

BILD-KUNST

Collecting Society BILD-KUNST 53113 Bonn Weberstraße 61

Legal society by state award

Main Office Frankfurt am Main

Directive on the funding of political work

Version according to the decision of the Administrative Council of 15 January 2019

1. Objectives

According to section 2(2) of the statute, one of the tasks of VG Bild-Kunst is to strengthen copyrights and the rights of its members.

2. Conditions for funding

Financial funding for third-party activities is covered by the administrative costs of VG Bild-Kunst.

Funding is provided through memberships of VG Bild-Kunst in an organisation or through individual grants.

Each funding needs to fulfil three criteria:

- a. Funding must relate to activities that are sufficiently connected with past, present or planned activities of VG Bild-Kunst.
- b. Funding activities are in the interest of at least one of the professional classes VG Bild-Kunst represents, without violating the interest of any other professional class, and moreover in the general interest of VG Bild-Kunst. No professional class should be funded in a disproportionate manner.
- c. The funding amount is related to the benefit VG Bild-Kunst or its affected members can expect from the funded activity.

Once a year, the regular Membership Assembly will report on all memberships and grants under this directive.

3. Memberships

VG Bild-Kunst is a member of various national and international groups and associations which, among other things, work with the German legislation or the European Union to strengthen copyrights and develop common technical solutions for remuneration collection and distribution.

The Membership Assembly decides on those memberships. A decision is valid until the Membership Assembly decides on a resignation.

Memberships are only possible in organisations that permanently and sustainably pursue the funding conditions.

4. Individual grants

Individual grants are permitted, especially to support single events or projects through one-time financial contributions or the provision of existing staff and material resources of VG Bild-Kunst. For events, VG

Bild-Kunst can also pay for travel expenses and a loss of earnings for suitable persons who actively influence them, e. g. through lectures, participation in panels or discussion groups.

a. Decision-making authority

The Administrative Council will decide on financing commitments in accordance with section 4. In the case of commitments up to EUR 10,000 (net), the decision will be made by the Executive Board. The payment of travel expenses for third parties up to EUR 2,000 per person will be decided on a case-by-case basis for a maximum of two people by the managing director along with the administrative director.

b. Events

For events where VG Bild-Kunst is no co-organiser, direct cost sharing can either be up to EUR 5,000 or up to 20% of the total cost. For events where VG Bild-Kunst is a co-organiser, setting a higher amount is also possible.

In principle, any events funded by VG Bild-Kunst through a direct sharing of costs must be open to the participation of members of VG Bild-Kunst and shall not actively promote membership in a professional association or trade union.

c. Projects

Individual projects can be funded fully or in parts. A prerequisite is that VG Bild-Kunst must have received a funding request in text form and that it will be granted a say in the proportional funding share, if desired.

d. Legal proceedings

In exceptional cases, VG Bild-Kunst may assist in the financing of legal proceedings (including arbitration) if it is a case of fundamental importance and where not a single member only is affected by the outcome of the proceedings. The commitment must be financially capped or refer to one instance at a time.

e. Prerequisites

For the funding of events, projects or other activities, it is mandatory to conclude a funding agreement between the funding recipient and VG Bild-Kunst up from a funding amount of EUR 500. A sample of a funding agreement is enclosed in annex 1. The executive board is authorised to adapt this agreement for the requested individual grant.

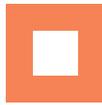


BILD-KUNST

FUNDING AGREEMENT

with _____

1. In the context of its statutory tasks, VG Bild-Kunst sponsors events or projects aimed at strengthening copyrights and the rights of its members through individual grants.

2. _____
Name of the funding recipient

Address

Business

has requested funding for the project titled _____

amounting to _____ **EUR**.

VG Bild-Kunst grants a funding amount of _____ **EUR** according to the conditions of usage mentioned in section 3. Beyond that, the general conditions for funding of section 4 apply.

3. Conditions for usage:

a. The amount of _____ **EUR** will be made available for the [partial] financing of the costs
for the preparation and execution of the event/project _____
_____.

b. VG Bild-Kunst needs to be mentioned as the sponsor of the event/project in a suitable and usual place.

4. General conditions for funding:

a. The financial subsidy referred to in section 2 shall be transferred by VG Bild-Kunst to a bank account designated by the funding recipient if it is guaranteed that the funding will be used in accordance with the funding request. The project descriptions submitted with the application are binding. Changes are only permitted if they are coordinated in advance between the funding recipient and VG Bild-Kunst.

Funding amounts will be paid out following a written request by the funding recipient, depending on the progress of the project and possibly in instalments to the bank account below

Owner _____ [Funding recipient]

IBAN _____

- b. If the funding purpose lapses or if the submitted project description deviates significantly without the consent of VG Bild-Kunst, the funding recipient must inform VG Bild-Kunst immediately. In this case, VG Bild-Kunst may withdraw from the funding agreement by unilateral, written statement to the funding recipient within a period of three weeks. In such a case, the funding recipient must immediately reimburse grants to VG Bild-Kunst.
- c. The financing plan for the event is binding. If funding is no longer possible as planned due to the discontinuation of individual grant donors or a grant of individual grant donors is lower than planned, the funding recipient must immediately submit a new and adjusted cost and financing plan to VG Bild-Kunst. In this case, VG Bild-Kunst may withdraw from the funding agreement by unilateral, written statement to the funding recipient within a period of one week if the funding purpose can no longer be met.

Alternatively, VG Bild-Kunst may reduce funding to an amount deemed appropriate for the event. If grants have already been paid that are no longer covered by the funding agreement, possibly in the form of its adjustment according to sentence 4 or sentence 5, these must be reimbursed to VG Bild-Kunst by the funding recipient.

- d. If there are any delays in the execution of the event/project, the funding recipient must inform VG Bild-Kunst immediately. For the payment of grants, new dates will be agreed according to the changed planning. Grants that have not been retrieved and used according to the funding agreement at the end of the second calendar year expire. Paid out grants are to be reimbursed in case of a definite cancellation of the event.
- e. Grants will only be paid once a confirmation of other grant donors mentioned in the financing plan of the funding request has been submitted.
- f. VG Bild-Kunst has the right to send a representative to the event to confirm the use of grants and, if necessary, to consult funding and project documents.
- g. The funding recipient guarantees that no rights of third parties will be violated in the realisation of the funded activity.
- h. The funding recipient needs to submit an unsolicited written proof of usage to VG Bild-Kunst at the latest three months after the event. It consists of a case report on the organisation of the event, a tabular list of all project receipts and expenses and a copy of the supporting documents for these receipts and expenses. The receipts of the project shall be broken down into the items "capital of the funding recipient", "funding of third parties", "provisions of the funding recipient" and "provisions of third parties". Provisions must be listed for the same amount on the cost side.

Project costs incurred before _____, must be stated separately and can optionally be billed as project costs. Non-project-related costs or running costs of the funding recipient cannot be charged as project costs.

- i. Grants that have not been used after the event/project and submission of a duly prepared proof of usage, need to be reimbursed to VG Bild-Kunst, taking into account the share of the financing of the costs.
- j. The funding recipient will provide VG Bild-Kunst with photo material of the event which is free of charge and includes all required rights. This may be used by VG Bild-Kunst for information purposes as part of its online presence, via newsletters and in information brochures (print) for an indefinite period of time. The photo material is intended to depict the event/project.
- k. If printed material or publications are created during the funding period, VG Bild-Kunst will receive up to eight specimen copies upon consultation. The funding recipient commits to refer to the funding by VG Bild-Kunst in all publications and other printed material published within the scope of the funding by VG Bild-Kunst and to print the logo of VG Bild-Kunst, which is available for download at www.bildkunst.de

Bonn, _____
