

IRF FOREIGN DISTRIBUTION RULES

I. Domestic and foreign allocation

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

II. Foreign Distribution

1. Allocation Radio and TV income

¹ The foreign share shall be divided into radio and TV according to the tariff structure. Radio share: Revenues from tariffs relating to radio and TV share: Revenues from tariffs relating to TV.

² The allocation of the foreign share across these pots shall be carried out by the Foreign Distribution Committee.

2. Radio Distribution (radio share)

¹ The income for radio from tariffs which relate to cable re-transmission shall be distributed according to the technical broadcasters' reach among the radio stations.

² Any other radio income, particularly from the usage of performing rights shall be distributed according to the mean value of broadcasters' reach and broadcasting range.

³ Radio channels which do not serve the purpose of actual radio programmes – such as e.g. channels which broadcast music only as well as programmes with a broadcasters' reach below 50% shall not be taken into consideration for the radio distribution.

3. TV Distribution (TV share)

The compensation for copyrights shall be distributed according to the regulations in section 3.1 et seq below and the compensation for ancillary copyrights according to the criterion of reach.

3.1 Broadcasters' reach and scope of rights

For distribution purposes, an equal emphasis shall be given to the broadcasters' reach and scope of rights.

3.1.1 Broadcasters' reach

Broadcasters shall be allocated a point value in line with their reach as shown in the following table:

Broadcasters' reach	Points
More than 35	10
30 – 34.99	09
25 – 29.99	08
20 – 24.99	07
15 – 19.99	06
10 – 14.99	05
5 – 9.99	04
Up to 4.99	03

3.1.2 Scope of rights

¹ Broadcasters shall be allocated a point value in line with their scope of rights as shown in the following table:

Scope of rights	Points
more than 60%	10
40 – 59.99 %	06
20 – 39.99 %	03
1 – 19.99%	02

² It is the duty of the broadcaster to provide evidence on the scope of the rights acquisition for Switzerland and the Principality of Liechtenstein. The evidence for the rights shall be submitted to the IRF Management at the latest three months after the end of the collection year.

3.2 Factors for full and special interest programmes

Full (or comprehensive) programmes shall be double-weighted, whereas special interest programmes such as news, sports, music and similar programmes shall only be single-weighted.

3.3 Teleshopping, channel sharing

¹ Broadcasters which do not serve the purpose of transmitting actual TV programmes - such as teleshopping or lottery channels etc., shall not be included in the general distribution.

² Programmes which are re-transmitted via channel sharing, can be distributed as one programme upon request by the broadcaster.

3.4 Pay TV

Pay TV channels do not participate in the income from re-transmission tariffs (art. 22 Swiss Copyright Act) and the common tariff 12.

4 General provisions

¹ Only those programmes shall be considered for TV distribution that have been referenced by Mediapulse. Wherever the TV broadcasters' reach is mentioned within these rules, it refers to Mediapulse measurements (HH IPTV & cable with guests, whole day, overnight+7, net reach-% 30s, c). If there is reasonable doubt regarding the Mediapulse broadcasters' reach measurements for individual programmes, it is possible, in individual cases, to include such broadcasters in the distribution based on a financial lump-sum solution which has to be individually evaluated. The IRF shall undertake the necessary verification upon a substantiated application by the respective broadcaster.

² Pay TV channels are included into the general distribution with a factor which correlates to the ratio of the tariff income the pay TV channels participate.

³ Broadcasters' reach and broadcasting range shall be authoritative for the radio distribution. In terms of the broadcasting range, these are radio measurements by Mediapulse. Wherever the regulations are based on the broadcasters' reach of the radio, they refer to the measurements of the technical broadcasting reach i.e. the measurement of whether a channel can be received in a household.

⁴ If the prerequisites for the classification of a programme pursuant to the provisions of these rules change, these shall be taken into account pro rata temporis in the corresponding distribution year; this shall also apply to the first-time classification of a program. In any case, the principle of economic management shall be taken into account.

⁵ Broadcasters shall be obliged to notify the IRF without delay of any changes which could influence the classification of the programme pursuant to the provisions of these rules.

⁶ If the broadcaster fails to inform the IRF in time, the IRF shall be entitled to retroactively adjust the classification for the programme from the point in time when the change in circumstances occurred, and to reclaim any outstanding amounts at the expense of the broadcaster, respectively to offset these against the credit balance of the broadcaster.

⁷ Likewise, the management must be informed of the current names and designations of the affiliated broadcasters as at 31 December of each collection year. Any distribution decisions based on missing information are at the expense of the broadcaster.

⁸ Broadcasters shall qualify for distribution if they have entered into a rights management agreement. The rights assignment shall take place with effect from 1 January of the previous year in which the contract was concluded. For retroactive claims from other previous years (limitation period: max. 5 years), the Distribution Committee creates adequate reserves per broadcaster and collecting year.

⁹ The statutory limitation period for claims of members and contracting parties arising from

these rules shall be 5 years.

¹⁰ The confidentiality of broadcaster data shall be guaranteed. The members of the Distribution Committee are obliged to maintain confidentiality with regard to the broadcaster data of which they have obtained knowledge in connection with the performance of their duties.

Entering into force

This latest revised version comes into force with effect from 1 July 2023 (performance year 2023) and replaces the previous Distribution Regulations. The rules on the distribution of surcharge 1 pot 1 and surcharge 2 CT 12 are not the subject of these Distribution Rules.
