

PROTECTING THE ARTS. RESTORING GROWTH.

RIGHTSCORP'S SOLUTION FOR GERMANY



 RIGHTSCORP

GERMAN INFRINGEMENTS – JAN & FEB 2016

Client # 1	302,086	Client # 16	705
Client # 2	186,555	Client # 17	399
Client # 3	138,787	Client # 18	253
Client # 4	23,459	Client # 19	146
Client # 5	16,523	Client # 20	90
Client # 6	16,038	Client # 21	90
Client # 7	9,636	Client # 22	72
Client # 8	4,428	Client # 23	59
Client # 9	3,252	Client # 24	47
Client # 10	3,089	Client # 25	40
Client # 11	2,489	Client # 26	26
Client # 12	1,832	Client # 27	23
Client # 13	1,218	Client # 28	22
Client # 14	1,084	Client # 29	15
Client # 15	1,017	Client # 30	11

Total Infringements = 713,491

OVERVIEW

- German copyright law provides for a € 500 pre-litigation settlement administrated by the court system
 - The process for the copyright owner to get the identity of the seeder from the ISP and get the settlement offer is administrated by the court and not subject to controversy like in the United States
- When the German citizen gets the pre-litigation settlement demand by paper mail, if they contest it, they go to a German copyright court designed to hear these types of complaints
- Rightscorp (RC) will present very strong evidence - sample files that can be played in court as evidence

BUSINESS MODEL

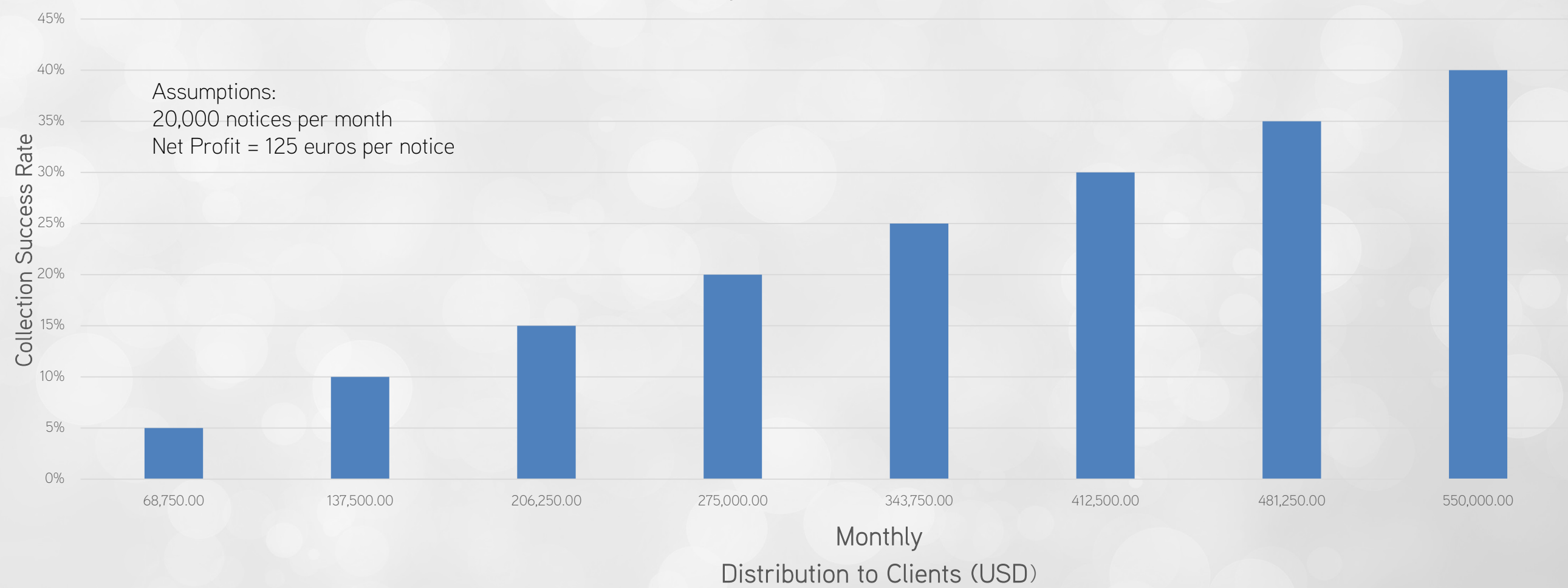
- RC to partner with Kauder Germany to collect and enforce client copyrights in Germany
- RC to distribute net profits from German infringements to clients
 - Expenses to include:
 - All payments to Kauder for enforcement activities in Germany
 - 12.5% of gross receipts to RC for data acquisition
- RC clients paid quarterly
- RC and clients to share net profits on a 50/50 basis
- Client will receive a statement with composition and amount collected

PROJECTED CLIENT ECONOMICS

	Euros per Infringement	Cash flow Per Month
Gross Settlement Income	500	4,000,000
Estimated Expense	375	(3,000,000)
Net Distribution Amount	125	1,000,000
Client Distribution in Euros	62.5	500,000
Client Distribution in USD	68.75	550,000
Assumptions:		
20,000 notices sent per month; Estimated 40% monetization rate; Euro FX Rate = 1.1		

PROJECTED ECONOMICS

Germany Business Model



SIEGFRIED KAUDER INFORMATION

- Lawyer in Germany from 1975 until present;
- Member of the German Bundestag from 2002 to 2013;
- Chairman of the Legal Committee of the German Bundestag from 2009 to 2013;
- Authored the German Two-Strikes Copyright legislation for infringements on the Internet (2011);
- Widespread support for the Kauder legislation from the German content community;
- Full CV attached as an exhibit.

STEPS OF ENFORCEMENT PROCESS IN GERMANY

- Document infringement in Germany
- File request for identity of infringer with German ISP
- If ISP refuses to release name, file request for a court order ordering ISP to provide information
- Send warning letter via German mail to infringer, which includes:
 - cease and desist declaration addressed to user; and
 - €500 settlement offer, payable within 14 days

STEPS OF ENFORCEMENT PROCESS IN GERMANY (CONT'D)

POSSIBLE OUTCOMES

- Accept settlement and payment of settlement
 - End of proceeding
- No reaction
 - Reminder with 14 day deadline and possible action
 - Payment = end of proceeding
 - No payment = RC/Kauder decide to initiate proceedings
- User disputes infringement
 - Reminder with 14 day deadline and possible action
 - Payment = end of proceeding
 - No payment = RC/Kauder decide to initiate proceedings
- User acknowledges infringement, but no payment
 - Reminder with 14 day deadline and possible action
 - File default summons
 - Pursue German court proceedings

CONTACT

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CV

Nov 20, 1950 born in Eigeltingen , Germany

Since 1967 member of organization „Junge Union“, which is the political youth organization of the German Federal party CDU

In 1968 member of Federal party CDU (Christian Democratic party, Germany)

University degree, Study of Jurisprudence ; 2 Bar exams

Since 1978 Attorney at law in Villingen–Schwenningen, Germany

Teacher and speaker in the organisation „Anwaltsfortbildung“ that trains and educates lawyers in Germany

Speaker at the Policy academy in Villingen–Schwenningen.

From 1989 until 1995 Member of the Board of the CDU–City party Villingen–Schwenningen

From 1991 until 1995 Vice President of the Board of the CDU–City party Villingen–Schwenningen

Since 1993 CDU–Chairman of the German region Schwarzwald–Baar–Kreis

In 2002 member of the German parliament in Berlin as congressman for CDU

Since 2009 Chairman of the German judiciary committee of the German Parliament

Chairman and Arbitrator of the CDU/CSU party coalition in the German Parliament petition committee

Leaving the CDU in 2013

Honorary positions:

Member of the Federal Organization „Weisser Ring“, which is an organisation to protect and fight for the rights of victims of criminal acts

President of the German Music organization

Member of the Curatorium German academy for Music education in Trossingen

President of the city concert hall Villingen e.V.

President of soccer club FC 08 Villingen e.V.

Chairman of the organization for young children and teenagers with health and mental handicaps (Feldner Mühle e. V)

Ambassador of the foundation „ProKids“

Private

married

Siegfried Kauder



Vita

1950 am 20. November in Eigeltingen geboren

1967 Mitglied der Jungen Union Singen

1968 Mitglied der CDU

Abitur. Jurastudium. Zweites juristisches Staatsexamen.

1978 Rechtsanwalt in Villingen-Schwenningen. Referent in der Anwaltsfortbildung, Gastdozent an der Fachhochschule für Polizei in Villingen-Schwenningen.

1989 bis 1995 Vorstandsmitglied des CDU-Stadtverbandes Villingen-Schwenningen

1991 bis 1995 stellvertretender Stadtverbandsvorsitzender

seit 1993 CDU-Kreisvorsitzender im Schwarzwald-Baar-Kreis

seit 2002 Mitglied des Deutschen Bundestages

seit 2009 Vorsitzender des Rechtsausschusses
Obmann der CDU/CSU-Bundestagsfraktion im Petitionsausschuss
2013 Austritt aus der CDU

Ehrenamt

Mitglied im geschäftsführenden Bundesvorstand der Opferschutzorganisation "Weißer Ring" in Mainz, dort Mitglied im Fachbeirat Strafrecht und im Fachbeirat Europa
Präsident Bundesvereinigung Deutscher Musikverbände e.V.
Mitglied des Kuratoriums der Bundesakademie für musikalische Jugendbildung Trossingen
Präsident der Stadtharmonie Villingen e.V.
Präsident FC 08 Villingen e.V.

Vorsitzender des Fördervereins für Kinder, Jugendliche und junge Erwachsene mit Behinderung Feldner Mühle e. V. in Villingen.
Mitglied im Beirat des Präventionsprojekts Dunkelfeld, Institut für Sexualwissenschaften und Sexualmedizin, Universitätsklinikum Charité Berlin
Botschafter der ProKids-Stiftung

Privat

Evangelisch. Verheiratet.