

IRF

DOMESTIC DISTRIBUTION

RULES

1. Generic distribution I

The annual distributable amount arising from the exploitation of copyright and neighbouring (related) rights according to the balance of accounts available to the IRF shall be split into a domestic and a foreign share to be determined by the delegates (see Articles of Association Art. 11 b). The foreign share shall be distributed in line with the foreign distribution rules which are determined by the Foreign Distribution Committee. The domestic share shall be distributed in line with these rules pursuant to the following provisions.

2. Generic distribution II

- 2.1 Of the general distribution sum available for domestic use, 10% is allocated to radio and 90% to television.
- 2.2 The radio share according to Section 2.1 above shall be split in equal parts between private radio broadcasters and the SRG [Swiss National Broadcasting Corporation].
- 2.3 The TV share according to Section 2.1 (general distribution) above and the domestic share of top surcharge CT 12 (collecting year 2017-2020) and of surcharge 1 CT 12 (collecting year 2021) which are separately distributed shall be split between private TV broadcasters and the SRG according to a ratio of 25% for private broadcasters and 75% for SRG.

3. Radio distribution

- 3.1 75% of the radio share of the private broadcasters according to Section 2.2 is distributed according to technical reach and 25% according to market share.
- 3.2 Programmes below a broadcasters' technical reach of 3% shall not be included in the distribution.

Radio channels which do not serve the purpose of transmitting actual radio programmes – such music only channels (from 90% music rate) for which Mediapulse does not provide market data, shall not be included in the general distribution.

4. TV distribution

- 4.1 Of the total television sum of the private broadcasters according Section 2.3, the revenues from CT 12 are distributed according to market shares. Of the remaining revenue, 25% is distributed according to reach and 60% according to market share.
- 4.2 A TV programme that generates remuneration of less than CHF 3,000 per annum shall not be included in the general distribution.
- 4.3 Channels which do not serve the purpose of transmitting actual TV programmes - such as channels which transmit only teleshopping or lotteries - shall not be included in the general distribution.
- 4.4 Pay TV broadcasters do not participate in the income from re-transmission (Art. 22 URG, Swiss Copyright Act) and from the top surcharge or surcharge 1 derived from tariff CT 12. They are included into the general distribution with a factor which correlates to the ratio of the tariff income the pay TV broadcasters' participate in compared to the total amount generated by tariff-based collections.

5. General provisions

- 5.1 Pursuant to these rules, Swiss broadcasters shall be entitled to receive remuneration provided that they hold rights subject to a collective rights management mandate and that they have entered into a rights management agreement with the IRF.
- 5.2 In the TV distribution, only programs referenced by Mediapulse are taken into account. Wherever these rules refer to the broadcasters' reach and/or the market share, the relevant statistics are provided by Mediapulse. Wherever the broadcasters' technical reach is used within these rules, the relevant statistics are provided by Suissimage.
- 5.3 If there are reasonable doubts as to the evaluations pursuant to Section 5.2 above for individual programmes in connection with Section 3.2 or 4.2, a participation in the distribution may be provided for these broadcasters in individual cases on the basis of a lump-sum financial arrangement to be evaluated individually in each case. The necessary examination will be carried out by the IRF on the basis of a substantiated application of the broadcaster concerned.
- 5.4 The rights are granted to the IRF with effect from January 1 of the previous year in which the exercise agreement was concluded. For retroactive claims of further previous years (limitation period: max. 5 years) the Distribution Commission is entitled to set up appropriate provisions.
- 5.5 The period of limitation for claims of members or clients from the contract of exercise is 5 years. The members or clients are obliged to inform the management of all their broadcasters and their current identification by 31.12. of the collection year. Any distribution decisions based on missing information are at the expense of the respective member or client.

6. Validity

These regulations apply to the general distribution of the 2020 and 2021 collection and to the separate distributions of the top surcharge from the CT 12 (collection 2017-2020) and of the surcharge 1 from the CT 12 (collection 2021).

Revised for the last time on 8 December 2021