for negligence; An individual case of damages*
If neither No. 1 is applicable nor a regulation exists in an individual case, pursuant to § 54a (1) no. 2 WPO ["Wirtschaftsprüferordnung": Law regulating the Profession of Wirtschaftsprüfer] the liability of the Wirtschaftsprüfer for claims of compensatory damages of any kind - except for damages resulting from injury to life, body or health - for an individual case of damages resulting from negligence is limited to € 4 million; this also applies if liability to a person other than the client should be established. An individual case of damages also exists in relation to a uniform damage arising from a number of breaches of duty. The individual case of damages encompasses all consequences from a breach of duty without taking into account whether the damages occurred in one year or in a number of successive years. In this case multiple acts or omissions of acts based on a similar source of error or on a source of error of an equivalent nature are deemed to be a uniform breach of duty if the matters in question are legally or economically connected to one another. In this event the claim against the Wirtschaftsprüfer is limited to € 5 million. The limitation to the fivefold of the minimum amount insured does not apply to compulsory audits required by law.

(3) *Preclusive deadlines*
A compensatory damages claim may only be lodged within a preclusive deadline of one year of the rightful claimant having become aware of the damage and of the event giving rise to the claim - at the very latest, however, within 5 years subsequent to the event giving rise to the claim. The claim expires if legal action is not taken within a six month deadline subsequent to the written refusal of acceptance of the indemnity and the client was informed of this consequence.

The right to assert the bar of the preclusive deadline remains unaffected. Sentences 1 to 3 also apply to legally required audits with statutory liability limits.

10. Supplementary provisions for audit engagements

(1) A subsequent amendment or abridgement of the financial statements or management report audited by a Wirtschaftsprüfer and accompanied by an auditor's report requires the written consent of the Wirtschaftsprüfer even if these documents are not published. If the Wirtschaftsprüfer has not issued an auditor's report, a reference to the audit conducted by the Wirtschaftsprüfer in the management report or elsewhere specified for the general public is permitted only with the Wirtschaftsprüfer's written consent and using the wording authorized by him.

(2) If the Wirtschaftsprüfer revokes the auditor's report, it may no longer be used. If the client has already made use of the auditor's report, he must announce its revocation upon the Wirtschaftsprüfer's request.

(3) The client has a right to 5 copies of the long-form report. Additional copies will be charged for separately.

11. Supplementary provisions for assistance with tax matters

(1) When advising on an individual tax issue as well as when furnishing continuous tax advice, the Wirtschaftsprüfer is entitled to assume that the facts provided by the client - especially numerical disclosures - are correct and complete; this also applies to bookkeeping engagements. Nevertheless, he is obliged to inform the client of any errors he has discovered.

(2) The tax consulting engagement does not encompass procedures required to meet deadlines, unless the Wirtschaftsprüfer has explicitly accepted the engagement for this. In this event the client must provide the Wirtschaftsprüfer, on a timely basis, all supporting documents and records - especially tax assessments - material to meeting the deadlines, so that the Wirtschaftsprüfer has an appropriate time period available to work therewith.

(3) In the absence of other written agreements, continuous tax advice encompasses the following work during the contract period:

- a) preparation of annual tax returns for income tax, corporation tax and business tax, as well as net worth tax returns on the basis of the annual financial statements and other schedules and evidence required for tax purposes to be submitted by the client
- b) examination of tax assessments in relation to the taxes mentioned in (a)
- c) negotiations with tax authorities in connection with the returns and assessments mentioned in (a) and (b)
- d) participation in tax audits and evaluation of the results of tax audits with respect to the taxes mentioned in (a)
- e) participation in Einspruchs- und Beschwerdeverfahren [appeals and complaint procedures] with respect to the taxes mentioned in (a).

In the afore-mentioned work the Wirtschaftsprüfer takes material published legal decisions and administrative interpretations into account.

(4) If the Wirtschaftsprüfer receives a fixed fee for continuous tax advice, in the absence of other written agreements the work mentioned under paragraph 3 (d) and (e) will be charged separately.

(5) Services with respect to special individual issues for income tax, corporate tax, business tax, valuation procedures for property and net worth taxation, and net worth tax as well as all issues in relation to sales tax, wages tax, other taxes and dues require a special engagement. This also applies to:

- a) the treatment of nonrecurring tax matters, e. g. in the field of estate tax, capital transactions tax, real estate acquisition tax
- b) participation and representation in proceedings before tax and administrative courts and in criminal proceedings with respect to taxes, and
- c) the granting of advice and work with respect to expert opinions in connection with conversions of legal form, mergers, capital increases and reductions, financial reorganizations, admission and retirement of partners or shareholders, sale of a business, liquidations and the like.

(6) To the extent that the annual sales tax return is accepted as additional work, this does not include the review of any special accounting prerequisites nor of the issue as to whether all potential legal sales tax reductions have been claimed. No guarantee is assumed for the completeness of the supporting documents and records to validate the deduction of the input tax credit.

12. Confidentiality towards third parties and data security

(1) Pursuant to the law the Wirtschaftsprüfer is obliged to treat all facts that he comes to know in connection with his work as confidential, irrespective of whether these concern the client himself or his business associations, unless the client releases him from this obligation.

(2) The Wirtschaftsprüfer may only release long-form reports, expert opinions and other written statements on the results of his work to third parties with the consent of his client.

(3) The Wirtschaftsprüfer is entitled - within the purposes stipulated by the client - to process personal data entrusted to him or allow them to be processed by third parties.

13. Default of acceptance and lack of cooperation on the part of the client

If the client defaults in accepting the services offered by the Wirtschaftsprüfer or if the client does not provide the assistance incumbent on him pursuant to No. 3 or otherwise, the Wirtschaftsprüfer is entitled to cancel the contract immediately. The Wirtschaftsprüfer's right to compensation for additional expenses as well as for damages caused by the default or the lack of assistance is not affected, even if the Wirtschaftsprüfer does not exercise his right to cancel.

14. Remuneration

(1) In addition to his claims for fees or remuneration, the Wirtschaftsprüfer is entitled to reimbursement of his outlays: sales tax will be billed separately. He may claim appropriate advances for remuneration and reimbursement of outlays and make the rendering of his services dependent upon the complete satisfaction of his claims. Multiple clients awarding engagements are jointly and severally liable.

(2) Any set off against the Wirtschaftsprüfer's claims for remuneration and reimbursement of outlays is permitted only for undisputed claims or claims determined to be legally valid.

15. Retention and return of supporting documentation and records

(1) The Wirtschaftsprüfer retains, for ten years, the supporting documents and records in connection with the completion of the engagement - that had been provided to him and that he has prepared himself - as well as the correspondence with respect to the engagement.

(2) After the settlement of his claims arising from the engagement, the Wirtschaftsprüfer, upon the request of the client, must return all supporting documents and records obtained from him or for him by reason of his work on the engagement. This does not, however, apply to correspondence exchanged between the Wirtschaftsprüfer and his client and to any documents of which the client already has the original or a copy. The Wirtschaftsprüfer may prepare and retain copies or photocopies of supporting documents and records which he returns to the client.

16. Applicable law

Only German law applies to the engagement, its conduct and any claims arising therefrom.

