## **GEMA Distribution Plan**

(as amended on 9/10 June 2021)

This translation is provided for convenience only. In the event of conflict or ambiguity the original German version shall be authoritative.

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#### **General Provisions**

#### **CHAPTER 1: GENERAL PRINCIPLES OF DISTRIBUTION**

## SECTION 1 SUBJECT, FINANCIAL YEAR

## § 1 Subject of the Distribution Plan

Based on the rules and regulations of this Distribution Plan, GEMA determines the royalty distributions for those copyright-protected musical works (with or without lyrics) in respect of which it has been entrusted by the respective entitled persons under a Deed of Assignment, or by another collective management organisation (CMO) under a representation agreement, with managing their rights and claims for remuneration.

### § 2 Financial year

GEMA's financial year is the calendar year. The total sum to be distributed every year is equal to the total royalties collected for the licensed use of works in Germany and around the world, after deduction of the total costs, other deductions provided for in the Distribution Plan and the amounts payable to foreign CMOs with whom GEMA has entered into a representation agreement.

#### SECTION 2 ENTITLED PARTIES AND THEIR IDENTIFICATION BY GEMA

### § 3 Principles

- [1] In accordance with, and subject to the conditions set forth in this Distribution Plan, composers, lyricists, arrangers (hereinafter collectively referred to as "authors") and publishers are entitled to receive royalty distributions from GEMA, provided they have entered into a Deed of Assignment with GEMA. The successor in title pursuant to § 9 of the Deed of Assignment shall also be entitled to receive such royalties. The relationship to authors and publishers who are members of a CMO for music-related copyrights with which GEMA has entered into a representation agreement shall be governed by such representation agreement.
- [2] Authors and publishers are entitled to receive royalty distributions from GEMA notwithstanding which of them entrusted GEMA with managing their rights and claims for remuneration.
- [3] Only those authors and publishers who demonstrably have a share in the works exploited in a financial year shall have a right to be considered in the distribution of royalties.

## § 4 Composer

A composer is the person who actually composed a work.

#### § 5 Lyricist

- [1] A lyricist is the person who actually created the lyrics.
- [2] The lyricist shall also receive a share of royalties if the musical work of which the lyrics form part is used without the lyrics. However, lyrics subsequently added to musical works shall only be taken into account if the lyrics are used, too, unless the attraction of the work of music is due to the lyrics subsequently added to it. The same applies to the

sub-lyrics a work of music may have. Moreover, the lyricist shall not be taken into account in the various categories of rights of communication to the public with respect to the use of works of music which are based on works of music including lyrics but constitute a musical interpretation in their own right; also in this case, the lyricist shall receive a share of the royalties if the attraction of the work of music is due to the lyrics. In case of dispute, the question of whether the attraction of a work of music is due to the lyrics subsequently added to it, or to its sub-lyrics or lyrics, shall be determined by the Works Committee [Werkausschuss]. In cases of this kind, the decision shall be taken by the Works Committee in a meeting held by 2 composers and 2 lyricists. For the purposes of the verification, a printed or non-printed specimen copy, i.e. a physical embodiment of the score (in six copies), accompanied, if applicable, by published or otherwise available audio recordings, shall generally be submitted by the party making a claim. The Works Committee may waive the requirement for submission of a physical embodiment of the score at the formal request of the party making a claim. For works of a purely or largely improvisational nature or electroacoustic music, only audio recordings accompanied by written explanations of the work need to be submitted. The decision of the Works Committee may be appealed in accordance with § 6 of the Rules of Procedure [Geschäftsordnung] of the Works Committee.

[3] The lyrics adaptor [Spezialtextdichter] is the person who adapted the original lyrics of a work. The lyrics adaptor is entitled to receive royalty distributions in all categories of the Distribution Plan if his or her adapted lyrics have been declared to GEMA and are identifiable in the respective usage reports. If the original lyrics of a copyright-protected work are adapted, his or her adaptation and the fact that he or she shares in the royalties must, moreover, have been approved by the entitled persons having a share in the copyright-protected work on or before the date the adapted lyrics are declared to GEMA.

### § 6 Arranger

- [1] The arranger is the person who actually arranged a musical composition. Adaptation of an existing part for another instrument shall not be deemed "arranging" for the purposes of the Distribution Plan. The royalty share special arrangers [Spezialbearbeiter] receive shall be determined on the basis of the Internal Rules [Geschäftsordnung] governing the assessment procedure for arrangers.
- [2] An arranger of public-domain works is entitled to receive royalty distributions in all categories of the Distribution Plan.
- [3] An arranger of copyright-protected works is only entitled to receive royalty distributions in the categories of rights of communication to the public. He or she is entitled to a share in royalties if his or her arrangement and the fact that he or she shares in the royalties have been approved by the author of the copyright-protected work and his or her arrangement has been declared to GEMA and is expressly mentioned in the respective usage reports. This shall be without prejudice to the provisions of § 59 regarding substantiation by *prima facie* evidence and complaints.

## § 7 Publisher

[1] The publisher is the person who entered into a publishing contract [Verlagsvertrag] with the author of a work and published it in accordance with the applicable agreements. A publisher is entitled to receive royalty distributions only for

works he or she published. The publisher's share in GEMA's royalty distributions in accordance with this Distribution Plan must be agreed in the publishing contract and declared to GEMA for the work concerned in accordance with § 35. The publisher's share in royalty distributions in respect of statutory remuneration rights is, in addition, governed by the provisions of § 26. GEMA has no obligation to examine the agreements made between the author of a work and its publisher with respect to the entitlement to receive royalties. The provisions of § 9 apply.

- [2] In order for the publisher to be entitled to a royalty share, he or she must have provided a publishing service in respect of the work concerned. The term "publishing service" means reproduction and distribution [Vervielfältigung und Verbreitung] of the work within the meaning of the German Publishing Act [Verlagsgesetz VerlG]. Irrespective of that, such a publishing service may also be provided in the form of promotion and marketing activities for the work concerned, financing and production services or support and administrative services. Support and administrative services include, but are not limited to, handling all necessary communication with GEMA regarding the work and its use, including in the interest of the author (e.g. by declaring the work to GEMA, verifying accounting records and processing complaints).
- [3] GEMA has no obligation to verify whether or not a publishing service has indeed been provided. If there is disagreement between the author of a work and its publisher as to whether or not a publishing service has been provided, the provision of § 10 setting out the procedure to be followed in the event of conflicting claims shall apply *mutatis mutandis*, subject to the proviso that either party shall have the right to apply first to the Author/Publisher Arbitration Committee [*Urheber-Verleger-Schlichtungsstelle, APAC*] in accordance with § 16 E. of the GEMA Statutes (and not to the ordinary courts of law). If neither of the parties applies to the ordinary courts of law or the Author/Publisher Arbitration Committee within the time limits specified in § 10, GEMA shall have the right to continue to pay a share of the royalty revenue from the work concerned to the publisher.
- [4] In order for publishers to be entitled to a royalty share for musical compositions commissioned for television productions declared to GEMA on or after 1 January 2007, the publisher must have confirmed in writing to GEMA with respect to the specific work concerned that the transfer of the publishing rights was not a condition or prerequisite for the musical composition concerned to be commissioned.

## § 8 Sub-publisher

- [1] The sub-publisher is the publisher who takes over a work (with the consent of the original publisher) to bring it out in one or more countries in accordance with the sub-publishing contract, publishes it in his or her own reprinted edition in accordance with the provisions of this Distribution Plan and distributes it in those countries for which he or she is authorised to undertake the distribution of the work concerned.
- [2] In order for the sub-publisher to be entitled to a royalty share, the conditions set forth in § 210 must be fulfilled.

## § 9 Identification by GEMA of parties entitled to royalty distributions

[1] GEMA makes the distributions provided for in this Distribution Plan (with debtdischarging effect) to those authors and publishers who are known to it, based on the declaration of the works concerned or due to other circumstances, as authorised recipients of such payments.

[2] If there is any reason to doubt that a party is authorised to receive such distributions, the party making a claim shall demonstrate and prove its authority to do so.

## § 10 Procedure to be followed in the event of conflicting claims

If there is a conflict between the claims of two or more parties, GEMA shall have the right and the obligation to withhold payments until a joint statement by the parties to the conflict or a decision on their entitlement that is binding on the parties has been received. GEMA may set a deadline of 6 months for the claims to be asserted either by way of proceedings in the ordinary courts of law or under the GEMA constitution in accordance with § 16 of the GEMA Statutes. If the party concerned fails to prove that it asserted its claim within such a deadline, GEMA shall have the right to effect payment to the party who has priority based on the date of declaration of the work to GEMA. If the issue in dispute between the parties is whether or not the author of the work approved of the publisher receiving a share in royalty distributions for it in respect of statutory remuneration rights, GEMA shall have the right to pay such distribution to the author of the work once the deadline has expired without any action being taken.

#### SECTION 3 DEFINITION OF CATEGORIES FOR DISTRIBUTION OF ROYALTY REVENUE TO THE WORKS

### § 11 Principles

- [1] For the purpose of distributing the royalty revenue collected, categories corresponding to the various forms of music exploitation are defined.
- [2] Distribution within the categories shall be made by way of direct distribution or collective distribution.
- [3] If the direct distribution model is used, the revenue GEMA generates from one instance of use of a musical work, net of costs and other deductions, shall be distributed to the works used. Any revenue that cannot be separately allocated to individual works shall be distributed to them *pro rata numeris*. If a work was used under a blanket licensing agreement and the direct distribution model is used for distribution within categories BM, ED, UD and EM, the revenue referred to in sentence 1 shall be taken to be such amount as would be calculated if the uses concerned had been licensed on a one-off basis, taking into account any applicable rebates under tariff schemes or inclusive contracts [Gesamtverträge] within the meaning of Sec. 35 VGG.
- [4] If a collective distribution model is used, the revenue GEMA generates from multiple instances of use (multiple uses) shall be combined for distribution. This is done by distributing the total amount of royalty revenue from the uses concerned, net of costs and other deductions (net distributable amount) to all works used.

## § 12 Categories of rights of communication to the public pursuant to Sec. 15 Para. 2 UrhG

For the purpose of distributing royalties for exploitation of rights of communication to the public [Rechte der öffentlichen Wiedergabe] pursuant to Sec. 15 Para. 2 of the German Copyright Act [Urheberrechtsgesetz – UrhG], the following categories are defined:

A International Music Use

BM Stage Music

DK Music Playback in Discotheques
E Live Events with Serious Music
ED Serious Music Direct Distribution

EM Serious Music Playback

FS Television

GOP Streaming on Mixed-Content Online Platforms (usage reports and

supplement)1

I R Internet Radio I FS Internet Television

I T FS Internet Television Sound Film KI Music in Church Services M Entertainment Music Playback MOD D Music-on-Demand Download MOD S Music-on-Demand Streaming

R Radio T Sound Film

TD Sound Film Direct Distribution

T FS Sound Film on TV

U Live Events with Entertainment Music UD Entertainment Music Direct Distribution

VOD D Video-on-Demand Download VOD S Video-on-Demand Streaming

WEB Websites

## § 13 Categories of rights of reproduction and distribution pursuant to Sec. 15 Para. 1 *UrhG*

For the purpose of distributing royalties for exploitation of rights of reproduction and distribution [Rechte der Vervielfältigung und Verbreitung] pursuant to Sec. 15 Para. 1 *UrhG*, the following categories are defined:

A VR International Mechanical Right

BT VR Mechanical Right in Audio-Visual Media

DK VR Mechanical Right in Music Playback in Discothegues

FS VR Mechanical Right in TV Broadcasts

GOP VR Mechanical Right in Streaming on Mixed-Content Online Platforms (usage

reports and supplement)<sup>2</sup>

I R VR Mechanical Right in Music on Internet Radio

<sup>&</sup>lt;sup>1</sup> Applies to distributions of royalties for financial years up to and including 2022.

<sup>&</sup>lt;sup>2</sup> Applies to distributions of royalties for financial years up to and including 2022.

I FS VR	Mechanical Right in Internet TV Broadcasts
ITFSVR	Mechanical Right in Sound Film on Internet TV
MOD D VR	Mechanical Right in Music-on-Demand Download
MOD S VR	Mechanical Right in Music-on-Demand Streaming

Phono VR Mechanical Right in Audio Media
R VR Mechanical Right in Radio Broadcasts

TD VR Mechanical Right in case of Sound Film Direct Distribution

T FS VR Mechanical Right in Sound Film on TV

VOD D VR Mechanical Right in Video-on-Demand Download VOD S VR Mechanical Right in Video-on-Demand Streaming WEB VR Mechanical Right in Background Music on Websites

#### SECTION 4 ALLOCATION OF ROYALTY REVENUE TO THE VARIOUS CATEGORIES

#### § 14 Basic principle

- [1] Royalty revenue from uses which fall within a specific distribution category will be distributed within that category.
- [2] Royalty revenue in respect of which no separate distribution categories have been defined will be allocated to the existing distribution categories in accordance with the provisions set out below.

## § 15 Royalty revenue from communication of TV broadcasts

The royalty revenue from the communication of TV broadcasts will be allocated to distribution categories FS and T FS.

## § 16 Royalty revenue from communication by means of audio-visual recordings

Royalty revenue from communication by means of audio-visual recordings will be split with 20% being allocated to distribution category M, 30% to distribution category T, 20% to distribution categories FS and TFS and 30% being added to distribution category BT VR as a percentage supplement.

### § 17 Royalty revenue from playback by means of mechanical devices at cinemas

An 8% portion of the royalty revenue from music performances in the ordinary course of cinema operations will be made available for playback by means of mechanical devices at cinemas. 60% of this portion will be allocated to distribution category R and 40% to distribution category M.

# § 18 Royalty revenue from other communication by means of audio recordings and communication of radio programmes

The royalty revenue from other communication by means of audio recordings (other than playbacks accounted for in distribution categories BM, EM and DK) and communication of radio programmes will be split with 60% being allocated to distribution category R and 40% to distribution category M.

## § 19 Royalty revenue from cable retransmission of broadcasts

[1] The royalty revenue from cable retransmission of broadcasts by domestic cable operators will be split to distribution category R on the one hand and distribution

categories FS and TFS on the other in the proportion the range of radio stations retransmitted by cable bears to the range of TV channels retransmitted by cable.

[2] The royalty revenue from cable retransmission of German broadcasts by foreign cable operators that is available after deduction of costs will be split and added to the net distributable amount of distribution category R on the one hand and the net distributable amount of distribution categories FS and T FS on the other, according to the allocation of cable retransmission to radio and TV as communicated by the foreign CMOs concerned.

## § 20 Royalty revenue from commercial reproduction of recordings on audio media without usage reports

- [1] The royalty revenue from commercial reproduction of recordings on audio media in respect of which no usage reports are available will be split with 75% being allocated to distribution category R VR and 25% being added to distribution category Phono VR as a percentage supplement.
- [2] This provision shall not apply to the royalty revenue to be accounted for in distribution category DK VR.

## § 21 Royalty revenue from commercial reproduction of recordings on audio-visual media without usage reports

The royalty revenue from commercial reproduction of recordings on audio-visual media in respect of which no usage reports are available will be split with 95% being allocated to distribution categories FS VR and TFS VR and 5% being added to distribution category BT VR as a percentage supplement.

## § 22 Royalty revenue received on the basis of the remuneration right pursuant to Sec. 27 Para. 1 *UrhG*

- [1] The royalty revenue received on the basis of the remuneration right pursuant to Sec. 27 Para. 1 *UrhG* for the rental of audio recordings will be split with 75% being added to distribution category Phono VR and 25% being added to distribution category R VR, respectively, as a percentage supplement.
- [2] The royalty revenue received on the basis of the remuneration right pursuant to Sec. 27 Para. 1 *UrhG* for the rental of audio-visual recordings will be split with 75% being added to distribution category BT VR and 25% being added to distribution categories FS VR and T FS VR, respectively, as a percentage supplement.

## § 23 Royalty revenue received on the basis of the remuneration right pursuant to Sec. 27 Para. 2 *UrhG*

- [1] The royalty revenue received on the basis of the remuneration right pursuant to Sec. 27 Para. 2 *UrhG* for lending through publicly accessible institutions (public lending right royalties) shall be distributed in accordance with the provisions set out below.
- [2] The portion attributable to the lending of audio recordings shall be split with 75% being added to distribution category Phono VR and 25% to distribution category R VR, respectively, as a percentage supplement.
- [3] The portion attributable to the lending of audio-visual recordings shall be split with 75% being added to distribution category BT VR and 25% to distribution categories FS VR and T FS VR, respectively, as a percentage supplement.

[4] The portion attributable to the lending of sheet music shall be treated as non-distributable.

## § 24 Royalty revenue received on the basis of the remuneration right pursuant to Sec. 60h Para. 1 Sentence 1 *UrhG*

- [1] The royalty revenue received on the basis of the remuneration right pursuant to Sec. 60h Para. 1 Sentence 1 *UrhG* for lawfully permitted uses for teaching, science and institutions shall be distributed in accordance with the provisions set out below.
- [2] The royalty revenue from lawfully permitted uses of audio works shall be distributed as a percentage supplement within distribution categories MOD S and MOD S VR.
- [3] The royalty revenue from lawfully permitted uses of audio-visual works shall be distributed as a percentage supplement within distribution categories VOD S and VOD S VR.

## § 25 Royalty revenue received on the basis of the remuneration right pursuant to Sec. 54 Para. 1 *UrhG*

- [1] The royalty revenue received on the basis of the remuneration right pursuant to Sec. 54 Para. 1 *UrhG* for private reproductions shall be distributed in accordance with the provisions set out below.
- [2] The royalty revenue from private reproductions of recordings on audio media shall be split with 20% being added to distribution category R, 10% to distribution category R VR, 45% to distribution category Phono VR, 12.5% to distribution categories MOD D and MOD D VR and 12.5% to distribution categories MOD S and MOD S VR, respectively, as a percentage supplement.<sup>3</sup>
- [3] The royalty revenue from private reproductions of recordings on audio-visual media shall be split with 66.67% being allocated to distribution categories FS and T FS and 33.33% to distribution categories FS VR and T FS VR, respectively, as a percentage supplement.<sup>4</sup>
- [4] This royalty revenue shall be distributed to the entitled parties for the financial year in respect of which GEMA generated the revenue. If works are used in a manner which provides protection against private reproduction by technical measures pursuant to Sec. 95a *UrhG*, those uses shall not be taken into account in this distribution.

## SECTION 5 ALLOCATION OF THE PER WORK DISTRIBUTION SUM AMONG THE AUTHORS AND PUBLISHERS OF EACH WORK

#### § 26 Principles

[1] The distribution sum determined per work shall be allocated to the authors and publishers of the work concerned on the basis of their respective share. Except in distribution category KI the allocation shall be made on the basis of percentage shares.

<sup>&</sup>lt;sup>3</sup> The version as adopted by resolution of the 2018 General Assembly applies to the distribution of revenues GEMA receives for financial years from 2018 onwards.

<sup>&</sup>lt;sup>4</sup> The version as adopted by resolution of the 2018 General Assembly applies to the distribution of revenues GEMA receives for financial years from 2018 onwards.

In distribution category KI, the allocation to the entitled parties shall be made in accordance with  $\S~81.^5$ 

- [2] The amount of each share and their allocation to authors and publishers shall be determined on the basis of the allocation rules set forth in Chapters 9 and 10 of the Special Provisions of this Distribution Plan, irrespective of who transferred the rights in the work concerned to GEMA.
- [3] The Supervisory Board and the Managing Committee will monitor closely what effects the reform of the allocation rules adopted by the 2020 General Assembly for distributions from financial year 2021 onwards in particular with respect to the free negotiability of shares pursuant to § 191 and the quota for the basic division pursuant to § 192 has on the overall share the various professional categories receive. If the reform of the allocation rules affects the balance among the various professional categories in the distribution of royalties, the Supervisory Board and the Managing Committee shall draw up a proposal for a revision of the allocation rules with the aim of restoring the balance among the professional categories and put it up for vote at the 2025 ordinary meeting of the General Assembly if this is demanded either by the majority of the Supervisory Board or unanimously by the representatives of one professional category on the Supervisory Board.
- [4] For each financial year from 2021 to 2023, the aggregate of all distribution sums each entitled person received in the distribution of royalties for that year according to Chapters 9 and 10 of the Distribution Plan, in respect of works declared on or before 31 December 2020, shall be determined according to the allocation rules applicable for the financial year concerned. This aggregate will then be compared with the aggregate of the distribution sums that would have been payable in respect of the works concerned based on the same usage data if the distribution had been made according to the version of provisions of Chapters 9 and 10 of the Distribution Plan applicable to financial year 2020. Entitled persons for whom this comparison reveals a loss shall receive compensation for the financial year concerned in accordance with the following provisions:
  - (a) No compensation will be made for losses up to EUR 2,000 and for losses not exceeding 3% of the distribution sum of the entitled person concerned.
  - (b) All losses of an entitled person in excess of the aforementioned thresholds shall be compensated at 100%.
  - (c) Losses which are not attributable to the amendments to Chapters 9 and 10 of the Special Provisions of this Distribution Plan adopted by resolution of the 2020 General Assembly are not eligible for compensation.
  - (d) The dates on which the compensation is paid shall be determined by the Supervisory Board on the basis of proposals of the Managing Committee.

The Supervisory Board may decide by resolution that the compensation provisions of this section be extended beyond the distribution for financial year 2023.

[5] In cases where royalty revenue received on the basis of statutory remuneration rights is to be distributed to published works, the shares allocated to the publisher

<sup>&</sup>lt;sup>5</sup> The version as adopted by resolution of the 2020 General Assembly shall apply to distributions from financial year 2021 onwards.

according to Chapter 9 of the Special Provisions shall be paid out to the publisher only if the author of the work concerned approved of the publisher receiving a share in royalty distributions for it in respect of statutory remuneration rights pursuant to Sec. 27a of the German Collecting Societies Act [Verwertungsgesellschaftengesetz – VGG] and GEMA has been informed of this approval in compliance with the time limits set forth in § 36 para. 2 and § 41 para. 3. If the author does not approve of the publisher receiving a share in royalty distributions in respect of statutory remuneration rights, those shares in the royalty revenue received on the basis of statutory remuneration rights which have been allocated to the publisher according to Chapter 9 of the Special Provisions shall be paid out to the author.

## § 27 Move of publishers to other CMOs

If publishers join a foreign CMO, this must not result in a reduction of the share their authors and their successors in title have in the rights to the works concerned.

## § 28 "Ausfall"

- [1] In distribution categories DK, DK VR, E, FS and FS VR, M, R and R VR, T, T FS, T FS VR and U (all royalty segments), a distribution sum shall also be determined for public-domain portions of a work, and portions the rights in which are not managed by GEMA, which are identified in the process of allocation of the per work distribution sum in accordance with this Distribution Plan. The total of all distribution sums which are attributable in each distribution category to public-domain portions and portions not managed by GEMA is referred to as "Ausfall" ("shortfall"). In distribution category U, the "Ausfall" amount is determined separately for each royalty segment.
- [2] The "Ausfall" amount shall be allocated to the entitled parties in proportion to the distribution sum each of them receives per distribution category and professional category. In distribution category U, the allocation is made separately for each royalty segment.
- [3] Those portions of the "Ausfall" amount which are attributable to the full members of GEMA shall be distributed in accordance with the provisions of the Annexes to the Internal Rules governing the rating procedures [Wertungsverfahren] in distribution categories E and U. The other entitled parties shall receive the portions of the "Ausfall" amount attributable to them in the form of a percentage supplement on the royalty distribution for the distribution category and professional category concerned. Entitled parties who are members of a CMO with whom GEMA has entered into a representation agreement shall be taken into account in the allocation of the "Ausfall" amount only in accordance with the applicable representation agreements, subject to reciprocity.

#### SECTION 6 COST RECOVERY AND FUNDS FOR SOCIAL AND CULTURAL PURPOSES

## § 29 Cost recovery

- [1] Admission fees and membership fees shall be made available for funding the general costs of rights management after deduction of 10% for social and cultural purposes pursuant to § 30 para. 2.
- [2] In order to fund entitled persons' use of individual administrative services, the Managing Committee shall fix reasonable administrative fee rates by mutual agreement with the Supervisory Board. The administrative fee rates shall be published.

- [3] The costs of shareholdings in companies and the costs of services GEMA provides for third parties, e.g. by taking on mandates from other CMOs and other rights holders, shall be set off against the respective revenue.
- [4] In the distribution categories of reproduction and distribution rights (excluding the distribution categories of international and online use), a commission of up to 25% of the royalty revenue shall be charged. The amount of this commission shall be determined by mutual agreement between the Supervisory Board and the Managing Committee.
- [5] In the distribution categories of online use, a uniform commission of up to 15% of the royalty revenue shall be charged. The rate of this commission shall be determined by mutual agreement between the Supervisory Board and the Managing Committee.
- [6] In distribution category UD, a commission of up to 15% of the royalty revenue to be distributed pursuant to § 88 lit. h shall be charged. The rate of this commission shall be determined by mutual agreement between the Supervisory Board and the Managing Committee.
- [7] A special commission shall be charged on the revenue GEMA receives for international use of its repertoire on the basis of representation agreements with other CMOs, and the amount of this commission shall be determined by mutual agreement between the Supervisory Board and the Managing Committee.
- [8] A special commission shall be charged on the revenue GEMA receives on the basis of statutory remuneration rights, and the amount of this commission shall be determined by mutual agreement between the Supervisory Board and the Managing Committee.
- [9] Apart from that, GEMA's costs will be recovered by application of a uniform cost rate established for each financial year on the basis of the revenue received in the distribution categories of rights of communication to the public (excluding the distribution categories of online use, the royalty revenue to be distributed in distribution category UD pursuant to § 88 lit. h, the royalty revenue from international use on the basis of representation agreements with other CMOs and the revenue received on the basis of statutory remuneration rights).

## § 30 Funds for social and cultural purposes

- [1] In the distribution categories of rights of communication to the public (except for distribution category A), an amount equal to 10% of the royalty revenue available after deduction of the costs shall be made available for social and cultural purposes. If GEMA administers any rights for another CMO for music-related copyrights, the 10% deduction shall be made in accordance with the applicable representation agreement.
- [2] 10% of all admission fees and membership fees shall be made available for social and cultural purposes.
- [3] Interest revenue, contractual penalties, royalty rights revenue found to be impossible to distribute [nicht verteilbar] within the meaning of Sec. 30 of the German Collecting Societies Act (VGG) and other non-distributable amounts shall be made available for social and cultural purposes. In cases where the costs of distribution are disproportionately high relative to the amount of royalty revenue received, GEMA may treat the royalty revenue concerned as non-distributable, subject to the consent of the Supervisory Board.

### § 31 Use of funds for social and cultural purposes

- [1] The social purpose is served by provision of funds for the GEMA Welfare Fund [Sozialkasse] and the GEMA Pension Scheme [Alterssicherung]. The amount to be made available to the GEMA Welfare Fund shall be determined according to the charter of the GEMA Welfare Fund. Apart from that, the funds shall be distributed according to the various rating and assessment procedures. The distribution ratio shall be determined by mutual agreement between the Managing Committee and the Supervisory Board.
- [2] The contributions in distribution category E must not be less than 30.07% of the total funds available for social and cultural purposes after deduction of the amount to be made available for the GEMA Welfare Fund.

#### Section 7 Matters outside the ordinary course of business

### § 32 Extraordinary revenue from rights management

- [1] If GEMA receives any subsequent revenue outside the ordinary course of business for one or more distribution periods that have already been accounted for ("extraordinary revenue") and it is impossible, or possible only at disproportionate cost, to distribute such extraordinary revenue in the distribution categories and distribution periods concerned per work and instances of use, such extraordinary revenue shall be distributed as a supplement. In doing this, the extraordinary revenue is distributed to the entitled parties for the distribution periods concerned as a percentage supplement on the respective distribution categories. § 28 shall apply *mutatis mutandis*. To the extent that any partial amounts can be allocated to specific distribution periods, they shall be distributed to those distribution periods as a percentage supplement (distribution of supplement to the appropriate period). If it is impossible, or possible only at disproportionate cost, to distribute the supplement to the appropriate period as aforesaid, the amounts shall be distributed to all distribution periods concerned on a proportional basis.
- [2] If it is impossible, or possible only at disproportionate cost, to distribute the supplement as described in para. 1 above, the extraordinary revenue shall be treated as revenue from the distribution period in which it was generated. This shall apply in particular if the expected costs of distribution of the supplement would exceed 25% of the total amount of extraordinary revenue to be distributed, or if the total extraordinary revenue received for a financial year already accounted for is less than 1m euros.
- [3] The cost deductions and commissions applicable to the relevant distribution categories and distribution periods shall not apply to the distribution of supplements. Only the expected direct costs of distribution of supplements shall be deducted from the extraordinary revenue in advance. These costs shall be set by the Supervisory Board as a flat percentage by mutual agreement with the Managing Committee in advance.
- [4] Deductions for social and cultural purposes shall be made from the extraordinary revenue in the distribution categories of rights of communication to the public in accordance with § 30 para. 1. These deductions and any non-distributable amounts which may be included in the extraordinary revenue shall be distributed as a percentage supplement to the relevant financial years of the various rating and assessment procedures and the GEMA Pension Scheme. The GEMA Welfare Fund shall receive funds out of these deductions and non-distributable amounts for distribution in respect of

the financial year in which the extraordinary revenue was generated in advance if the total funds made available to the GEMA Welfare Fund for that financial year are insufficient to cover the demand of the regular payments [wiederkehrende Leistungen] within the meaning of the charter of the GEMA Welfare Fund. The amount to be made available to the GEMA Welfare Fund out of the aforementioned deductions and non-distributable amounts shall be determined according to the charter of the GEMA Welfare Fund.

[5] If the distribution for a distribution period concerned turns out to include systematic errors pursuant to § 33, GEMA shall have the right to determine the calculation basis for the distribution of supplements based on a generalised approach. In doing this, the interest in performing the calculation as accurately as possible must be balanced against the economic principle of proportionality. The principle of equal treatment shall be observed and hardship cases shall be duly taken into account.

## § 33 Correction of systematic errors in distribution

- [2] If the distribution for a distribution period, or any part of it, subsequently turns out to include systematic errors, e.g. because any provision of this Distribution Plan is invalid, and it is impossible, or possible only at disproportionate cost, to fully reverse and redo the distribution in its entirety, the Supervisory Board and the Managing Committee may decide by mutual agreement
  - (a) to calculate the amount of the claims arising from the incorrect distribution based on a generalised approach if and to the extent that it is impossible, or possible only at disproportionate cost, to calculate them exactly;
  - (b) with respect to entitled persons who were adversely affected by the incorrect distribution, to settle their claims out of current and future income;
  - (c) with respect to entitled persons who obtained an advantage due to the incorrect distribution, to set off any clawback claims GEMA may have against future payment claims;
  - (d) to waive any or all clawback claims of GEMA instead of setting them off.
- [3] In choosing among the available options, the Supervisory Board and the Managing Committee shall balance the interest in settling the claims concerned as fully as possible against the economic principle of proportionality. The principle of equal treatment shall be observed and hardship cases shall be duly taken into account.

## **CHAPTER 2: GENERAL IMPLEMENTING PROVISIONS**

## SECTION 1 DECLARATION OF WORKS

## § 34 Responsibilities

[1] If a published work is to be declared to GEMA, the publisher shall notify it on behalf of the authors at the same time. A work is deemed to have been published if a publisher is to receive a share in the royalty distributions on the exploitation rights in the work concerned in accordance with § 7. Non-published works (manuscript works) shall be declared by the composer. If this is not possible, the remaining authors shall have the right and the obligation to notify the work to GEMA.

- [2] Publishers who only have copyright permission for reproduction in print or for adaptation of a work without being entitled to receive a share in the royalty distributions for the work concerned shall take account of this fact when undertaking the declaration. However, if such a publisher is to receive a share in the royalty distributions payable to the original publisher, the original publisher's approval of this sharing arrangement shall be submitted with the declaration. Sub-publishing contracts with foreign partners shall be governed by the special provisions set out in § 210 para. 5 and 6.
- [3] In deviation from the provision of para. 1, audio-visual works may be declared by the author, the publisher or the producer of the work concerned. For audio-visual works accompanied by works of various composers, the list provided by the producer shall be authoritative in cases of doubt.

#### § 35 Form

The declaration shall be made in compliance with GEMA's requirements as to form. When declaring published works, the declaration shall specify whether the publishing contract includes an agreement that the publisher shall receive a share in the royalty distributions from GEMA on the exploitation rights in accordance with this Distribution Plan. If the author of a work has approved of the publisher receiving a share in royalty distributions in respect of statutory remuneration rights pursuant to § 26 para. 3, GEMA shall be informed of this separately in compliance with GEMA's requirements as to the form of this kind of notifications.

### § 36 Time limit for declaration

- [1] Entitled persons have a right to receive royalty distributions only if they declared the work concerned in due time. However, GEMA shall have the right to also take into account instances of use of a work that occurred before the belated but otherwise correct declaration of the work was received.
- [2] A declaration shall be deemed to be in time within the meaning of para. 1 if it is received by GEMA within the following time limits:

Distribution ca	ategories	Uses and exploitation periods	Time limit for declaration
GOP (usage GOP VR reports) <sup>7</sup> , MOD D VR,	reports) <sup>6</sup> , (usage MOD D, MOD S,	For use of works in 1st quarter	30 April of the year in which the work was used
MOD D VR, MOD S VR, VOD D VR,	VOD D, VOD S,	For use of works in 2 <sup>nd</sup> quarter	31 July of the year in which the work was used

<sup>&</sup>lt;sup>6</sup> Applies to distributions of royalties for financial years up to and including 2022.

<sup>&</sup>lt;sup>7</sup> Applies to distributions of royalties for financial years up to and including 2022.

VOD S VR	For use of works in 3 <sup>rd</sup> quarter	31 October of the year in which the work was used
	For use of works in 4 <sup>th</sup> quarter	31 January of the year following the year in which the work was used
Other distribution categories – half-yearly royalty distributions	For use of works in 1st semester	31 July of the year in which the work was used
	For use of works in 2 <sup>nd</sup> semester	31 January of the year following the year in which the work was used
Other distribution categories – annual royalty distributions	For use of audio-visual works (audio-visual productions and audio-visual commercials) in the period from 1 November to 31 December in distribution categories FS, FS VR, T FS and T FS VR	31 March of the year following the year in which the work was used
	For other use and other distribution categories	31 January of the year following the year in which the work was used
GOP (supplement) <sup>8</sup> , GOP \	The time limits for declaration applicable to the distribution categories to be taken into account pursuant to § 182e shall apply	

## § 37 Declaration of audio-visual works

[1] Parties declaring audio-visual works (audio-visual productions and audio-visual commercials) shall list their own compositions and all other musical works used in the audio-visual work concerned in the declaration. Declarations of other authors and publishers of an audio-visual work, in particular the rights of arrangers, must be confirmed by the composer. The declaration shall be made for seconds of playtime of the

<sup>&</sup>lt;sup>8</sup> Applies to distributions of royalties for financial years up to and including 2022.

<sup>&</sup>lt;sup>9</sup> Applies to distributions of royalties for financial years up to and including 2022.

work concerned. GEMA shall have the right to check declarations with respect to the information provided.

[2] Audio-visual commercials produced for use in Germany do not need to be declared separately if the works of music used in them have been declared to GEMA and GEMA has been provided with audio files of those works of music which meet GEMA's requirements as to form.

### § 38 Submission of evidence with respect to works

- [1] At the request of GEMA, the declaring party shall furnish evidence with respect to the work concerned by submitting a printed edition, the manuscript, a photocopy of the manuscript or an audio recording of the work. If a published work is to be declared, the obligation of the declaring party to submit a printed copy to GEMA shall be deemed to have been fulfilled if he or she submits 2 copies of the printed edition to the German Music Archive [Deutsches Musikarchiv DMA] (address: Deutsche Nationalbibliothek, Deutsches Musikarchiv, Deutscher Platz 1, 04103 Leipzig, Germany) in compliance with its deposit obligation [Ablieferungspflicht] under the German Ordinance dated 17 October 2008 on Mandatory Deposit of Media Works with the German National Library [Pflichtablieferungsverordnung PflAV] (German Federal Law Gazette [BGBl.] I p. 2013) and informs GEMA in writing that he or she has done so, specifying the individual titles of the works concerned.
- [2] No right to receive royalty distributions shall exist with respect to a work if, despite GEMA's request, none of the evidence mentioned in para. 1 above is furnished with respect to a work.
- [3] If the publisher of a published work is not a member of GEMA but a member of a foreign CMO, the production of evidence with respect to a work shall be the responsibility of either the composer or any other of the entitled parties for the work concerned.

### § 39 Referencing third-party works

- [1] Declaring parties shall duly identify works created using third-party works or third-party themes and cite the sources of the works used.
- [2] In addition to the specimen copy of the declared composition or arrangement, the original work used shall be submitted with the declaration upon request, irrespective of whether it is copyrighted or not.
- [3] Compositions, lyrics and arrangements created using copyright-protected thirdparty works shall only be considered in the distribution of royalties if the consent of the holder of the author's right in the original work or arrangement used is submitted with the declaration in the form prescribed by GEMA.

#### § 40 Confirmation of publishing

If instrumental or vocal works of entertainment music with a point value of 24 or higher [gehobene U-Musik], or serious music the staging material for which is distributed by the publisher only on a rent basis are to be declared, a confirmation from the author that a publishing contract is in place for the work shall be submitted together with the notification form.

## § 41 Notification of changes

[1] If any changes in circumstances occur (e.g. signing of a publishing contract, termination of contract, publishing of parts of works as separate releases, change of title, adaptation, shortening, extension, etc.) after declaration of a work, the entitled party shall inform GEMA of such changes with supporting documents. If changes are made, all parties entitled to a share in the work concerned shall receive a new confirmation confirming the amended registration of the work. Any disagreements which may arise among the parties involved due to the changes shall be solved by the parties themselves beforehand.

[2] In order to allow changes to be taken into account in the distribution of royalties for a period of exploitation, they must be notified to GEMA in due time. If notification of a change is made late, the entitled party shall have a right to the change being taken into account only with respect to the next following exploitation period and the change concerned cannot be considered in retrospect.

[3] A notification of a change shall be deemed to be in time within the meaning of para. 2 if it is received by GEMA within the following time limits:

Distribution categories	Exploitation periods	Time limit for notification of changes
GOP (usage reports) <sup>10</sup> , GOP VR (usage reports) <sup>11</sup> , MOD D, MOD D VR, MOD S, MOD S VR, VOD D, VOD D VR, VOD S,	For use of works in 1st quarter	30 April of the year in which the work was used
VOD S, VOD S VR, VOD S,	For use of works in 2 <sup>nd</sup> quarter	31 July of the year in which the work was used
	For use of works in 3 <sup>rd</sup> quarter	31 October of the year in which the work was used
	For use of works in 4 <sup>th</sup> quarter	31 January of the year following the year in which the work was used
Other distribution categories – half- yearly royalty distributions	For use of works in 1st semester	31 July of the year in which the work was used
	For use of works in 2 <sup>nd</sup> semester	31 January of the year following the year in which the work was used

<sup>&</sup>lt;sup>10</sup> Applies to distributions of royalties for financial years up to and including 2022.

<sup>&</sup>lt;sup>11</sup> Applies to distributions of royalties for financial years up to and including 2022.

Other distribution categories – annual royalty distributions	For use during the entire year	31 January of the year following the year in which the work was used
GOP (supplement) <sup>12</sup> , GOP VR (supplement) <sup>13</sup>		The time limits for declaration applicable to the distribution categories to be taken into account pursuant to § 182e shall apply

[4] If the shares held in a work change during the course of an exploitation period, this shall be taken into account only with respect to the distribution in categories GOP (usage reports)<sup>14</sup>, GOP VR (usage reports)<sup>15</sup>, MOD D, MOD D VR, MOD S and MOD S VR.

### § 42 Provision of false information on declaration

[1] If an author or publisher knowingly or grossly negligently provides false information when declaring a work to GEMA, he or she shall not be entitled to receive royalty distributions with respect to the work or works concerned until they have been declared properly. Moreover, the Managing Committee or the Supervisory Board of GEMA may take action pursuant to § 9 A para. 4 of the GEMA Statutes and § 54 para. 7 of the Distribution Plan against the author or publisher concerned.

[2] In the event that false information is provided upon notification of changes regarding declared works, para. 1 shall apply *mutatis mutandis*.

## § 43 Procedure for missing declarations

[1] If non-declared original compositions have been performed, a single reminder shall be sent to the author or publisher of the work concerned after the end of the respective distribution period to notify the work concerned if the distribution sum payable in respect of it is at least EUR 10.23. The royalties on works declared in response to a reminder within a period of 3 months shall be distributed in the following distribution period.

[2] If non-declared original compositions or original compositions which were not declared properly have been mechanically reproduced, a single reminder shall be sent to the authors or publishers of the works concerned to notify them. The royalties on works declared in response to a reminder within a period of 3 months shall be distributed in the following distribution period.

<sup>&</sup>lt;sup>12</sup> Applies to distributions of royalties for financial years up to and including 2022.

<sup>&</sup>lt;sup>13</sup> Applies to distributions of royalties for financial years up to and including 2022.

<sup>&</sup>lt;sup>14</sup> Applies to distributions of royalties for financial years up to and including 2022.

<sup>&</sup>lt;sup>15</sup> Applies to distributions of royalties for financial years up to and including 2022.

#### SECTION 2 REGISTRATION OF WORKS

#### § 44 Basic principle

All works shall be registered on the basis of the information provided in the respective declarations.

### § 45 Registration of audio-visual works with unknown play time

- [1] Audio-visual works in which the play time of the individual musical works is not known but the total play time can be determined shall be registered in such manner that the total music play time is divided evenly among the individual musical works.
- [2] Audio-visual works in which the play time of the individual musical works is not known and the total music play time cannot be determined shall be registered and accounted for according to the following key:

Number of musical works used in an audiovisual work	Registered play time per musical work (in seconds)
1-30	36
31-50	24
51-100	12
over 100	6

- [3] If only part of a musical work is used in an audio-visual work, half of the number of seconds of music according to the key set out in para. 2 above shall be allocated to that musical work.
- [4] If the total music play time calculated according to paras. 2 and 3 makes up over two thirds of the length of the film as shortened, if applicable, after undergoing an age rating process, the total music play time shall be reduced proportionately.
- [5] The provisions on registration in cases where the play time is not known shall not apply to the use of musical works in audio-visual commercials.

#### § 46 Registration under a pseudonym

- [1] Subject to compliance with applicable law, authors may also use pseudonyms in addition to their real names or usual stage or pen names. A prerequisite for this is that GEMA must have confirmed in writing that the chosen pseudonym is not already in use by any third party.
- [2] The name of a group will not be accepted. Rather, the declaration of a work must be made for each of its authors individually in the usual manner.
- [3] The pseudonyms used may be provided to exploiters together with the real name or permanent stage or pen name of the author(s).
- [4] An administrative fee pursuant to § 29 para. 2 shall be payable for the second and all further pseudonyms.

[5] Neither the real name nor the pseudonym of an author may be used as a pseudonym. Neither may a pseudonym be used that is likely to be confused with another name. If this provision is not complied with, the party infringing the name rights shall lose all payment claims against GEMA in respect of the works released under the pseudonyms he or she wrongly used.

## § 47 Registration in cases of name coincidence

If two or more parties involved have identical real names, they should agree what qualifiers could be added to their names to make them distinguishable from each other and avoid any risk of confusion.

## § 48 Registration using an edition name

- [1] Subject to compliance with applicable law, music publishers may also use edition names in addition to their company name. A prerequisite for this is that GEMA must have confirmed in writing that the chosen edition name is not already in use by any third party.
- [2] The edition names used may be provided to exploiters together with the company name of the publisher(s). An administrative fee pursuant to § 29 para. 2 shall be payable for the second and all further edition names.

## § 49 Objections to registration

The authors and publishers of a work shall receive a confirmation of its registration. The entitled person may object to the registration of a work within 3 months of receipt of the confirmation. If this is the case, the provisions of § 10 on the procedure to be followed in the event of conflicting claims shall apply.

#### SECTION 3 RIGHTS OF VERIFICATION

#### § 50 Playing time and instrumentation

- [1] GEMA shall have the right to verify the declared playing time and the declared instrumentation. If any differences which have an impact on the distribution of royalties are found between the playing time or instrumentation declared and the playing time or instrumentation determined by GEMA, GEMA shall have the right to correct this and inform the entitled parties promptly.
- [2] If the declaring party and GEMA cannot reach agreement regarding the playing time or instrumentation, the playing time or instrumentation to be referred to as a basis for the distribution of royalties and to be registered shall be determined by a decision of the Works Committee. For the purposes of the verification, a printed or non-printed specimen copy, i.e. a physical embodiment of the score (in six copies), accompanied, if applicable, by published or otherwise available audio recordings, shall generally be submitted by the entitled party. For works of a purely or largely improvisational nature or electroacoustic music, only audio recordings accompanied by written explanations of the work need to be submitted. The decision of the Works Committee may be appealed in accordance with § 6 of the Rules of Procedure of the Works Committee.

## § 51 Eligibility for copyright protection

[1] In cases of doubt, the GEMA Works Committee shall verify the eligibility of the works submitted to it for copyright protection. For the purposes of the verification, a

printed or non-printed specimen copy, i.e. a physical embodiment of the score (in six copies), accompanied, if applicable, by published or otherwise available audio recordings, shall generally be submitted by the author or publisher of the work concerned. For works of a purely or largely improvisational nature or electroacoustic music, only audio recordings accompanied by written explanations of the work need to be submitted.

[2] The decision of the Works Committee may be appealed in accordance with § 6 of the Rules of Procedure of the Works Committee. If the author or publisher of a work does not agree with the decision of the Supervisory Board on his or her objection, he or she shall be free to take recourse to the ordinary courts of law. The decision of the Works Committee or of the Supervisory Board shall be binding on both GEMA and the authors or publishers concerned until a decision by the ordinary court of law has been made and has become final and non-appealable.

## § 52 Authorship of arrangements of public-domain works

- [1] With respect to arrangements of public-domain works, the Works Committee may be asked to determine the likelihood of authorship on the basis of the scores, short scores or similar working documents submitted and to give its expert opinion on this.
- [2] The decision of the Works Committee may be appealed in accordance with § 6 of the Rules of Procedure of the Works Committee.

#### SECTION 4 USAGE REPORTS

#### § 53 Obtaining of usage reports

GEMA has an obligation to assert the statutory rights it is entitled to in relation to the organisers of communications to the public to require the submission of lists of the works used at the event concerned (usage reports). However, GEMA shall not be responsible for ensuring that all usage reports are received and that they are complete.

## § 54 Conditions required for usage reports to be taken into account

- [1] According to the case law, GEMA, in its capacity as fiduciary for the interests of all members, has an obligation to prevent any abusive use of the Distribution Plan. This is the purpose of the following provisions.
  - [2] Only usage reports which accurately reflect the facts shall be taken into account.
- [3] Entitled parties must not exert any influence on the creation of usage reports or create usage reports themselves or on behalf of others.
- [4] This prohibition shall not apply to entitled parties who are obliged to submit usage reports in their capacity as performing professional musicians or because of contractual obligations. In their own interest, they shall secure appropriate evidence (e.g. witness statements of neutral and independent third parties, processable accounting records) after the end of an event to be able to demonstrate in the cases referred to in para. 6 that the information provided in the usage reports is correct. If such an entitled party takes part in a GEMA-licensed event that is held outdoors at a location that is freely accessible to the public, including at a covered venue (e.g. in the concourse of a train station, in the lobby of a building, in a gallery or shopping arcade that is open to the general public, at a street festival, in a pedestrian zone, in a mall), and during which works are performed for

the passers-by in the area, the usage reports prepared by such an entitled party shall require confirmation by the organiser of the event.

- [5] GEMA may ask entitled parties as described in para. 4 above to notify the dates and locations of their forthcoming performances in a specific time window in advance, up to approximately 2 months in advance. Such a notification shall be deemed to have been made in sufficient advance if it is received by GEMA at least 2 weeks before the date of the relevant performance.
- [6] If a usage report does not accurately reflect the facts, GEMA shall have the right to withhold all or any usage reports from the organiser of the event concerned, or from the party authorised to submit usage reports according to para. 4, from processing for the purposes of accounting for a financial year until the organiser of the event or the entitled party has proven that the information provided in those usage reports is correct. The same shall apply if there are reasonable doubts about the accuracy and truthfulness of material parts of a usage report. GEMA shall notify the organiser of the event or the entitled party on or before the distribution date that their reports are withheld from further processing, asking them to provide supporting evidence. If such evidence is not provided within 6 months of the date of the notification, the usage reports withheld shall be permanently excluded from distribution.
- [7] In cases where false information was provided with the intention to deceive and gain a pecuniary advantage, the Managing Committee, acting jointly with the Supervisory Board, shall have the right to charge contractual penalties which may be deducted from any royalty amounts the entitled party may have earned. This shall be without prejudice to GEMA's right pursuant to § 9 A para. 4 of the GEMA Statutes to remove the party or parties concerned from membership.

## § 55 Usage reports excluded from distribution

- [1] Usage reports relating to uses in respect of which no licence fees are paid to GEMA according to applicable law or for other reasons shall be excluded from distribution.
- [2] Usage reports which have been created by the entitled parties in breach of § 54 para. 3 shall be excluded from distribution.
- [3] Usage reports which require confirmation by the organiser of the event concerned pursuant to § 54 para. 4 but in respect of which no such confirmation is received shall be excluded from distribution.
- [4] Usage reports relating to events in respect of which an entitled party did not comply with its notification obligation pursuant to § 54 para. 5 in sufficient advance shall be excluded from distribution, unless the entitled party submits specific and verifiable information to demonstrate that notification was not possible for objective reasons.

## § 56 Time limits to be observed to allow usage reports to be taken into account

[1] Usage reports can only be taken into account if they are received by GEMA (a) for distribution in categories E, ED, EM, BM, U and UD, by 31 March of the year following the event concerned, or (b) for distribution in all other categories using a collective distribution model, by 31 December of the year following the use concerned. Usage reports received after that date shall be excluded from distribution. This shall be without prejudice to the time limits specified in § 59.

[2] In order for a usage report to be taken into account in the distribution of royalties in the categories referred to in para. 1 on the normal distribution date (main distribution) for the exploitation period concerned, the usage report must be received by GEMA at least 3 months before the distribution date. Usage reports which are received by GEMA later than that and therefore cannot be taken into account in the main distribution will be taken into account in the next following distribution for the category concerned. The 3-month time limit referred to in sentence 1 shall apply *mutatis mutandis*.

#### SECTION 5 DISTRIBUTION OF ROYALTIES

#### § 57 Distribution deadlines and distribution dates

[1] GEMA shall distribute the royalty revenue from the rights administered at the latest nine months after the end of the financial year in which it was collected. The royalty revenue GEMA generates under representation agreements with other CMOs for music-related copyrights from the exploitation of its repertoire shall be distributed to members at the latest six months after receipt. The distribution deadlines specified in sentences 1 and 2 above shall not apply if GEMA is objectively unable to make a distribution of royalties (Sec. 28 Para. 3 VGG).

[2] The distribution dates for the various distribution categories (payment schedule) and the advance payment dates shall be determined by the Supervisory Board, on the basis of proposals from the Managing Committee, each year for the following financial year, in compliance with the distribution deadlines specified in para. 1. If GEMA receives any revenue outside the ordinary course of business for distribution periods that have already been accounted for and such revenue is to be distributed to the distribution periods concerned, or per work and use, as a percentage supplement, the Supervisory Board shall determine the distribution dates separately on the basis of proposals from the Managing Committee. Distribution dates and advance payment dates shall be published.

#### § 58 Detailed statements

[1] For distribution categories BM, DK, E, ED, EM, FS, FS VR, GOP (usage reports)<sup>16</sup>, GOP VR (usage reports)<sup>17</sup>, M, MOD D, MOD D VR, MOD S, MOD S VR, R, R VR, T, TD, TD VR, T FS, T FS VR, U, UD, VOD D, VOD D VR, VOD S, VOD S VR, WEB and WEB VR, the entitled party may request a statement showing the works accounted for, the percentage shares and amounts and – for distribution categories U and UD – the number of performances accounted for (Detailed Statement 1) within 8 weeks of a distribution date.

[2] For distribution categories R, R VR, FS, FS VR, T FS and T FS VR, the entitled party may request a statement showing the broadcaster, the title of the programme, the broadcasting date and time, the exact actual playing time and the coefficients applicable to TV programmes pursuant to § 107 (provided that GEMA has received this information from the broadcasting organisations, monitoring organisations or other service providers concerned) for the works and films accounted for (Detailed Statement 2) within 8 weeks of a distribution date.

<sup>&</sup>lt;sup>16</sup> Applies to distributions of royalties for financial years up to and including 2022.

<sup>&</sup>lt;sup>17</sup> Applies to distributions of royalties for financial years up to and including 2022.

- [3] For distribution categories BM, E, ED, EM, U and UD, the entitled party may request a statement showing the place and date of performance and the name of the organiser of the event concerned (Detailed Statement 3) within 8 weeks of a distribution date
- [4] For distribution categories Phono VR and BT VR, the entitled party may request a statement showing the works accounted for, the percentage shares, the amounts allocated per work and all information about the licensee, the physical medium, the number of copies made and the exploitation period (Detailed Statement 4) within 8 weeks of a distribution date.
- [5] For distribution categories A and A VR, the entitled party may request a statement showing the information specified in paras. 1 to 4 above, provided that GEMA has received this information from the foreign CMO concerned, (Detailed Statement 5) within 8 weeks of the date of distribution of international royalties.
- [6] These detailed statements shall be provided in electronic form free of charge. In addition, the entitled party may request to be sent such detailed statements by post against payment of an administrative fee pursuant to § 29 para. 2. Detailed statements shall be provided in electronic form and sent by post, respectively, until instructed otherwise).<sup>18</sup>

### § 59 Complaints

- [1] Complaints about a normal distribution (main distribution) can only be considered if they are received by GEMA within 18 months of the relevant distribution date pursuant to § 57 for the distribution categories of broadcasting, screening and international use, within 9 months for the distribution categories of performance and communication use, and within 3 months for all other distribution categories. With respect to distribution categories GOP and GOP VR, the 3-month time limit shall begin on the applicable distribution date for the distribution of supplements pursuant to § 182e.<sup>19</sup>
- [2] Complaints about other distributions can only be considered if they are received by GEMA within 3 months of the relevant distribution date. In the event that a complaint is made about a distribution as aforesaid, this shall not be an opportunity to report or demonstrate *prima facie* ("Glaubhaftmachung" within the meaning of Sec. 294 of the German Code of Civil Procedure [*Zivilprozessordnung ZPO*]) additional instances of use that had not been taken into account by the normal distribution date.
- [3] Complaints must include information specific enough to allow GEMA to investigate the problem and can only be considered if an adjustment amount of at least EUR 5.00 per work is to be expected. If the investigation of a complaint results in a finding that the party who made the complaint is entitled to a payment, such payment shall be due and payable on the next distribution date following investigation of the complaint. A reasonable advance may be paid upon formal request.
- [4] Entitled parties may *prima facie* demonstrate instances of use which are not included in the processable usage reports within the time limits referred to in para. 1.

<sup>&</sup>lt;sup>18</sup> The version of § 58 paras. 1 to 6 as adopted by resolution of the 2017 General Assembly has been in force since 1 January 2018.

<sup>&</sup>lt;sup>19</sup> The provision on distribution categories GOP and GOP VR applies to distributions of royalties for financial years up to and including 2022.

Para. 3 shall apply *mutatis mutandis*. This possibility shall not apply to usage reports which have been permanently excluded or temporarily withheld from distribution pursuant to § 54 para. 6. In order for such usage reports to be taken into account, the authors or publishers of the works concerned must have provided full evidence (e.g. witness statements of neutral and independent third parties) to prove that the usage reports are correct.

## **Special Provisions**

#### **CHAPTER 1: POINT VALUE AND CLASSIFICATION**

#### § 60 Scope

In distribution categories E, U (royalty segments according to § 84 para. (1) to (8)), R and FS, works are given a point value and classified in accordance with the provisions set out below.

## § 61 Assignment of point value by GEMA

- [1] After declared and registered works have been used, GEMA shall assign points to them, and/or determine the distribution of royalties to them, according to distribution key I to IV. For the purposes of examination of the type of work according to distribution key I to IV and in the event of complaints, GEMA may require the entitled party to submit a printed or non-printed specimen copy, i.e. a physical embodiment of the score, accompanied, if applicable, by published or otherwise available audio recordings. An audio recording of an entire work may be requested if its sonic realisation cannot be fully inferred from the score. For the assignment of points according to distribution key I no. 7 or distribution according to distribution key IV no. 1 or 3, only an audio recording accompanied by a written explanation of the work needs to be submitted. For the assignment of points according to distribution key II no. 1 or classification as contemporary jazz according to distribution key II no. 2, only an audio recording needs to be submitted. In cases of doubt, GEMA shall submit the works concerned to the Works Committee for classification or assignment of points. The same shall apply if the decision based on the distribution key falls within the responsibility of the Works Committee.
- [2] If parts of a work of Serious Music are performed, points will be assigned on the basis of the playing time of the parts performed, using distribution key I or III.
- [3] If a work is performed by a smaller ensemble than that declared, the number of players taking part in the performance shall be decisive for the assignment of the point value. This shall be without prejudice to § 65 para. 5.
- [4] If two or more works are performed simultaneously, they shall be accounted for in total in the same manner as a performance of a single work according to the point system of distribution key I or III, with the actual play time and the actual number of participants in the performance being referred to as a basis.
- [5] The organiser of the event and the musicians playing at it shall report the necessary information about the actual play time and the actual number of participants in the performance to GEMA.

### § 62 Classification and assignment of point value by the Works Committee

- [1] In the cases referred to in § 61 para. 1 sentences 5 and 6, the Works Committee shall examine works submitted to it and shall classify them and/or assign a point value to them according to distribution key I to IV. The Works Committee shall examine in cases of doubt or upon formal request whether royalties received in distribution category FS for use of commissioned musical compositions for own or commissioned productions of a TV channel should be included in the rating procedure [Wertungsverfahren] for composers for distribution category E. The entitled parties shall be informed of the outcome of this examination.
- [2] For the purposes of the examination, the entitled party shall submit the documents referred to in § 61 para. 1. The physical embodiment of the score shall be submitted in six copies.
- [3] The decision of the Works Committee may be appealed in accordance with § 6 of the Rules of Procedure of the Works Committee.

### § 63 Distribution key I (works of serious music)

[1] The following distribution key shall apply to works of serious music:

	Point value for distribution category E	Point value for distribution categories R and FS
1. Instrumental compositions (1 to 2 instrumental parts) and 1- to 4-part vocal compositions for soloists, a cappella or accompanied by 1 to 2 instruments		
up to 2 minutes	12	1
over 2 up to 4 minutes		1
over 4 up to just under 5 minutes	36	1 1/4
5 minutes and over	96	1 1/4
10 minutes and over	180	1 1/4
20 minutes and over	360	1 3/4
30 minutes and over	480	1 3/4
45 minutes and over	720	1 3/4
60 minutes and over	960	1 3/4
2. Instrumental compositions (3 to 9 instrumental parts) and vocal compositions for soloists in more than four parts, a cappella or accompanied by 3 to 6 instrument obbligatos		
up to 2 minutes	24	1 1/4
over 2 up to 4 minutes	36	1 1/2
over 4 up to just under 5 minutes	60	2
5 minutes and over	120	2
10 minutes and over	240	2
20 minutes and over	480	2
30 minutes and over	720	2
45 minutes and over	960	2
60 minutes and over	1,200	2

	Point value for distribution category E	Point value for distribution categories R and FS
3. Choral works, a cappella (in 1 to 4 parts) or accompanied by 1 to 2 instruments up to 2 minutes <sup>20</sup>	36 96 180 360 720 960	1 1 1/2 1 1/2 1 1/2 1 1/2 1 1/2 1 1/2 1 1/2
obbligatos or a cappella in more than 4 parts up to 2 minutes <sup>22</sup>	96 120 240 480 720 960	1 1/4 1 1/2 1 3/4 1 3/4 1 3/4 1 3/4 1 3/4 1 3/4 1 3/4
5. Works for string and chamber orchestra of any instrumentation as well as vocal, choral and instrumental compositions accompanied by string and chamber orchestra		
up to 2 minutes	120 240 480	2 1/4
6. Works for large orchestra as well as vocal, choral and instrumental compositions accompanied by large orchestra up to 2 minutes	80 160 240 480 960 1,200	

<sup>&</sup>lt;sup>20</sup> For works declared on or after 1 January 2002.

<sup>&</sup>lt;sup>21</sup> For works declared on or after 1 January 2002.

<sup>&</sup>lt;sup>22</sup> For works declared on or after 1 January 2002.

<sup>&</sup>lt;sup>23</sup> For works declared on or after 1 January 2002.

	Point value for distribution category E	Point value for distribution categories R and FS
30 minutes and over	•	2 1/2
7. Electroacoustic music, music comprising		
predominantly electroacoustic sounds up to 2 minutes	24 36 96 180 360 720	1 1 1 1 1 1 1 1
8. Works or fragments of works as described at nos. 1 to 7 above which are accounted for in distribution categories R and FS as intermission and prelude music, introductory, interstitial and closing music, theme and signature tunes of regular programmes, i.e. programmes broadcast on at least 5 consecutive days, or once per week in 7 consecutive weeks		1

- [2] Upon formal request and provided that the relevant documents are submitted, the Works Committee may assign to the works referred to at no. 7 above a point value according to no. 5 of the points table for distribution category  $E^{24}$  and a point value of up to 2 1/2 for distribution categories R and FS.
- [3] Each separate instrument part shall be deemed a part. The number of participating players shall be the maximum number to be counted. Feeds of electroacoustic or recorded music combined with live instrumental music shall be counted as one part in total.
- [4] Works for chamber orchestra or small orchestra are the compositions specified at nos. 5 and 6 above with up to 18 separate parts according to the original scoring. All works with 19 or more parts according to the original scoring shall be deemed works for large orchestra.

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<sup>&</sup>lt;sup>24</sup> Applies to classifications up to and including until financial year 2022

### § 64 Distribution key II (works of entertainment music)

The following distribution key shall apply to works of entertainment music:

	Point value for distribution category U	Point value for distribution categories R and FS
1. Dance, pop, jazz and rock music with or without lyrics, marches and other vocal, instrumental and electronically generated entertainment music, potpourris of copyright-protected works pursuant to § 194 para. 4 and copyright-protected lyrics of public-domain, unadapted works of music	12	1
2. Concert pieces with or without lyrics; vocal music with or without instruments, unless to be classified under distribution key I; concert-type contemporary jazz of artistic significance, except works known as "standards". If there is doubt about whether or not a work is to be classified as jazz, this question shall be determined by the Works Committee after submission of a specimen copy.		
up to 10 minutesover 10 up to 20 minutes	24 36	1 1
over 20 minutes	48	1
3.a) Entertainment-type chansons <sup>25</sup>	36	1 1/4
3.b) Works of entertainment music including lyrics wherein the lyrics are copyright-protected and are of particular artistic value. In order for such a work to be classified hereunder, the music must be clearly interwoven with the dramatic composition of the lyrics. The classification shall be made by the Works Committee on the basis of full specimen copies upon an application to this effect	36	1 1/4 <sup>26</sup>
4. Concert works written for orchestra or big band, grand fusion and jazz instrumentations with 10 or more separate parts or concert works that are of particular complexity		
up to 2 minutes	24	1
over 2 up to 4 minutes	36	1
over 4 up to 10 minutesover 10 up to 15 minutes	60 120	1 1/4 1 1/2
over 15 up to 20 minutes	180	1 3/4
over 20 up to 30 minutes	360	1 3/4
over 30 up to 45 minutes	480	2
over 45 up to 60 minutes	720	2
over 60 minutes	960	2

 $<sup>^{\</sup>rm 25}$  No. 3.a) applies to classifications up until financial year 2011.

<sup>&</sup>lt;sup>26</sup> Applies to up to 150 minutes weighted pursuant to §§ 97-99 and §§ 107-109; beyond that, a point value of 1 shall be applied in the accounting for this type of works.

1

Point value

Point value

	for distribution category U	for distribution categories R and FS
If the playing time is variable, the distributable amount shall be calculated on the basis of the minimum playing time in case of performance. The classification under this no. 4 shall be made upon application and submission of the full score. In cases of doubt, the Works Committee shall make a decision.		
5. Works of entertainment music that are of particular artistic value and have been acknowledged by the Works Committee as such	12 to 2,400	1 to 2 1/2
The classification according to this no. 5 shall be made by the Works Committee upon an application which must be accompanied by the score and a written confirmation from the composer that he or she composed the work alone and the score was created by him or herself. Another condition for classification hereunder is that the performance must adhere to the instrumentation laid down in the score.		
The point value shall be assigned according to distribution category U and shall be determined based on the instrumentation and playing time according to the points table in distribution key I.		
6. For classifications up until financial year 2008 a) Concert works written for orchestra (original compositions), overtures, rhapsodies, ballet music, movements of concerts with a playing time of up to 10 minutes, multi-section grand waltzes and potpourris with a playing time of up to 5 minutes (except potpourris		
of mixed authorship)	36	1
potpourris of mixed authorship)	48	1 1/4
7. Works or fragments of works as described at nos. 1 to 6 above which are accounted for in distribution categories R and FS as intermission and prelude music, introductory, interstitial and closing music, theme and signature tunes of regular programmes, i.e. programmes		
broadcast on at least 5 consecutive days, or once per		1

week in 7 consecutive weeks.....

# § 65 Distribution key III (works that cannot be classified according to distribution key I, II or IV)

[1] The following distribution key shall apply to works that cannot be classified according to distribution key I, II or IV:

	Point value for live performance	Point value for distribution categories R and FS
up to 2 minutes	12	1
over 2 up to 4 minutes	24	1
over 4 up to 5 minutes	36	1
over 5 up to 10 minutes	96	1
over 10 up to 20 minutes	180	1
over 20 up to 30 minutes	360	1
over 30 up to 45 minutes	720	1
over 45 up to 60 minutes	960	1
over 60 minutes	1,200	1

- [2] For live performance, royalties shall be distributed in distribution category E.
- [3] Upon formal request and provided that the relevant documents are submitted, the Works Committee may assign a point value of up to 2 1/2 to works for distribution categories R and FS.
- [4] If the playing time is variable, the distributable amount shall be calculated on the basis of the minimum playing time in case of performance.
- [5] The classification is subject to the condition that the instrumentation laid down in the score is adhered to. If a work is performed or broadcast with a different instrumentation and/or different playing time, the classification of the work according to distribution key III shall not apply for these instances of use; instead, royalties shall be distributed according to distribution key II para. 1 no. 1 based on a point value of 12 in distribution category U and a point value of 1 in distribution categories R and FS.
- [6] If a usage report has been completed by an entitled party in accordance with § 54 para. 4 and specifies works of that entitled party to which points were assigned according to distribution key III, GEMA may ask that entitled party by the distribution date to state with what instrumentation and what playing time those works were performed. If such a statement is not submitted within 6 months of receipt of the request, or if it does not accurately reflect the facts, there shall be no claim to those instances of use of the works being taken into account. If the statement is submitted in time and reflects the facts accurately, and the party who made the statement is found to be entitled to a payment as a result of that, such payment shall be due and payable on the next distribution date. If the statement does not accurately reflect the facts, § 3 II (6) of the Internal Rules governing the rating procedure [Wertungsverfahren] for composers in distribution category E, or § 3 (8) of the Internal Rules governing the rating procedure [Wertungsverfahren] of publishers in distribution category E, respectively, shall apply.

#### § 66 Distribution key IV

- [1] Distribution key IV shall apply in the following cases:
- 1. Audio plays and works of acoustic arts, unless they are to be classified as electroacoustic music according to distribution key I no. 7
- 2. Music accompanying recited text pursuant to Sec. 19 Para. 1 UrhG
- 3. Works of a purely or largely improvisational nature and music that cannot be classified otherwise
- 4. Works that consist in a playing instruction only
- 5. Commissioned musical compositions and other score music for own or commissioned productions of a TV channel.
- [2] In the case of performance, royalties shall generally be distributed directly in distribution categories ED or UD according to their respective subject matter. For live performance of commissioned musical compositions and other score music for own or commissioned productions of a TV channel, the Works Committee may make a special classification according to distribution key I to III upon request. In this case, the distribution of royalties shall be made depending on the classification of the work in categories E or U, respectively.
- [3] In the case of broadcasting, royalties shall be distributed in the distribution categories of broadcasting use. In this case, the works shall be assigned a point value of 1. This point value of 1 shall also apply to broadcasts which are based on another type of use in the distribution categories of rights of communication to the public in respect of which royalties are to be distributed directly.

# CHAPTER 2: DISTRIBUTION OF ROYALTIES IN THE DISTRIBUTION CATEGORIES OF PERFORMANCE USE

#### SECTION 1 GENERAL PROVISIONS

#### § 67 Distribution categories of performance use

Performance use comprises the distribution categories of live performance (distribution categories E, ED, U and UD) as well as distribution categories BM and KI.

# § 68 Method of determining the number of uses in the distribution categories of performance use

In distribution categories BM, E, ED, U and UD, GEMA shall establish the number of performances of each work each year on the basis of processable usage reports received by GEMA and of information about performances organised. In distribution category KI, the number of uses shall be determined as described in § 80.

### SECTION 2 DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORY BM (STAGE MUSIC)

#### § 69 Subject matter of distribution category

In distribution category BM (Stage Music), royalties shall be distributed to works for performances [Aufführung] within the meaning of Sec. 19 Para. 2 UrhG or

communications [Wiedergabe] within the meaning of Sec. 21 UrhG if the type of use is as follows:

- (a) Stage Music (Small Right),
- (b) Stage performances of pre-existing Small Right works,
- (c) Audio drama music (Small Right).

#### § 70 Revenue to be distributed

The royalty revenue to be distributed in distribution category BM shall be the royalty revenue generated from licences granted for the types of use specified at § 69.

### § 71 Method of distribution of royalties

Royalties shall be distributed using the direct distribution model.

# SECTION 3 DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORY E (LIVE EVENTS WITH SERIOUS MUSIC)

#### § 72 Subject matter of distribution category

- [1] In distribution category E (Live Events with Serious Music), royalties shall be distributed to works for performances [Aufführung] within the meaning of Sec. 19 Para. 2 UrhG at concerts of serious music, unless they are to be distributed using the direct distribution model in distribution categories ED or BM or they are distributed in distribution category KI.
- [2] If works of entertainment music have been performed at a concert of serious music, they shall be accounted for in distribution category U. Performances of potpourris of copyright-protected works in exploitation field E shall be accounted for as performances in exploitation field U.
- [3] If a usage report includes not only works to be classified according to distribution key I or III but also works to be classified according to distribution key IV, the share in the royalty revenue attributable to the use of such latter works shall be established in proportion to the total number of instances of use included in that usage report. The share in the royalty revenue attributable on that basis to works according to distribution key IV shall be distributed in distribution category ED.

#### § 73 Revenue to be distributed

In distribution category E, the royalty revenue available from licences granted for the types of use specified at § 72 and to be taken into account in distribution category E shall be distributed.

### § 74 Method of distribution of royalties

- [1] Royalties shall be distributed using a collective distribution model.
- [2] For each work, a point score shall be calculated by multiplying the number of performances of the work concerned as established according to § 68 by the point values of distribution key I or III.

- [3] If works or fragments of works are played as intermission and prelude music, introductory, interstitial and closing music, theme and signature tunes, this type of performances shall be multiplied by a factor of 1/3.
- [4] The value of a point will be established by dividing the net distributable amount by the total number of all points. The distribution sum per work shall be determined by multiplying the point score calculated for each work concerned by the point value.

# SECTION 4 DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORY ED (SERIOUS MUSIC DIRECT DISTRIBUTION)

### § 75 Subject matter of distribution category

In distribution category ED (Serious Music Direct Distribution), royalties shall be distributed for performances [*Aufführung*] within the meaning of Sec. 19 Para. 2 *UrhG* of works of serious music in the following cases:

- (a) Performances of works according to distribution key IV pursuant to § 66 para. 2.
- (b) Performances of works as part of public events not qualifying as concerts that have nevertheless been accounted for to GEMA such as, for example, rehearsals, final rehearsals and open singing and playing sessions and use of musical works in the form of installations.
- (c) Performances of works organised by or staged at schools, colleges, universities or other educational institutions during normal teaching hours, at hospitals and other healthcare facilities as well as at senior citizens' homes or other social care facilities (except events run by schools, colleges or universities themselves with teachers and/or students performing the music).
- (d) Performances of works held outdoors, at a location that is freely accessible to the public, including at a covered venue (e.g. in the concourse of a train station, in the lobby of a building, in a gallery or shopping arcade that is open to the general public, in a pedestrian zone, in a mall, etc.) for the passers-by in the area.
- (e) Performances of works at what is known as "happenings", home concerts or similar events.
- (f) Performances of works delivered to a total audience of less than 10 persons. Persons present who are part of the organisers of the event or are participants in it shall not be counted for this purpose.

#### § 76 Revenue to be distributed

In distribution category ED, the royalty revenue available from licences granted for the types of use specified at § 75 shall be distributed.

#### § 77 Method of distribution of royalties

Royalties shall be distributed using the direct distribution model.

# SECTION 5 DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORY KI (MUSIC IN CHURCH SERVICES)

#### § 78 Subject matter of distribution category

In distribution category KI (Music in Church Services), royalties shall be distributed to works for use as part of church services, in particular if such use is by way of performance [Aufführung] within the meaning of Sec. 19 Para. 2 UrhG.

#### § 79 Revenue to be distributed

In distribution category KI, the royalty revenue available from licences granted for the types of use specified at § 78 shall be distributed. In doing this, the royalty revenue from the use of music in the Catholic church shall be distributed in sub-distribution category KK, that received for the use of music in the Protestant church in distribution subcategory EK and that received for the use of music in the New Apostolic Church in distribution subcategory NAK.

### § 80 Method of determining the number of uses

- [1] In distribution category KI, the number of uses shall generally be established by sampling undertaken by the churches concerned. The type and scope of these surveys shall be determined by the Supervisory Board and the Managing Committee. The principles governing such sampling shall be published. Complaints regarding individual instances of use cannot be accepted as the surveys are conducted on a spot-check basis.
- [2] In deviation from the provisions of para. 1, longer works with a playing time of over 10 minutes that have not been taken into account in the sampling process shall be taken into account on the basis of case-by-case reports from the churches, respectively.

#### § 81 Method of distribution of royalties

- [1] Royalties shall be distributed using a collective distribution model.
- [2] The net distributable amount available in each of distribution subcategories KK, EK and NAK shall be distributed to the authors and publishers named in the respective usage reports. In doing so, each named author of the work concerned shall receive two credits for each use established according to § 80 and each named publisher shall receive one credit. The credits attributable to the use of the works concerned as established by sampling pursuant to § 80 para. 1 shall be multiplied by a factor determined by way of linear extrapolation of the sample data. The credits attributable to the use of works taken into account pursuant to § 80 para. 2 on the basis of the case-by-case reports from the churches shall be multiplied by a factor of 3 in the case of works with a playing time of over 10 minutes and with a factor of 6 in the case of works with a playing time of over 20 minutes.
- [3] The distribution sum per share shall be determined by dividing the net distributable amount available for each distribution subcategory by the total number of all shares to be taken into account for the distribution subcategory concerned. The distribution sum per entitled party shall be determined by multiplying the number of shares calculated for the party concerned by the distribution sum per share.

# SECTION 6 DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORY U (LIVE EVENTS WITH ENTERTAINMENT MUSIC)

#### § 82 Subject matter of distribution category

[1] In distribution category U (Live Events with Entertainment Music), royalties shall be distributed to works for performances [Aufführung] within the meaning of Sec. 19 Para. 2 *UrhG* and, in the case referred to in § 87a, for communication to the public [öffentliche Wiedergabe] within the meaning of Sec. 21 *UrhG* by means of mechanical devices<sup>27</sup> at events with entertainment music, unless they are to be distributed using the direct distribution model in distribution categories UD or BM or they are to be distributed in distribution category KI.

[2] If works of serious music have been performed at an event with entertainment music, they shall be accounted for in distribution category E. Usage reports about events held at health spa and seaside resorts that are received in exploitation field U shall be considered for the purposes of distribution in exploitation field E if the concerts concerned were concerts of serious music.

#### § 83 Revenue to be distributed

In distribution category U, the royalty revenue available from licences granted for the types of use specified at § 82 and to be taken into account in distribution category U shall be distributed.

### § 84 Definition of royalty segments

The following royalty segments are defined:

- Royalties received from licensing agreements under which the royalty amount cannot be allocated to individual events, in particular because of applicable tariff provisions,
- (2) Events yielding a royalty amount of up to EUR 50.00,
- (3) Events yielding a royalty amount between EUR 50.01 and EUR 100.00 inclusive,
- (4) Events yielding a royalty amount between EUR 100.01 and EUR 150.00 inclusive,
- (5) Events yielding a royalty amount between EUR 150.01 and EUR 200.00 inclusive,
- (6) Events yielding a royalty amount between EUR 200.01 and EUR 250.00 inclusive,
- (7) Events yielding a royalty amount between EUR 250.01 and EUR 350.00 inclusive,
- (8) Events yielding a royalty amount between EUR 350.01 and EUR 500.00 inclusive,

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<sup>&</sup>lt;sup>27</sup> The version as adopted by resolution of the 2020 General Assembly shall apply to distributions for financial years 2021 to 2023.

- (9) Events yielding a royalty amount between EUR 500.01 and EUR 1,000.00 inclusive,
- (10) Events yielding a royalty amount between EUR 1,000.01 and EUR 5,000.00 inclusive,
- (11) Events yielding a royalty amount between EUR 5,000.01 and EUR 10,000.00 inclusive,
- (12) Events yielding a royalty amount of EUR 10,000.01 and over.

#### § 85 Distribution of royalties on the basis of point values

- [1] The amount collected in each of the royalty segments specified in § 84 no. (1) to (8) shall be distributed separately for each royalty segment according to point values. For this purpose, the net distributable amount and the number of performances of the works concerned shall be determined for each royalty segment. In the case of performances in respect of which there are no usage reports, the number of performances of the works concerned shall be determined by way of linear extrapolation of the number of performances established on the basis of the usage reports.
- [2] The numbers of performances established for variety and cabaret shows (other than circus performances) and for concerts of entertainment music shall be multiplied by a factor of 2, and the numbers of performances established for events held at health spa and seaside resorts shall be multiplied by a factor of 1.5.
- [3] The numbers of performances established for potpourris of copyright-protected works for large orchestra (with 19 or more separate parts) shall be multiplied by a factor of 4. As a condition for this, the potpourri concerned must have been declared to GEMA as a composition for large orchestra and must have been performed with the declared instrumentation. This paragraph shall not apply to potpourris of own works as described in § 194 para. 6.
- [4] If works or fragments of works are played as intermission and prelude music, introductory, interstitial and closing music, theme and signature tunes, this type of performances shall be multiplied by a factor of 1/3.
- [5] A point score shall be calculated for each work in each royalty segment. To this end, the number of performances established for each work shall be multiplied by the point values of distribution key II.
- [6] The value of a point will be determined by dividing the net distributable amount by the total number of all points determined for the royalty segment concerned. The distribution per work shall be made by multiplying the point score calculated for each work concerned by the point value.

#### § 86 Distribution of royalties on the basis of events

The amount collected in each of the royalty segments specified in § 84 no. (9) to (12) shall be distributed separately for each royalty segment according to the events evidenced by usage reports. In doing this, royalties shall be distributed to each event evidenced by a usage report in an amount equal to the net amount collected for the event concerned. This amount shall be divided equally among all performances of works at the event concerned. The net amount collected in each royalty segment for those events which are not evidenced by usage reports shall be distributed as a percentage

supplement in addition to the distribution sum determined according to the foregoing sentences.

# § 87 Distribution of royalties in the case of events including a warm-up programme and a main programme

If the usage report submitted by the organiser of an event distinguishes between a warm-up programme and a main programme, or between opening acts and main acts, that usage report shall be accounted for in the royalty segment within which the total royalty amount for the event falls. If royalties are distributed on the basis of events according to § 86, 10% of the total royalty amount shall be allocated to the warm-up programme or opening act and 90% to the main programme or main act. If two or more opening or main acts have performed, the royalty amount attributable to the opening acts or main acts, respectively, shall be divided equally among them.

#### § 87a Concert-type DJ acts

Usage reports in relation to mechanical reproduction by DJs shall also be taken into account in the distribution of royalties on the basis of events pursuant to § 86 if the music (a) is played back to an audience gathered primarily for this purpose and (b) is at the centre of attention (concert-type DJ acts), provided that such usage reports meet GEMA's requirements as to form. This provision shall not apply, for example, to communications [*Wiedergaben*] as background, intermission and filler music. The concert-type nature of the act must be confirmed by the organiser of the event.<sup>28</sup>

# SECTION 7 DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORY UD (ENTERTAINMENT MUSIC DIRECT DISTRIBUTION)

#### § 88 Subject matter of distribution category

In distribution category UD (Entertainment Music Direct Distribution), royalties shall be distributed for performances [*Aufführung*] within the meaning of Sec. 19 Para. 2 *UrhG* of works of entertainment music in the following cases:

- (a) Performances of works according to distribution key IV pursuant to § 66 para. 2.
- (b) Performances of works as part of public events not qualifying as concerts that have nevertheless been accounted for to GEMA such as, for example, rehearsals, final rehearsals and open singing and playing sessions and use of musical works in the form of installations.
- (c) Performances of works organised by or staged at schools, colleges, universities or other educational institutions during normal teaching hours, at hospitals and other healthcare facilities as well as at senior citizens' homes or other social care facilities (except events run by schools, colleges or universities themselves with teachers and/or students performing the music).
- (d) Performances of works held outdoors, at a location that is freely accessible to the public, including at a covered venue (e.g. in the concourse of a train station, in the lobby of a building, in a gallery or shopping arcade that is open to the general public, in a pedestrian zone, in a mall, etc.) for the passers-by in the area.

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<sup>&</sup>lt;sup>28</sup> Applies to distributions of royalties for financial years 2021 to 2023.

- (e) Performances of works at what is known as "happenings", home concerts or similar events.
- (f) Performances of works delivered to a total audience of less than 10 persons. Persons present who are part of the organisers of the event or are participants in it shall not be counted for this purpose.
- (g) Usage reports including works over 50% of which have a playing time of up to 2 minutes, or in which the ratio of the total duration of the performance and the number of performances of works gives an average of over 30 performances of works per hour.
- (h) Upon formal request, royalties on works forming part of single events in the field of entertainment music pursuant to § 84 no. (12) and at least 90% of which are by one particular author or collective of authors within the meaning of Secs. 8 and 9 UrhG shall be distributed using the direct distribution model. For events consisting of a warm-up programme and a main programme, or of opening acts and main acts, direct distribution may be requested only for the main programme or the main act.

If the works performed are not exclusively works of the rights holders making the formal request but up to 10% are works of other rights holders, the royalties to be distributed using the direct distribution model shall be calculated on the basis of such portion of the net royalty amount as corresponds to the number of works in respect of which direct distribution is requested in proportion to the total number of works performed at the event. Use of the works of the other rights holders shall be taken into account, based on the remaining portion of the net royalty amount, in distribution category U according to § 86 in conjunction with § 84 no. (12).

A formal request to this effect must be by all rights holders in the works concerned jointly and shall only apply to those works of the requesting party or parties that were performed at the events specified in the first paragraph of lit. h above.

The formal request must be made within 6 weeks of the event.

#### § 89 Revenue to be distributed

In distribution category UD, the royalty revenue available from licences granted for the types of use specified at § 88 shall be distributed.

### § 90 Method of distribution of royalties

Royalties shall be distributed using the direct distribution model.

# CHAPTER 3: DISTRIBUTION OF ROYALTIES IN THE DISTRIBUTION CATEGORIES OF BROADCASTING USE

#### SECTION 1 GENERAL PROVISIONS

#### § 91 Distribution categories of broadcasting use

[1] Broadcasting use comprises the distribution categories of radio (distribution categories R and R VR) and television (distribution categories FS, T FS, FS VR and T FS VR).

[2] For the distribution of royalties in the distribution categories of radio and television, the General Assembly adopted the principles set forth below as an integral overall solution. Their purpose is to strike the right balance between the objectives of distributing royalties on a per-use basis and promoting culture (in particular the Germanlanguage repertoire and contemporary serious music). The Supervisory Board and the Managing Committee shall review the effects of these distribution rules on an ongoing basis.

# § 92 Allocation of royalty revenue from the use of music in broadcasts to the distribution categories of broadcasting use

- [1] The royalty amount GEMA receives for the use of music in broadcasts shall be divided among the distribution categories of radio and television based on the remuneration determined for the various radio stations and TV channels according to the calculation bases applicable to each tariff and the respective music portions. For public service broadcasters, the remuneration they are required to pay based on their revenue from Germany's compulsory broadcasting levy [Rundfunkbeitrag] is currently calculated taking into account the financing demand of radio and television within the public broadcasting sector. The Supervisory Board may decide by resolution that, if there are objective grounds for doing so, costs which are excluded from the calculation of the remuneration payable shall nevertheless be taken into account in the division of the revenue received on the basis of Germany's compulsory broadcasting levy for the use of music in the public broadcasting sector among the radio and television distribution categories. The effects the determination of revenue portions on the basis of the financing demand of the public broadcasting sector has on the distribution of royalties shall be reviewed on a regular basis. The Managing Committee shall inform the Supervisory Board promptly of any material changes in structure and quantity which concern the establishment of this financing demand.
- [2] 66 2/3% of the distributable revenue from the use of music on the radio shall be allocated to the broadcasting right and 33 1/3% to the mechanical rights. The portion allocated to the broadcasting right shall be distributed in distribution category R according to § 100. The portion allocated to the mechanical rights shall be distributed in distribution category R VR according to § 104.
- [3] The manner in which the distributable revenue from the use of music on television is split between the broadcasting right and the mechanical rights shall depend on the proportion the number of minutes attributable to distribution category FS bore to the total number of minutes (excluding advertising within the meaning of § 1 k of the Deed of Assignment) established per TV channel in the previous year (the "FS proportion"). For the purposes of this provision, "minutes" means the number of broadcasting minutes multiplied by the coefficients applicable to TV programmes pursuant to § 107. Depending on the FS proportion, the revenue shall be split between the following three segments:
  - (a) Segment 1: In the case of TV channels with an FS portion of 100% to 66.67%, the distributable revenue from the use of music on television shall be split between the broadcasting right and the mechanical rights in a proportion of 2 to 1.
  - (b) Segment 2: In the case of TV channels with an FS portion of 66.66% to 33.33%, the distributable revenue from the use of music on television shall be split

between the broadcasting right and the mechanical rights in a proportion of 2 to 2/3.

(c) Segment 3: In the case of TV channels with an FS portion of 33.32% to 0%, the distributable revenue from the use of music on television shall be split between the broadcasting right and the mechanical rights in a proportion of 2 to 1/3.

For the split of the revenue received for the use of music in TV channels in respect of which an FS proportion cannot be established individually, an FS proportion corresponding to the average of all FS proportions established shall be referred to as a basis.

[4] The share of the distributable revenue from the use of music on television to be allocated to the broadcasting right shall be distributed in distribution categories FS and TFS at a minute value based on a joint net distributable amount. The share of the distributable revenue from the use of music on television to be allocated to the mechanical rights shall be distributed in distribution categories FS VR and TFS VR at a minute value based on a joint net distributable amount. Royalties shall be distributed according to § 110 for distribution categories FS and TFS and according to § 114 for distribution categories FS VR and TFS VR.

# § 93 Method of determining the number of uses in the distribution categories of broadcasting use

- [1] In the distribution categories of radio and television, the number of uses shall generally be established on the basis of the usage reports provided by broadcasters and, if applicable, third parties. Further details shall be determined by the Supervisory Board as the need arises.
- [2] Royalties shall be distributed according to the playing time specified in the usage reports.

#### § 94 Exception from usage-report based distribution of royalties

- [1] In radio and television, royalty revenue received from broadcasters which, taking into account the portion of revenue from cable retransmission and the royalty split pursuant to § 92 para. 1, stays below a threshold (the threshold for a programme analysis-based distribution) to be determined by the Supervisory Board for radio or television use, respectively, shall not be distributed on the basis of usage reports. The portion of revenue from domestic cable retransmission shall be taken into account only for radio stations and TV channels in which the music portion relevant to remuneration makes up at least 1%.
- [2] In the event that the royalty revenue GEMA generates from a broadcaster exceeds the applicable threshold for a programme analysis-based distribution in a financial year and that broadcaster has a reporting procedure in place for the transmission of usage reports that meets GEMA's requirements as to form, the royalty revenue generated from that broadcaster will be continuously distributed on the basis of usage reports for the following financial years, regardless of any fluctuation in proceeds.
- [3] The royalty revenue not to be distributed on the basis of usage reports pursuant to para. 1 shall be distributed as a percentage supplement on the distribution sum in the distribution categories of radio and television. If in a given financial year individual works of an entitled party are used predominantly (based on the number of minutes actually

broadcast) by broadcasters in respect of which GEMA receives royalty revenue pursuant to para. 1 which stays below the threshold for a programme analysis-based distribution, royalties for these uses shall, upon formal request, be distributed in accordance with para. 4.

[4] Such a request can only be considered if it is made within 6 months of the relevant distribution date. The request must include verifiable information about the title of the work, the authors and publishers of it, the broadcaster and broadcasting station, the title of the programme, the time and date of the broadcast and the duration of the broadcast of the work and can only be considered if this information has been confirmed by the broadcaster concerned and a distribution sum of at least EUR 5.00 per work is to be expected. The distribution sum shall be determined on the basis of the actual extent to which the music concerned is used in proportion to the royalty revenue attributable to the broadcaster concerned. If the entitled party has received a distribution of royalties in the distribution categories of radio or television, respectively, for the financial year concerned, the distribution sum shall be reduced by the supplement included in this distribution of royalties in respect of those broadcasters which were not accounted for on the basis of usage reports. The distribution shall be made as part of the next distribution of broadcasting royalties following the request.

#### SECTION 2 DISTRIBUTION OF ROYALTIES IN THE DISTRIBUTION CATEGORIES OF RADIO

#### SUBSECTION 1. DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORY R (RADIO)

#### § 95 Subject matter of distribution category

In distribution category R (Radio), royalties shall be distributed to works for broadcasting [Sendung] within the meaning of Sec. 20 *UrhG* on the radio.

#### § 96 Revenue to be distributed

In distribution category R, the following royalty revenue shall be distributed:

- (a) The 66 2/3% share of the distributable revenue from the use of music on the radio to be allocated to the broadcasting right pursuant to § 92 para. 2,
- (b) 60% of the royalty revenue from playback by means of mechanical devices at cinemas pursuant to § 17,
- (c) 60% of the royalty revenue from other communication by means of audio recordings and communication of radio programmes pursuant to § 18, unless royalties are distributed using a direct distribution model upon formal request pursuant to § 130,
- (d) 100% of the royalty revenue from cable retransmission of radio programmes in Germany and abroad pursuant to § 19,
- (e) 20% of the royalty revenue received on the basis of the remuneration right for private reproductions of recordings on audio media pursuant to § 25 para. 2,<sup>29</sup>

<sup>&</sup>lt;sup>29</sup> The version as adopted by resolution of the 2018 General Assembly applies to the distribution of revenues GEMA receives for financial years from 2018 onwards.

- (f) 66.67% of the royalty revenue from use on Internet ratio which is not distributed in distribution categories I R and I R VR pursuant to § 152 para. 2,
- (g) 66.67% of the share of the revenue received from the distribution categories WEB and WEB VR allocated to the distribution categories of radio which is not distributed using a direct distribution method, or by way of distribution of supplements, in distribution categories WEB and WEB VR pursuant to § 187 para. 2 lit. b.

#### § 97 Weighting by broadcaster coefficients

- [1] For those radio stations in respect of which royalties are distributed on the basis of usage reports pursuant to § 93, variable broadcaster coefficients shall be established for each financial year. For radio use, a single broadcaster coefficient shall be established for the distribution of royalties in distribution categories R and R VR.
- [2] Broadcaster coefficients for private radio shall be established by dividing the net amount to be considered for each radio station by the number of minutes established for the radio station concerned. For public service radio, one broadcaster coefficient shall be established for each regional broadcasting corporation which shall apply to all radio stations of the broadcasting corporation concerned. To this end, the net amount attributable to radio for the broadcasting corporation concerned shall be divided by the total number of minutes established for all individual stations of that broadcasting corporation. The number of minutes for digital radio stations shall be established for this purpose using a factor that takes account of the economic and structural significance of digital radio within public service radio. For financial year 2013, this factor is one tenth. Decisions on adjustments of this factor for future financial years shall be taken by resolution of the Supervisory Board.
- [3] For the purposes of this provision, the net amount shall be the remuneration determined for each radio station according to its respective tariff basis and music portions, taking into account the royalty split pursuant to § 92 para. 1, plus the portion of revenue from cable retransmission and less the deductions provided for in § 29 and § 30. The revenue from domestic cable retransmission shall be allocated according to the range of cable retransmission, and the revenue from cable retransmission abroad shall be allocated according to the reports from foreign CMOs. The portion of revenue from domestic cable retransmission shall be taken into account only for radio stations in which the music portion relevant to remuneration makes up at least 1%. For the purposes of this provision, "minutes" means the number of broadcasting minutes. In order to keep minute values comparable after the reform of the distribution of broadcasting royalties adopted by the 2014 General Assembly, broadcaster coefficients for radio shall be multiplied by 1/3.

#### § 98 Weighting by culture factors

- [1] For all radio stations in respect of which royalties are distributed on the basis of usage reports pursuant to § 93, a culture factor shall be established on the basis of empirical observations and using the following criteria:
  - (1) Portion of German-language repertoire,
  - (2) Portion of serious music, jazz and other higher-level vocal and instrumental music,

- (3) Portion of broadcasts of own or commissioned productions of the radio station concerned.
- (4) Portion of broadcasts of live productions or live recordings,
- (5) Portion of music-related content under editorial supervision,
- (6) Portion of regional repertoire,
- (7) Portion of non-mainstream niche repertoire,
- (8) Portion of repertoire by young aspiring authors,
- (9) Portion of content dedicated to music events hosted by the radio station itself (festivals, concerts, etc.),
- (10) Programme diversity measured by the number of different works per station.
- [2] The degree to which each radio station fulfils each of the criteria specified in para. 1 shall be determined for each financial year. To this end, 3 fulfilment levels shall be defined for each of the criteria specified in para. 1 no. (3) to (10), with the following point scores being allocated to each level:

Level 1: 1 point Level 2: 3 points Level 3: 5 points

5 fulfilment levels shall be defined for each of the criteria specified in para. 1 no. (1) and (2), with the following point scores being allocated to each level:

Level 1: 1 point
Level 2: 3.5 points
Level 3: 6 points
Level 4: 8.5 points
Level 5: 11 points

- [3] The culture factor applicable to a radio station shall be determined by dividing the total number of points calculated for it by the number of criteria.
- [4] In order to establish, regularly review and adjust the culture factors, a Radio Committee shall be formed of 3 Supervisory Board members to be appointed by the Supervisory Board (each coming from one of the three professional categories), and 3 Works Committee members to be appointed by the Works Committee (each coming from one of the three professional categories). The Rules of Procedure governing the committees and commissions of the Supervisory Board shall apply to the Radio Committee *mutatis mutandis*. Meetings of the Radio Committee shall be convened by a Supervisory Board member sitting on the Radio Committee who was assigned this task by the Supervisory Board when the Supervisory Board members were appointed to the Radio Committee.
- [5] The culture factors established by the Radio Committee must be approved by the Supervisory Board. The culture factor established for each radio station shall be published.

#### § 99 Weighting in cases of parallel and simultaneous broadcasting

[1] If two or more regional programmes are temporarily broadcast in parallel via one radio station without separate royalties being collected for these different programmes,

the broadcasting time of those regional programmes shall be divided by the number of broadcasts aired in parallel.

[2] If a radio station broadcasts on two or more wave bands of one and the same broadcaster simultaneously, e.g. on the analogue MW and VHF bands, or on analogue and digital radio, etc., the broadcast shall be counted only once.

### § 100 Method of distribution of royalties

- [1] Royalties shall be distributed using a collective distribution model.
- [2] In distribution category R, a minute value is determined by dividing the net distributable amount by the total number of minutes established for the individual radio stations (minute value for the radio broadcasting right). For the purposes of this provision, the net distributable amount consists of the royalty revenue to be distributed in distribution category R pursuant to § 96, excluding the royalty revenue received on the basis of statutory remuneration rights. The distribution sum per work shall be determined by multiplying the total number of minutes calculated for instances at which the work concerned was used by the minute value for the radio broadcasting right. The royalty revenue received on the basis of statutory remuneration rights shall be distributed as a percentage supplement. The royalty revenue from cable retransmission, communication [Wiedergabe] and other secondary exploitation of dramatico-musical works, whether in their entirety, as a medley or in major parts, shall be distributed applying a pro rata minute value (minute value for the radio Grand Right).
- [3] For the purposes of this provision, "minutes" means the number of broadcasting minutes established on the basis of the usage reports, multiplied by the weighting factors pursuant to § 97 to § 99 and the point values for distribution category R according to distribution key I to IV.
- [4] If works or fragments of works are broadcast as intermission and prelude music, introductory, interstitial and closing music, theme and signature tunes on a regular basis, i.e. in connection with programmes broadcast on at least 5 consecutive days, or once per week in 7 consecutive weeks, the number of minutes weighted pursuant to § 97 to § 99 shall be multiplied by the following factors:
  - (1) up to 5,000 minutes, by one third;
  - (2) over 5,000 minutes up to 10,000 minutes, by one sixth;
  - (3) over 10,000 minutes, by one tenth.

This shall not apply to works according to distribution key II no. 5.

# Subsection 2. Distribution of royalties in distribution category R VR (Mechanical Right in Radio Broadcasts)

#### § 101 Subject matter of distribution category

In distribution category R VR (Mechanical Right in Radio Broadcasts), royalties shall be distributed to works for reproduction [Vervielfältigung] within the meaning of Sec. 16 Para. 1 UrhG for radio programmes.

#### § 102 Revenue to be distributed

In distribution category R VR, the following royalty revenue shall be distributed:

- (a) The 33 1/3% share of the distributable revenue from the use of music on the radio to be allocated to the mechanical rights pursuant to § 92 para. 2,
- (b) 75% of the revenue received for commercial reproduction of recordings on audio media in respect of which no usage reports are available pursuant to § 20 para. 1,
- (c) 25% of the revenue received on the basis of the remuneration right for the rental of audio recordings pursuant to § 22 para. 1,
- (d) 25% of the share in public lending right royalties attributable to the lending of audio recordings pursuant to § 23 para. 2,30
- (e) 10% of the royalty revenue received on the basis of the remuneration right for private reproductions of recordings on audio media pursuant to § 25 para. 2,
- (f) 33.33% of the royalty revenue from use on Internet ratio which is not distributed in distribution categories I R and I R VR pursuant to § 152 para. 2,
- (g) 33.33% of the share of the revenue received from the distribution categories WEB and WEB VR allocated to the distribution categories of radio which is not distributed using a direct distribution method, or by way of distribution of supplements, in distribution categories WEB and WEB VR pursuant to § 187 para. 2 lit. b.

### § 103 Weighting in distribution category R VR

The broadcaster coefficients established for the radio station concerned pursuant to § 97, and the culture factors established for it pursuant to § 98, and the weighting factors for parallel and simultaneous broadcasting pursuant to § 99 shall be applied in the distribution of royalties in distribution category R VR.

### § 104 Method of distribution of royalties

- [1] Royalties shall be distributed using a collective distribution model.
- [2] In distribution category R VR, a minute value is determined by dividing the net distributable amount by the total number of minutes established for the individual radio stations (minute value for the Mechanical Right in Radio Broadcasts). For the purposes of this provision, the net distributable amount consists of the royalty revenue to be distributed in distribution category R VR pursuant to § 102, excluding the royalty revenue received on the basis of statutory remuneration rights. The distribution sum per work shall be determined by multiplying the total number of minutes calculated for instances at which the work concerned was used by the minute value for the Mechanical Right in Radio Broadcasts. The royalty revenue received on the basis of statutory remuneration rights shall be distributed as a percentage supplement.

 $<sup>^{30}</sup>$  The version as adopted by resolution of the 2018 General Assembly applies to the distribution of revenues GEMA receives for financial years from 2018 onwards.

- [3] For the purposes of this provision, "minutes" means the number of broadcasting minutes established on the basis of the usage reports, multiplied by the weighting factors pursuant to § 103. § 100 para. 4 shall apply *mutatis mutandis*.
- [4] In cases where a publisher has acquired 100% of the mechanical rights in a work by foreign authors published in Germany, the shares of the authors shall also be paid to the publisher.

#### SECTION 3 DISTRIBUTION OF ROYALTIES IN THE DISTRIBUTION CATEGORIES OF TELEVISION

# Subsection 1. Distribution of royalties in distribution categories FS (Television) and T FS (Sound Film on TV)

#### § 105 Subject matter of distribution categories

- [1] In distribution category FS (Television), royalties shall be distributed to works used in own or commissioned productions of a TV channel for broadcasting [Sendung] within the meaning of Sec. 20 *UrhG* on television.
- [2] In distribution category T FS (Sound Film on TV), royalties shall be distributed to works used in films other than own or commissioned productions of a TV channel (i.e. to third-party productions) for broadcasting [Sendung] within the meaning of Sec. 20 *UrhG* on television.

### § 106 Revenue to be distributed

A joint distribution sum shall be formed for the distribution of royalties in distribution categories FS and T FS. The following types of royalty revenue shall be combined in this joint distribution sum:

- (a) The share of the distributable revenue from the use of music on TV to be allocated to the broadcasting right pursuant to § 92 para. 3,
- (b) 100% of the royalty revenue from the communication of TV broadcasts pursuant to § 15,
- (c) 20% of the royalty revenue from communication by means of audio-visual recordings pursuant to § 16,
- (d) 100% of the royalty revenue from cable retransmission of TV programmes in Germany and abroad pursuant to § 19,
- (e) 66.67% of the royalty revenue received on the basis of the remuneration right for private reproductions of recordings on audio-visual media pursuant to § 25 para. 3,
- (f) 66.67% of the royalty revenue from use on Internet television which is not distributed in distribution categories I FS, I T FS, I FS VR and I T FS VR pursuant to § 157 para. 2,<sup>31</sup>
- (g) 33.33% of the share of the revenue received from use by providers of video-ondemand (download) services that is allocated to the distribution categories of

<sup>&</sup>lt;sup>31</sup> The version as adopted by resolution of the 2018 General Assembly applies to the distribution of revenues GEMA receives for financial years from 2018 onwards.

- television and not distributed in distribution categories VOD D and VOD D VR pursuant to § 177 para. 2,
- (h) 66.67% of the share of the revenue received from use by providers of video-ondemand (streaming) services that is allocated to the distribution categories of television and not distributed in distribution categories VOD S and VOD S VR pursuant to § 182 para. 2,
- (i) 66.67 % of the share of the revenue received from the distribution categories WEB and WEB VR allocated to the distribution categories of television which is not distributed using a direct distribution method, or by way of distribution of supplements, in distribution categories WEB and WEB VR pursuant to § 187 para. 2 lit. d.

### § 107 Weighting by coefficients for TV programmes

- [1] Royalties shall be distributed in distribution categories FS and T FS by applying the following use-based coefficients:
  - [2] A coefficient of 0.1 shall apply to music accompanying videotext programmes.
  - [3] A coefficient of 1 shall apply to the following uses of works:
  - (a) Jingles, intermission and prelude music; introductory and closing music of serial programmes or series (own or commissioned productions of a TV channel) the individual episodes of which are broadcast as part of the programme of a station on a regular basis, i.e. on at least 5 consecutive days, or once per week in 7 consecutive weeks. If works are used according to this paragraph, the number of minutes weighted pursuant to § 107 to § 109 shall be multiplied by a factor of 1/3 if it is greater than 5,000 minutes and by a factor of 1/10 if it is greater than 10,000 minutes;
  - (b) other score music (other than introductory and closing music) used repeatedly to identify or accompany standard elements in the format of individual episodes of regularly broadcast serial programmes or series as described at lit. a, e.g. in talk shows, cookery shows or court TV shows or game shows. If works are used in these ways, the number of minutes weighted pursuant to § 107 to § 109 shall be multiplied by a factor of 1/6 if it is greater than 5,000 minutes and by a factor of 1/10 if it is greater than 10,000 minutes;
  - (c) other score music (other than introductory and closing music) used in regularly broadcast serial programmes or series as described at lit. a which include still or moving image material (e.g. footage of landscapes or space), mostly without spoken text. If works are used in these ways, the number of minutes weighted pursuant to § 107 to § 109 shall be multiplied by a factor of 1/6 if it is greater than 5,000 minutes and by a factor of 1/10 if it is greater than 10,000 minutes.
- [4] A coefficient of 1.25 shall apply to music used in third-party produced series broadcast daily, i.e. as a rule on 5 days per week and in two or more weeks of a year.
  - [5] A coefficient of 2 shall apply to the following uses of works:
  - (a) Music used in third-party productions other than music to which a coefficient of 1.25 applies;

- (b) music used in own or commissioned serial programmes or series of a TV channel (e.g. TV film, sports und information series) broadcast daily, i.e. as a rule on 5 days per week and in two or more weeks of a year to which a coefficient of 1 does not apply.
- (c) music accompanying commercials and other advertising films; in these cases, the number of minutes shall be weighted and multiplied by a coefficient of 2 in accordance with § 107 to § 109 so that the number of minutes in excess of 5,000 minutes is weighted at one third and the number of minutes in excess of 10,000 minutes shall be weighted at one tenth; for the avoidance of doubt, this shall not apply to the cases to be accounted for using a coefficient of 1 in distribution category FS pursuant to para. 3 (such as jingles, for example).
- [6] A coefficient of 3 shall apply to music to which coefficients 0.1, 1, 1.25, 2 and 6 do not apply.
  - [7] A coefficient of 6 shall apply to featured music.

#### § 108 Weighting by AR broadcaster coefficients

- [1] For those TV channels in respect of which royalties are distributed on the basis of usage reports pursuant to § 93, variable AR broadcaster coefficients shall be established for each financial year.
- [2] AR broadcaster coefficients shall be established by dividing the net amount to be considered for each TV channel by the number of minutes established for the TV channel concerned.
- [3] For the purposes of this provision, the net amount shall be the share of the remuneration to be allocated to the broadcasting right pursuant to § 92 para. 3 determined according to the royalty split pursuant to § 92 para. 1, plus the portion of revenue from cable retransmission and less the deductions provided for in § 29 and § 30. The revenue from domestic cable retransmission shall be allocated according to the range of cable retransmission, and the revenue from cable retransmission abroad shall be allocated according to the reports from foreign CMOs. The portion of revenue from domestic cable retransmission shall be taken into account only for TV channels in which the music portion relevant to remuneration makes up at least 1%. For the purposes of this provision, "minutes" means the number of broadcasting minutes multiplied by the coefficients applicable to TV programmes pursuant to § 107 and the weighting factors for parallel and regional broadcasting pursuant to § 109. In order to keep minute values comparable after the reform of the distribution of broadcasting royalties adopted by the 2014 General Assembly, AR broadcaster coefficients shall be multiplied by 1/2.

#### § 109 Weighting in cases of parallel and simultaneous broadcasting

- [1] If two or more regional programmes are temporarily broadcast in parallel via one TV channel without separate royalties being collected for these different programmes, the broadcasting time of those regional programmes shall be divided by the number of broadcasts aired in parallel.
- [2] If a TV channel broadcasts on two or more wave bands of one and the same broadcaster simultaneously, e.g. on analogue and digital TV, etc., the broadcast shall be counted only once.

### § 110 Method of distribution of royalties

- [1] Royalties shall be distributed using a collective distribution model.
- [2] In distribution categories FS and T FS, a minute value is determined by dividing the combined net distributable amount of the two distribution categories by the total number of minutes established for the individual TV channels (minute value for the TV broadcasting right). For the purposes of this provision, the net distributable amount consists of the royalty revenue to be distributed in distribution categories FS and T FS pursuant to § 106, excluding the royalty revenue received on the basis of statutory remuneration rights, which shall be distributed as a percentage supplement. For the purposes of this provision, "minutes" means the number of broadcasting minutes established on the basis of the usage reports, multiplied by the weighting factors pursuant to § 107 to § 109 and the point values for distribution category FS according to distribution key I to IV.
- [3] In distribution category FS, the distribution sum per work shall be determined by multiplying the total number of minutes calculated for instances at which the work concerned was used by the minute value for the TV broadcasting right. The number of minutes for works to be accounted for in distribution category FS shall be determined by multiplying the number of broadcasting minutes established on the basis of the usage reports by the weighting factors pursuant to § 107 to § 109 and the point values for distribution category FS according to distribution key I to IV.
- [4] In distribution category T FS, the distribution sum per work shall be determined by multiplying the total number of music seconds calculated for the instances at which the work concerned was used by a music second value derived from the minute value for the TV broadcasting right. The number of music seconds for works to be accounted for in distribution category T FS shall be determined by multiplying the number of broadcasting seconds established on the basis of the usage reports by the weighting factors pursuant to § 107 to § 109.
- [5] The royalty revenue from cable retransmission, communication [*Wiedergabe*] and other secondary exploitation of dramatico-musical works, whether in their entirety, as a medley or in major parts, shall be distributed applying a *pro rata* minute value (minute value for the TV Grand Right).

# Subsection 2. Distribution of royalties in distribution categories FS VR (Mechanical Right in TV Broadcasts) and T FS VR (Mechanical Right in Sound Film on TV)

#### § 111 Subject matter of distribution categories

- [1] In distribution category FS VR (Mechanical Right in TV Broadcasts), royalties shall be distributed to works used in own or commissioned productions of a TV channel for reproduction [Vervielfältigung] within the meaning of Sec. 16 Para. 1 UrhG for TV programmes and, if applicable, for exploitation of the synch right.
- [2] In distribution category T FS VR (Mechanical Right in Sound Film on TV), royalties shall be distributed to works used in third-party productions for reproduction [Vervielfältigung] within the meaning of Sec. 16 Para. 1 UrhG for TV programmes.

#### § 112 Revenue to be distributed

A joint distribution sum shall be formed for the distribution of royalties in distribution categories FS VR and TFS VR. The following types of royalty revenue shall be combined in this joint distribution sum:

- (a) The share of the distributable revenue from the use of music on TV to be allocated to the mechanical rights pursuant to § 92 para. 3,
- (b) 95% of the revenue received for commercial reproduction of recordings on audiovisual media in respect of which no usage reports are available pursuant to § 21,
- (c) 25% of the revenue received on the basis of the remuneration right for the rental of audio-visual recordings pursuant to § 22 para. 2,
- (d) 25% of the share in public lending right royalties attributable to the lending of audio-visual recordings pursuant to § 23 para. 3,
- (e) 33.33% of the royalty revenue received on the basis of the remuneration right for private reproductions of recordings on audio-visual media pursuant to § 25 para. 3,32
- (f) 33.33% of the royalty revenue from use on Internet television which is not distributed in distribution categories I FS, I T FS, I FS VR and I T FS VR pursuant to § 157 para. 2,
- (g) 66.67% of the share of the revenue received from use by providers of video-ondemand (download) services that is allocated to the distribution categories of television and not distributed in distribution categories VOD D and VOD D VR pursuant to § 177 para. 2,
- (h) 33.33% of the share of the revenue received from use by providers of video-ondemand (streaming) services that is allocated to the distribution categories of television and not distributed in distribution categories VOD S and VOD S VR pursuant to § 182 para. 2,
- (i) 33.33 % of the share of the revenue received from the distribution categories WEB and WEB VR allocated to the distribution categories of television which is not distributed using a direct distribution method, or by way of distribution of supplements, in distribution categories WEB and WEB VR pursuant to § 187 para. 2 lit. d.

#### § 113 Weighting in distribution categories FS VR and T FS VR

- [1] Royalties shall be distributed in distribution categories FS VR and T FS VR by applying the coefficients applicable to TV programmes pursuant to § 107. If works are used in a manner in respect of which GEMA does not license the synch right to the broadcasting organisations concerned, the number of minutes weighted by the respective coefficients shall be multiplied by 1/10.
- [2] For those TV channels in respect of which royalties are distributed on the basis of usage reports pursuant to § 93, variable VR broadcaster coefficients shall be established

 $<sup>^{32}</sup>$  The version as adopted by resolution of the 2018 General Assembly applies to the distribution of revenues GEMA receives for financial years from 2018 onwards.

for each financial year. VR broadcaster coefficients shall be established by dividing the net amount to be considered for each TV channel by the number of minutes established for the TV channel concerned. For the purposes of this provision, the net amount shall be the share of the remuneration to be allocated to the mechanical rights pursuant to § 92 para. 3 determined according to the royalty split pursuant to § 92 para. 1, less the commission provided for in § 29 para. 4. For the purposes of this provision, "minutes" means the number of broadcasting minutes multiplied by the weighting factors applicable according to paras. 1 and 3.

[3] Royalties shall be distributed in distribution categories FS VR and T FS VR by applying the weighting factors for parallel and simultaneous broadcasting pursuant to § 109.

### § 114 Method of distribution of royalties

- [1] Royalties shall be distributed using a collective distribution model.
- [2] In distribution categories FS VR and T FS VR, a minute value is determined by dividing the combined net distributable amount of the two distribution categories by the total number of minutes established for the individual TV channels (minute value for the reproduction and synch right in television broadcasts). For the purposes of this provision, the net distributable amount consists of the royalty revenue to be distributed in distribution categories FS VR and T FS VR pursuant to § 112, excluding the royalty revenue received on the basis of statutory remuneration rights, which shall be distributed as a percentage supplement. For the purposes of this provision, "minutes" means the number of broadcasting minutes established on the basis of the usage reports, multiplied by the weighting factors applicable according to § 113 paras. 1 to 3.
- [3] In distribution category FS VR, the distribution sum per work shall be determined by multiplying the total number of minutes calculated for instances at which the work concerned was used by the minute value for the reproduction and synch right in television broadcasts. The number of minutes for works to be accounted for in distribution category FS VR shall be determined by multiplying the number of broadcasting minutes established on the basis of the usage reports by the weighting factors pursuant to § 113 paras. 1 to 3.
- [4] In distribution category TFS VR, the distribution sum per work shall be determined by multiplying the total number of music seconds calculated for instances at which the work concerned was used by a music second value derived from the minute value for the reproduction and synch right in television broadcasts. The number of music seconds for works to be accounted for in distribution category TFS VR shall be determined by multiplying the number of music seconds established on the basis of the usage reports by the weighting factors pursuant to § 113 paras. 1 to 3.
- [5] In cases where a publisher has acquired 100% of the mechanical rights in a work by foreign authors published in Germany, the shares of the authors shall also be paid to the publisher.

# CHAPTER 4: DISTRIBUTION OF ROYALTIES IN THE DISTRIBUTION CATEGORIES OF COMMUNICATION USE

### § 115 Distribution categories of communication use

Communication use comprises the distribution categories of communication to the public [öffentliche Wiedergabe] pursuant to Secs. 21 and 22 *UrhG* (distribution categories DK, EM and M) as well as distribution category DK VR.

# SECTION 1 DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORY DK (MUSIC PLAYBACK IN DISCOTHEQUES)

#### § 116 Subject matter of distribution category

In distribution category DK (Music Playback in Discotheques), royalties shall be distributed to works for communication to the public [öffentliche Wiedergabe] within the meaning of Sec. 21 *UrhG* at discotheques, nightclubs, etc.

#### § 117 Revenue to be distributed

In distribution category DK, the royalty revenue available from licences granted for the types of use specified at § 116 shall be distributed.

#### § 118 Method of determining the number of uses

In distribution category DK, the number of minutes for which a work was communicated shall be established on the basis of a statistically verified monitoring process to be defined by the Supervisory Board and the Managing Committee. The principles underlying this monitoring process shall be published. Complaints regarding individual instances of use cannot be accepted as the repertoire is determined by the monitoring process and representative sampling.

#### § 119 Method of distribution of royalties

- [1] Royalties shall be distributed using a collective distribution model.
- [2] Royalties shall be distributed on the basis of a minute value. The total number of minutes of playback shall be established for each work identified in the monitoring process. The minute value will be established by dividing the net distributable amount by the total number of all minutes of playback. The distribution sum per work shall be determined by multiplying the number of minutes established for each work concerned by the minute value.

# SECTION 2 DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORY DK VR (MECHANICAL RIGHT IN MUSIC PLAYBACK IN DISCOTHEQUES)

#### § 120 Subject matter of distribution category

In distribution category DK VR (Mechanical Right in Music Playback in Discotheques), royalties shall be distributed to works for reproduction [*Vervielfältigung*] within the meaning of Sec. 16 Para. 1 UrhG by disk jockeys for the purpose of communication to the public at discotheques, nightclubs, etc.

#### § 121 Revenue to be distributed

In distribution category DK VR, the royalty revenue available from licences granted for the types of use specified at § 120 shall be distributed.

#### § 122 Method of distribution of royalties

- [1] Royalties shall be distributed using a collective distribution model.
- [2] Royalties shall be distributed on the basis of a minute value. The minute value will be established by dividing the net distributable amount by the total number of all minutes of playback as established for distribution category DK according to § 118. The distribution sum per work shall be determined by multiplying the number of minutes established according to § 119 para. 2 for each work concerned by the minute value.

# SECTION 3 DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORY EM (SERIOUS MUSIC PLAYBACK)

#### § 123 Subject matter of distribution category

In distribution category EM (Serious Music Playback), royalties shall be distributed to works of serious music for communication to the public [öffentliche Wiedergabe] within the meaning of Sec. 21 *UrhG* by means of mechanical devices, unless they are distributed in distribution category BM.

#### § 124 Revenue to be distributed

In distribution category EM, the royalty revenue available from licences granted for the types of use specified at § 123 shall be distributed.

#### § 125 Method of determining the number of uses

In distribution category EM, royalties shall be distributed on the basis of usage reports. § 68 shall apply *mutatis mutandis* to the method of determining the number of uses.

#### § 126 Method of distribution of royalties

Royalties shall be distributed using the direct distribution model.

# SECTION 4 DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORY M (ENTERTAINMENT MUSIC PLAYBACK)

#### § 127 Subject matter of distribution category

In distribution category M (Entertainment Music Playback), royalties shall be distributed to works for communication to the public [öffentliche Wiedergabe] within the meaning of Secs. 21 and 22 *UrhG*, unless they are distributed in another distribution category.

### § 128 Revenue to be distributed

In distribution category M, the following royalty revenue shall be distributed:

(a) 20% of the royalty revenue from communication by means of audio-visual recordings pursuant to § 16,

- (b) 40% of the royalty revenue from playback by means of mechanical devices at cinemas pursuant to § 17,
- (c) 40% of the royalty revenue from other communication by means of audio recordings and communication of radio programmes pursuant to § 18.

#### § 129 Method of distribution of royalties

- [1] An M supplement of 20% shall be added to the royalties received in distribution category U according to § 86 and to the royalties received in distribution category UD, excluding performances of works pursuant to § 88 lit. b to f.
- [2] The net distributable amount of distribution category M remaining after deduction of this supplement shall be accounted for with respect to the works performed at events with entertainment music according to § 85 on the basis of extrapolated and weighted numbers of performances. For each work, a point score shall be calculated by multiplying the extrapolated and, if applicable, weighted number of performances of the work concerned by the point values of distribution key II. The value of a point will be established by dividing the net distributable amount by the total number of all points. The per work distribution sum shall be determined by multiplying the point score calculated for the work concerned by the point value, provided that the per work distribution sum shall be limited to double the total amount of royalties distributed to that work for performances at events with entertainment music according to § 85 for the entire financial year. The amount remaining after this cap shall be distributed as a percentage supplement in addition to the distribution sums determined for distribution category M by accounting on the basis of extrapolated and weighted numbers of performances. If the costs of distribution of a supplement are disproportionately high relative to the amount of royalty revenue that remains to be distributed, this amount may be treated as non-distributable, subject to the consent of the Supervisory Board.
- [3] Over 100 actual performances of a work weighted according to § 85 para. 4 can only be considered in distribution category M if at least 2 minutes weighted according to § 97 to § 99 or § 107 to § 109 have been accounted for with respect to the work concerned in distribution category R or distribution category FS in the same or the previous financial year. In the case of potpourris of copyright-protected works according to § 194 para. 4 and 5, each actual performance is allocated to the works or parts of works accounted for according to the allocation key defined in this provision, for which purpose 12/12 (100%) shall be counted as one performance.

#### Special provision for distributions for financial years 2020 and 2021

In deviation from § 129 para. 2 sentence 3 of the Distribution Plan, no separate point value shall be calculated for the distribution of royalties in distribution category M for financial year 2020. Instead, the distribution of royalties pursuant to § 129 para. 2 of the Distribution Plan for financial year 2020 shall be based on an average point value. This average point value shall be calculated as the average of the point value for distribution category M for financial years 2017 to 2019, respectively. The amount remaining of the net distributable amount for financial year 2020 due to the application of the average point value shall be distributed as a percentage supplement to the distributions in distribution category M for financial years 2018 and 2019.

In the event that the point value calculated in accordance with § 129 para. 2 sentence 3 for financial year 2021 exceeds the average point value of financial years 2017 to 2019 by more

than 20%, the distribution of royalties pursuant to § 129 para. 2 for financial year 2021 shall be based not on the calculated point value but on the average point value for financial years 2017 to 2019. If this is the case, the amount remaining of the net distributable amount for financial year 2021 due to the application of the average point value shall be distributed as a percentage supplement to the distributions in distribution category M for financial years 2018 to 2020. Amounts distributed as a percentage supplement to the distributions for financial years 2018 and 2019 on the basis of the special provision for distributions for financial year 2020 shall not be taken into account in calculating the percentage supplement for financial year 2021.

#### § 130 Direct distribution upon formal request

- [1] If royalty revenue from other communication by means of audio recordings and communication of radio programmes according to § 18 cannot be distributed in distribution category M according to § 129 because the works performed were not performed live, the 40% share of this revenue allocated to distribution category M shall, upon formal request, be distributed using a direct distribution model. For works that are not performed live and to which no royalties are distributed in distribution category R, 100% of the distributable revenue from uses according to sentence 1 shall be distributed using a direct distribution model.
- [2] In order for a direct distribution model to be used, the following conditions must be met:
  - (a) A specific revenue amount can be attributed to the use concerned.
  - (b) An entitled person having a share in the works used has submitted a formal request in compliance with GEMA's requirements as to form (if applicable, also on behalf of all other entitled persons having a share in the works to which the formal request relates) for direct distribution to GEMA by 30 June of the year following the year when the use concerned occurred. The request must specify the works in respect of which direct distribution is requested, the user and the exploitation to which the request relates.
  - (c) The request must be accompanied by a confirmation from the user stating the period in which the works specified in the request were used and what portion they represent relative to the total number of work performances in the period concerned. The portion shall generally be stated pro rata temporis. If the user is unable to do this in the individual case concerned, the portion may also be stated pro rata numeris. In justified cases, GEMA may request submission of a complete list of performances confirmed by the user in compliance with GEMA's requirements as to form as evidence.
  - (d) A distribution sum of at least EUR 10.00 per work is to be expected from direct distribution.
- [3] The royalties to be distributed using the direct distribution model shall be calculated on the basis of the information provided by the user pursuant to para. 2 lit. c. They shall be calculated on the basis of the proportion the period to which the formal request relates bears to the total duration of exploitation and the proportion the work performances in respect of which direct distribution is requested represent relative to the total duration of work performances in the period to which the request relates.

- [4] Distributions shall be made by 1 November of the year following the year in which the works were used.
- [5] The Distribution Plan Committee may determine flat amounts for hardship cases to be taken into account. "Hardship cases" are cases where works are performed regularly within the meaning of para. 1 in contexts which repeat themselves on a regular basis and in respect of which direct distribution according to para. 2 is not possible because a specific revenue cannot be attributed to the performance concerned according to para. 2 lit. a, or because it is impossible, or possible only at disproportionate cost, to establish the proportion the work performances represent according to para. 2 lit. b. The other conditions specified in paragraphs 1 and 2 shall apply *mutatis mutandis*. In determining the flat amounts, past experience regarding the average revenue and the number of work performances for similar types of use shall be taken into account. The flat amounts shall be published.

# CHAPTER 5: DISTRIBUTION OF ROYALTIES IN THE DISTRIBUTION CATEGORIES OF SCREENING USE

#### § 131 Distribution categories of screening use

Screening use comprises the distribution categories of film screening (distribution categories T, TD and TD VR).

#### SECTION 1 DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORY T (SOUND FILM)

#### § 132 Subject matter of distribution category

In distribution category T (Sound Film), royalties shall be distributed to works for presentation [*Vorführung*] of audio-visual works (films) within the meaning of Sec. 19 Para. 4 *UrhG* at cinemas, unless they are distributed in distribution category TD.

### § 133 Revenue to be distributed

In distribution category T, the following royalty revenue shall be distributed:

- (a) the 92% of the royalty revenue available from licences granted for music performances in the ordinary course of cinema operations that remains after deduction for playback by means of mechanical devices pursuant to § 17,
- (b) 30% of the royalty revenue from communication by means of audio-visual recordings pursuant to § 16.

#### § 134 Method of determining the number of uses

In distribution category T, the number of screenings each film had shall generally be established on the basis of the usage reports provided by cinemas and, if applicable, third parties.

### § 135 Method of distribution of royalties

- [1] Royalties shall be distributed using a collective distribution model.
- [2] In distribution category T, a music second value is determined by dividing the net distributable amount by the total number of seconds established for all works to be accounted for in distribution category T. The number of seconds per work shall be

determined by multiplying the number of music seconds established per film for the work concerned on the basis of the declarations of audio-visual works by the number of screenings the films concerned had. The distribution sum per work shall be determined by multiplying the total number of seconds of use established for the work concerned by the music second value.

# SECTION 2 DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORIES TD (SOUND FILM DIRECT DISTRIBUTION) AND TD VR (MECHANICAL RIGHT IN CASE OF SOUND FILM DIRECT DISTRIBUTION)

### § 136 Subject matter of distribution categories

- [1] In distribution category TD (Sound Film Direct Distribution), royalties shall be distributed to works used in corporate films, in particular for presentation [Vorführung] within the meaning of Sec. 19 Para. 4 *UrhG*.
- [2] In distribution category TD VR (Mechanical Right in case of Sound Film Direct Distribution), royalties shall be distributed to works used in corporate films for reproduction [Vervielfältigung] within the meaning of Sec. 16 Para. 1 UrhG for the purpose of presentation.

#### § 137 Revenue to be distributed

In distribution categories TD and TD VR, the royalty revenue available from licences granted for the respective types of use specified at § 136 shall be distributed.<sup>33</sup>

#### § 138 Method of distribution of royalties

In distribution categories TD and TD VR, respectively, royalties shall be distributed to the works identified on the basis of the declaration of the audio-visual work concerned using the direct distribution model.

# CHAPTER 6: DISTRIBUTION OF ROYALTIES IN THE DISTRIBUTION CATEGORIES OF REPRODUCTION AND DISTRIBUTION USE

#### § 139 Distribution categories of reproduction and distribution use

Reproduction and distribution use comprises the distribution categories of reproduction and distribution on audio media (distribution category Phono VR) and audio-visual media (distribution category BT VR).

# SECTION 1 DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORY PHONO VR (MECHANICAL RIGHT IN AUDIO MEDIA)

### § 140 Subject matter of distribution category

In distribution category Phono VR (Mechanical Right in Audio Media), royalties shall be distributed to works for reproduction [*Vervielfältigung*] within the meaning of Sec. 16 Para. 1 *UrhG* and distribution [*Verbreitung*] within the meaning of Sec. 17 Para. 1 *UrhG* on audio media.

 $<sup>^{33}</sup>$  The version as adopted by resolution of the 2019 General Assembly shall apply to distributions from financial year 2020 onwards.

#### § 141 Revenue to be distributed

In distribution category Phono VR, the following royalty revenue shall be distributed:

- (a) 100% of the royalty revenue available from licences granted for the types of use specified at § 140,
- (b) 25% of the revenue received for commercial reproduction of recordings on audio media in respect of which no usage reports are available pursuant to § 20 para. 1,
- (c) 75% of the revenue received on the basis of the remuneration right for the rental of audio recordings pursuant to § 22 para. 1,
- (d) 75% of the share in public lending right royalties attributable to the lending of audio recordings pursuant to § 23 para. 2,
- (e) 45% of the royalty revenue received on the basis of the remuneration right for private reproductions of recordings on audio media pursuant to § 25 para. 2.<sup>34</sup>

### § 142 Method of distribution of royalties

- [1] The royalty revenue available from the types of use specified at § 140 shall be distributed to the works identified on the basis of the declaration of the audio recordings concerned using the direct distribution model. The other royalty revenue to be distributed in distribution category Phono VR shall be distributed as a percentage supplement on the amounts distributed using a direct distribution model.
- [2] Licence revenues not exceeding EUR 1.00 per work shall not be distributed to the specific works concerned but as a percentage supplement on the works accounted for in distribution category Phono VR.
- [3] In cases where a publisher has acquired 100% of the mechanical rights in a work by foreign authors published in Germany, the shares of the authors shall also be paid to the publisher.

# SECTION 2 DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORY BT VR (MECHANICAL RIGHT IN AUDIO-VISUAL MEDIA)

#### § 143 Subject matter of distribution category

In distribution category BT VR (Mechanical Right in Audio-Visual Media), royalties shall be distributed to works for reproduction [*Vervielfältigung*] within the meaning of Sec. 16 Para. 1 *UrhG* and distribution [*Verbreitung*] within the meaning of Sec. 17 Para. 1 *UrhG* on audio-visual media and, if applicable, for exploitation of the synch right.

### § 144 Revenue to be distributed

In distribution category BT VR, the following royalty revenue shall be distributed:

(a) 100% of the royalty revenue available from licences granted for the types of use specified at § 143,

<sup>&</sup>lt;sup>34</sup> The version as adopted by resolution of the 2018 General Assembly applies to the distribution of revenues GEMA receives for financial years from 2018 onwards.

- (b) 30% of the royalty revenue from communication by means of audio-visual recordings pursuant to § 16,
- (c) 5% of the revenue received for commercial reproduction of recordings on audiovisual media in respect of which no usage reports are available pursuant to § 21,
- (d) 75% of the revenue received on the basis of the remuneration right for the rental of audio-visual recordings pursuant to § 22 para. 2,
- (e) 75% of the share in public lending right royalties attributable to the lending of audio-visual recordings pursuant to § 23 para. 3,
- (f) 30% of the royalty revenue from use by providers of video-on-demand (download) services that is not distributed in distribution categories VOD D and VOD D VR pursuant to § 177 para. 2,
- (g) 30% of the royalty revenue from use by providers of video-on-demand (streaming) services that is not distributed in distribution categories VOD S and VOD S VR pursuant to § 182 para. 2.35

#### § 145 Method of distribution of royalties

- [1] The royalty revenue available from the types of use specified at § 143 shall be distributed to the works identified on the basis of the declaration of the audio-visual medium concerned using the direct distribution model. The other royalty revenue to be distributed in distribution category BT VR shall be distributed as a percentage supplement on the amounts distributed using a direct distribution model.
- [2] Licence revenues not exceeding EUR 1.00 per work shall not be distributed to the specific works concerned but as a percentage supplement on the works accounted for in distribution category BT VR.
- [3] In cases where a publisher has acquired 100% of the mechanical rights in a work by foreign authors published in Germany, the shares of the authors shall also be paid to the publisher.

### CHAPTER 7: DISTRIBUTION OF ROYALTIES IN THE DISTRIBUTION CATEGORIES OF **ONLINE USE**

#### **SECTION 1 GENERAL PROVISIONS**

### § 146 Distribution categories of online use

Online use comprises the distribution categories of Internet radio (distribution categories IR and IR VR), Internet television (distribution categories IFS, ITFS and IFS VR, ITFS VR), use by providers of music-on-demand (download) services (distribution categories MOD D and MOD D VR), use by providers of music-on-demand (streaming) services (distribution categories MOD S and MOD S VR), use by providers of video-on-demand (download) services (distribution categories VOD D and VOD D VR), use by providers of video-on-demand (streaming) services (distribution categories VOD S and VODSVR), use on mixed-content online platforms (streaming) (distribution

<sup>35</sup> The version of § 144 lit. f-g as adopted by resolution of the 2018 General Assembly applies to the distribution of revenues GEMA receives for financial years from 2018 onwards.

categories GOP and GOP VR)<sup>36</sup> and use as background or functional music on Internet and intranet pages (distribution categories WEB and WEB VR).

### § 147 Principle of direct distribution for online use

- [1] Unless otherwise stipulated in this Chapter, royalty revenue from online use shall be distributed by way of direct distribution.<sup>37</sup>
- [2] The direct distribution model shall not be used for the distribution of royalty revenue from types of online use in respect of which no usage reports are available or where the costs of distribution by way of direct distribution would be disproportionate to the revenue received. The royalty revenue not to be distributed by way of direct distribution according to this provision shall be distributed in accordance with the provisions applicable to each distribution category concerned.

# § 147a Allocation of royalty revenue to the distribution categories of online use in cases where online rights are granted on a trans-territorial basis

In cases where online rights are granted on a trans-territorial basis, the revenue GEMA generates from use in territories outside Germany shall be allocated to the distribution categories of communication to the public and the distribution categories of reproduction and distribution rights in accordance with international standards, taking into account the applicable representation agreements with foreign CMOs.

# SECTION 2 DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORIES I R (INTERNET RADIO) AND I R VR (MECHANICAL RIGHT IN MUSIC ON INTERNET RADIO)

#### § 148 Subject matter of distribution categories

- [1] In distribution category I R (Internet Radio), royalties shall be distributed to works for broadcasting [Sendung] within the meaning of Sec. 20 *UrhG* on Internet radio.
- [2] In distribution category I R VR (Mechanical Right in Music on Internet Radio), royalties shall be distributed to works for reproduction [*Vervielfältigung*] within the meaning of Sec. 16 *UrhG* for radio broadcasts on the Internet.

#### § 149 Revenue to be distributed

The royalty revenue available from licences granted for the types of use specified at § 148 shall be distributed.

### § 150 Allocation of royalty revenue to the different distribution categories

The allocation of royalty revenue to distribution categories I R and I R VR shall be made on the basis of a percentage ratio of 66.67% for broadcasting and 33.33% for reproduction.

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<sup>&</sup>lt;sup>36</sup> Applies to distributions of royalties for financial years up to and including 2022.

<sup>&</sup>lt;sup>37</sup> The version as adopted by resolution of the 2018 General Assembly shall apply to distributions for financial years up to and including 2022.

### § 151 Method of determining the number of uses

GEMA shall generally identify the works used on the basis of the usage reports provided by Internet radio broadcasters. The provisions of § 93 and § 94 governing the method of determining the number of uses and the distribution of royalties on the basis of usage reports in the distribution categories of broadcasting use shall apply *mutatis mutandis*.

### § 152 Method of distribution of royalties

- [1] Royalties shall be distributed using the direct distribution model according to § 147. In this context, the provisions applicable to the distribution of royalties in the distribution categories of (radio) broadcasting use shall apply *mutatis mutandis* to the extent they are not incompatible with direct distribution.
- [2] If the conditions for direct distribution are not met, 66.67% of the royalty revenue received shall be distributed in distribution category R and 33.3% of it in distribution category R VR.

# SECTION 3 DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORIES I FS (INTERNET TELEVISION), I T FS (INTERNET TELEVISION SOUND FILM), I FS VR (MECHANICAL RIGHT IN INTERNET TV BROADCASTS) AND I T FS VR (MECHANICAL RIGHT IN SOUND FILM ON INTERNET TV)

### § 153 Subject matter of distribution categories

- [1] In distribution category I FS (Internet Television), royalties shall be distributed to works used in own or commissioned productions of a TV channel for broadcasting [Sendung] within the meaning of Sec. 20 *UrhG* on Internet television.
- [2] In distribution category I T FS (Internet Television Sound Film), royalties shall be distributed to works used in third-party productions for broadcasting [Sendung] within the meaning of Sec. 20 *UrhG* on Internet television.
- [3] In distribution category I FS VR (Mechanical Right in Internet TV Broadcasts), royalties shall be distributed to works used in own or commissioned productions of a TV channel for reproduction [Vervielfältigung] within the meaning of Sec. 16 Para. 1 UrhG for TV broadcasts on the Internet and, if applicable, for exploitation of the synch right.
- [4] In distribution category I T FS VR (Mechanical Right in Sound Film on Internet TV), royalties shall be distributed to works used in third-party productions for reproduction [Vervielfältigung] within the meaning of Sec. 16 Para. 1 UrhG for TV broadcasts on the Internet.

#### § 154 Revenue to be distributed

The royalty revenue available from licences granted for the types of use specified at § 153 shall be distributed.

### § 155 Allocation of royalty revenue to the different distribution categories

The allocation of royalty revenue to distribution categories I FS and I T FS on the one hand and distribution categories I FS VR and I T FS VR on the other shall be made on the basis of a percentage ratio of 66.67% for broadcasting and 33.33% for reproduction.

### § 156 Method of determining the number of uses

GEMA shall generally identify the works used on the basis of the usage reports provided by Internet television broadcasters. The provisions of § 93 and § 94 governing the method of determining the number of uses and the distribution of royalties on the basis of usage reports in the distribution categories of broadcasting use shall apply *mutatis mutandis*.

### § 157 Method of distribution of royalties

- [1] Royalties shall be distributed using the direct distribution model according to § 147. In this context, the provisions applicable to the distribution of royalties in the distribution categories of (television) broadcasting use shall apply *mutatis mutandis* to the extent they are not incompatible with direct distribution.
- [2] If the conditions for direct distribution are not met, 66.67% of the royalty revenue received shall be distributed in distribution categories FS and T FS and 33.3% of it in distribution categories FS VR and T FS VR. Royalty revenue which is not to be distributed using a direct distribution model but can be allocated to licensing of the synch right shall be distributed to distribution category FS VR.

#### SECTION 4 N/A

**SECTION 5** 

DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORIES MOD D (MUSIC-ON-DEMAND DOWNLOAD) AND MOD D VR (MECHANICAL RIGHT IN MUSIC-ON-DEMAND DOWNLOAD)

### § 163 Subject matter of distribution categories

- [1] In distribution category MOD D (Music-on-Demand Download), royalties shall be distributed to works (including ringtone melodies) for being made available to the public [öffentliche Zugänglichmachung] within the meaning of Sec. 19a *UrhG* by providers of music-on-demand (download) services.
- [2] In distribution category MOD D VR (Mechanical Right in Music-on-Demand Download), royalties shall be distributed to works (including ringtone melodies) for reproduction [*Vervielfältigung*] within the meaning of Sec. 16 *UrhG* by providers of music-on-demand (download) services.

### § 164 Revenue to be distributed

In distribution categories MOD D and MOD D VR, the following royalty revenue shall be distributed:

- (a) 100% of the royalty revenue available from licences granted for the types of use specified at § 163,
- (b) 12.5% of the royalty revenue received on the basis of the remuneration right for private reproductions of recordings on audio media pursuant to § 25 para. 2.<sup>38</sup>

<sup>&</sup>lt;sup>38</sup> The version as adopted by resolution of the 2018 General Assembly applies to the distribution of revenues GEMA receives for financial years from 2018 onwards.

### § 165 Allocation of royalty revenue to the different distribution categories

The allocation of royalty revenue to distribution categories MOD D and MOD D VR shall be made on the basis of a percentage ratio of 33.33% for making works available to the public and 66.67% for reproduction.

### § 166 Method of determining the number of uses

The number of uses shall be established on the basis of the usage reports provided by providers of music-on-demand services.

### § 167 Method of distribution of royalties

- [1] The royalty revenue available from the types of use specified at § 163 shall be distributed using the direct distribution model according to § 147. If the conditions for direct distribution are not met, the royalty revenue received shall be distributed as a percentage supplement in distribution categories MOD D and MOD D VR.
- [2] The royalty revenue received on the basis of the remuneration right for private reproductions of recordings on audio media pursuant to § 25 para. 2 shall also be distributed as a percentage supplement on the amounts distributed using a direct distribution model. For this purpose, only uses in Germany shall be considered.

## SECTION 6 DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORIES MOD S (MUSIC-ON-DEMAND STREAMING) AND MOD S VR (MECHANICAL RIGHT IN MUSIC-ON-DEMAND STREAMING)

### § 168 Subject matter of distribution categories

- [1] In distribution category MOD S (Music-on-Demand Streaming), royalties shall be distributed to works (including ringtone melodies) for being made available to the public [öffentliche Zugänglichmachung] within the meaning of Sec. 19a *UrhG* by providers of music-on-demand (streaming) services.
- [2] In distribution category MOD S VR (Mechanical Right in Music-on-Demand Streaming), royalties shall be distributed to works (including ringtone melodies) for reproduction [Vervielfältigung] within the meaning of Sec. 16 UrhG by providers of music-on-demand (streaming) services.

### § 169 Revenue to be distributed

In distribution categories MOD S and MOD S VR, the following royalty revenue shall be distributed:

- (a) 100% of the royalty revenue available from licences granted for the types of use specified at § 168,
- (b) 100% of the royalties received for audio works according to § 24 para. 2 on the basis of the remuneration right pursuant to Sec. 60h Para. 1 Sentence 1 *UrhG* for lawfully permitted uses for teaching, science and institutions,

- (c) 12.5% of the royalty revenue received on the basis of the remuneration right for private reproductions of recordings on audio media pursuant to § 25 para. 2,<sup>39</sup>
- (d) 33 1/3% of the revenue received from the distribution categories WEB and WEB VR which is not distributed using a direct distribution method, or by way of distribution of supplements, in distribution categories WEB and WEB VR pursuant to § 187 para. 2 lit. a.<sup>40</sup>

### § 170 Allocation of royalty revenue to the different distribution categories

The allocation of royalty revenue to distribution categories MOD S and MOD S VR shall be made on the basis of a percentage ratio of 66.67% for making works available to the public and 33.33% for reproduction.

### § 171 Method of determining the number of uses

The number of uses shall be established on the basis of the usage reports provided by providers of music-on-demand services.

### § 172 Method of distribution of royalties

- [1] The royalty revenue available from the types of use specified at § 168 shall be distributed using the direct distribution model according to § 147. If the conditions for direct distribution are not met, the royalty revenue received shall be distributed as a percentage supplement in distribution categories MOD S and MOD S VR.
- [2] The other royalty revenue to be distributed in distribution categories MOD S and MOD S VR shall also be distributed as a percentage supplement on the amounts distributed using a direct distribution model. In distributing the royalty revenue received on the basis of statutory remuneration rights by way of supplements, only uses in Germany shall be considered.

## SECTION 7 DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORIES VOD D (VIDEO-ON-DEMAND DOWNLOAD) AND VOD D VR (MECHANICAL RIGHT IN VIDEO-ON-DEMAND DOWNLOAD)

### § 173 Subject matter of distribution categories

[1] In distribution category VOD D (Video-on-Demand Download), royalties shall be distributed to works used in films for being made available to the public [öffentliche Zugänglichmachung] within the meaning of Sec. 19a *UrhG* by providers of video-on-demand (download) services.

[2] In distribution category VOD D VR (Mechanical Right in Video-on-Demand Download), royalties shall be distributed to works used in films for reproduction [Vervielfältigung] within the meaning of Sec. 16 UrhG by providers of video-on-demand (download) services.

<sup>&</sup>lt;sup>39</sup> The version as adopted by resolution of the 2018 General Assembly applies to the distribution of revenues GEMA receives for financial years from 2018 onwards.

<sup>&</sup>lt;sup>40</sup> The version as adopted by resolution of the 2018 General Assembly applies to the distribution of revenues GEMA receives for financial years from 2018 onwards.

### § 174 Revenue to be distributed

The royalty revenue available from licences granted for the types of use specified at § 173 shall be distributed.

### § 175 Allocation of royalty revenue to the different distribution categories

The allocation of royalty revenue to distribution categories VOD D and VOD D VR shall be made on the basis of a percentage ratio of 33.33% for making works available to the public and 66.67% for reproduction.

### § 176 Method of determining the number of uses

The number of uses shall be determined on the basis of the usage reports provided by providers of video-on-demand services.

### § 177 Method of distribution of royalties

- [1] Royalties shall be distributed using the direct distribution model according to § 147.
- [2] If the conditions for direct distribution are not met, the royalty revenue received shall be distributed as a percentage supplement in distribution categories VOD D and VOD D VR, provided that the share of the total distributable royalty revenue for these distribution categories which is to be distributed by way of direct distribution is at least 50%. If the share of the total royalty revenue received in distribution categories VOD D and VOD D VR which is to be distributed by way of direct distribution is less than 50%, 70% of the royalty revenue not to be distributed by way of direct distribution shall be distributed to the distribution categories of television (of which 33.33% shall go to distribution categories FS and T FS and 66.67% to distribution categories FS VR and T FS VR) and 30% of it to distribution category BT VR. Royalty revenue which is not to be distributed using a direct distribution model but can be allocated to licensing of the synch right shall be distributed to distribution category FS VR.

## SECTION 8 DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORIES VOD S (VIDEO-ON-DEMAND STREAMING) AND VOD S VR (MECHANICAL RIGHT IN VIDEO-ON-DEMAND STREAMING)

### § 178 Subject matter of distribution categories

- [1] In distribution category VOD S (Video-on-Demand Streaming), royalties shall be distributed to works used in films for being made available to the public [öffentliche Zugänglichmachung] within the meaning of Sec. 19a *UrhG* by providers of video-on-demand (streaming) services.
- [2] In distribution category VOD S VR (Mechanical Right in Video-on-Demand Streaming), royalties shall be distributed to works used in films for reproduction [Vervielfältigung] within the meaning of Sec. 16 UrhG by providers of video-on-demand (streaming) services.

### § 179 Revenue to be distributed

In distribution categories VOD S and VOD S VR, the following royalty revenue shall be distributed:

- (a) 100% of the royalty revenue available from licences granted for the types of use specified at § 178,
- (b) 100% of the royalties received for audiovisual works according to § 24 para. 3 on the basis of the remuneration right pursuant to Sec. 60h Para. 1 Sentence 1 *UrhG* for lawfully permitted uses for teaching, science and institutions.
- (c) 16 2/3% of the revenue received from the distribution categories WEB and WEB VR which is not distributed using a direct distribution method, or by way of distribution of supplements, in distribution categories WEB and WEB VR pursuant to § 187 para. 2 lit. c.

### § 180 Allocation of royalty revenue to the different distribution categories

The allocation of royalty revenue to distribution categories VOD S and VOD S VR shall be made on the basis of a percentage ratio of 66.67% for making works available to the public and 33.33% for reproduction.

### § 181 Method of determining the number of uses

The number of uses shall be determined on the basis of the usage reports provided by providers of video-on-demand services.

### § 182 Method of distribution of royalties

- [1] The royalty revenue available from the types of use specified at § 178 shall be distributed using the direct distribution model according to § 147. The other royalty revenue to be distributed in distribution categories VOD S and VOD S VR shall be distributed as a percentage supplement on the amounts distributed using a direct distribution model.
- [2] If the conditions for direct distribution are not met, the royalty revenue received shall be distributed as a percentage supplement in distribution categories VOD S and VOD S VR, provided that the share of the total distributable royalty revenue for these distribution categories which is to be distributed by way of direct distribution is at least 50%. If the share of the total royalty revenue received in distribution categories VOD S and VOD S VR which is to be distributed by way of direct distribution is less than 50%, 70% of the royalty revenue not to be distributed by way of direct distribution shall be distributed to the distribution categories of television (of which 33.33% shall go to distribution categories FS and T FS and 66.67% to distribution categories FS VR and T FS VR) and 30% of it to distribution category BT VR. Royalty revenue which is not to be distributed using a direct distribution model but can be allocated to licensing of the synch right shall be distributed to distribution category FS VR.

SECTION 8A DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORIES GOP (STREAMING ON MIXED-CONTENT ONLINE PLATFORMS) AND GOP VR (MECHANICAL RIGHT IN STREAMING ON MIXED-CONTENT ONLINE PLATFORMS)<sup>41</sup>

### § 182a Subject matter of distribution categories

- [1] In distribution category GOP (Streaming on Mixed-Content Online Platforms), royalties shall be distributed to works for being made available to the public [öffentliche Zugänglichmachung] within the meaning of Sec. 19a *UrhG* on mixed-content online platforms (streaming).
- [2] In distribution category GOP VR (Mechanical Right in Streaming on Mixed-Content Online Platforms), royalties shall be distributed to works for reproduction [Vervielfältigung] within the meaning of Sec. 16 UrhG for the purpose of being used on mixed-content online platforms (streaming) and, if applicable, for exploitation of the synch right.
- [3] For the purposes of this provision, mixed-content online platforms are Internet services whose business model is based solely or mainly on making content uploaded by their respective users available to the public. Additional music-on-demand services or video-on-demand services for which the provider of a mixed-content online platform obtained a separate licence do not fall within the scope of this provision.

### § 182b Revenue to be distributed

In distribution categories GOP and GOP VR, the royalty revenue available from licences granted for the types of use specified at § 182a shall be distributed.

### § 182c General principles for performing the distribution

- [1] The revenues generated from the various mixed-content online platforms shall be distributed separately according to the following provisions.
- [2] If GEMA receives processable usage reports in relation to all usage events on a mixed-content online platform from the provider of that mixed-content online platform, the revenue received shall be distributed on the basis of the usage reports pursuant to § 182d. For the purposes of this provision, the term "usage event" refers to an instance of use of a work that falls within GEMA's respective scope of rights management.
- [3] If GEMA receives processable usage reports from the provider of a mixed-content online platform only for part of the usage events, the revenue received shall be divided into a portion to be distributed on the basis of the usage reports pursuant to § 182d and a portion to be distributed by way of distribution of supplements pursuant to § 182e. The portion to be distributed on the basis of usage reports shall be determined by the proportion the total duration of exploitation by usage events evidenced by processable usage reports bears to the cumulative duration of exploitation by all usage events on the mixed-content online platform concerned.
- [4] Where the total duration of exploitation by usage events evidenced by processable usage reports or the cumulative duration of use referred to in para. 3 above cannot be determined on the basis of the usage reports from the provider of the mixed-content online platform, the division shall be made by a quota to be determined by the Supervisory Board. The quota for each mixed-content online platform shall be determined on the basis of available empirical data which allow conclusions to be drawn

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<sup>&</sup>lt;sup>41</sup> Applies to distributions of royalties for financial years up to and including 2022.

on the total duration of exploitation and the cumulative duration of exploitation, including, without limitation, the number of views, user behaviour, market share, market trends and data about comparable mixed-content online platforms.

[5] If GEMA does not receive any processable usage reports from the provider of a mixed-content online platform, all revenue received shall be distributed by way of distribution of supplements pursuant to § 182e.

### § 182d Distribution on the basis of usage reports

- [1] The allocation of the royalty revenue to be distributed on the basis of usage reports to distribution categories GOP and GOP VR shall be made on the basis of a percentage ratio of 66.67% for making works available to the public and 33.33% for reproduction.
- [2] The distribution shall be made on the basis of the processable usage reports GEMA receives from the provider of the mixed-content online platform.
- [3] The distribution shall be made *pro rata temporis* on the basis of the playing times indicated in the processable usage reports if playing times are available for all usage events evidenced by usage reports. Otherwise, the distribution shall be made *pro rata numeris* on the basis of the number of views.
- [4] For the purposes of complaints, special requirements to be defined and published by the Supervisory Board shall apply to the manner in which instances of use may be *prima facie* demonstrated ("Glaubhaftmachung" within the meaning of Sec. 294 *ZPO*). Apart from that, § 59 shall apply. If an entitled party has already received a distribution with respect to a mixed-content online platform as part of the distribution of supplements, this distribution shall be deducted from any royalty claims which may arise from a successful complaint regarding the platform concerned.

### § 182e Distribution of supplements

- [1] 66.67% of the royalty revenue from licensing of the right to make works available to the public and licensing of the reproduction right to be distributed by way of distribution of supplements shall be allocated to distribution category GOP and 33.33% to distribution category GOP VR.
- [2] In categories GOP and GOP VR, respectively, the distribution shall be made as a percentage supplement on the adjusted annual royalties the entitled party received. With respect to royalty revenue from licensing of the synch right, a special distribution of supplements shall be made in distribution category GOP VR.
- [3] The adjusted annual royalties the entitled party received shall include the royalties the entitled party received in all distribution categories pursuant to § 12 and § 13 with respect to the financial year concerned, subject to the following adjustments:
  - (a) Royalties received in distribution categories M, GOP and GOP VR shall not be taken into account.
  - (b) Royalties received in distribution categories A and A VR shall be taken into account only with respect to those territories which are covered by GEMA's licence for the mixed-content online platform concerned.
  - (c) Royalties received in distribution categories BT VR, FS, FS VR, IFS, IFS VR, ITFS, ITFS VR, TTFS, ITFS VR, TD, TD VR, TFS, TFS VR, VOD D, VOD D VR, VOD S and VOD S VR shall be taken into account only if audiovisual works are also made available on the mixed-content platform concerned.

- (d) Only 1/10 of royalties received in distribution category FS VR shall be taken into account.
- (e) If the entitled party did not grant the online rights to GEMA for the period in which the revenue to be distributed was generated, the royalties received for this period shall not be taken into account. If the scope of rights granted to GEMA changes during the course of a year, this shall be taken into account on a *pro rata* basis.
- (f) Additions for unallocated royalties pursuant to § 28 para. 3 of this Distribution Plan shall not be taken into account.
- [4] If supplements are distributed in distribution categories GOP and GOP VR, a supplement shall be added to the adjusted annual royalties received in distribution categories A and A VR which corresponds to the share those distribution categories represent in the total adjusted annual royalties received by all entitled parties pursuant to para. 3. Apart from that, the royalty revenue to be distributed by way of distribution of supplements shall be allocated equally to the following groups of distribution categories:
  - (a) Distribution categories of performance (§ 67) and communication use (§ 115);
  - (b) Distribution categories of radio use (§ 91);
  - (c) Distribution categories of television use (§ 91), distribution categories of screening use (§ 131) and distribution categories VOD D, VOD D VR, VOD S and VOD S VR. This group of distribution categories shall be taken into account only if audio-visual works are also made available via the mixed-content online platform concerned.
  - (d) Distribution categories of reproduction and distribution use (§ 139);
  - (e) Distribution categories of online use (§ 146) (except for distribution categories VOD D, VOD D VR, VOD S and VOD S VR).

The rate of the supplement per group of distribution categories shall be determined on the basis of the proportion (a) the total royalty revenue to be distributed for the group of distribution categories by way of distribution of supplements bears to (b) the adjusted annual royalties received by all entitled parties pursuant to para. 3.

[5] In deviation from para 4 sentence 3, the distribution of supplements to distribution category group (a) (performance and communication use) for financial years 2020 and 2021 and the distribution of supplements to distribution category group (d) (reproduction and distribution rights) for financial years from 2020 onwards shall be made on the basis of average supplement percentages. These average supplement percentages shall be calculated per group of distribution categories as the average of the percentage supplements for the group of distribution categories concerned for financial years 2017 to 2019. The amount remaining due to the equal allocation of funds pursuant to para 4 sentence 2 and the application of average supplement percentages for distribution category groups (a) and (d) shall be allocated to distribution category group (e) (online use).

### SECTION 9 DISTRIBUTION OF ROYALTIES IN DISTRIBUTION CATEGORIES WEB (WEBSITES) AND WEB VR (MECHANICAL RIGHT IN BACKGROUND MUSIC ON WEBSITES)

### § 183 Subject matter of distribution categories

- [1] In distribution category WEB (Websites), royalties shall be distributed to works for being made available to the public [öffentliche Zugänglichmachung] within the meaning of Sec. 19a *UrhG* as background or functional music on Internet and intranet pages.
- [2] In distribution category WEB VR (Mechanical Right in Background Music on Websites), royalties shall be distributed to works for reproduction [*Vervielfältigung*] within the meaning of Sec. 16 Para. 1 *UrhG* for the purpose of making the works available to the public as background or functional music on Internet and intranet pages.
- [3] Furthermore, in distribution categories WEB and WEB VR, royalties shall be distributed to works for types of online use which do not fall within another distribution category of this chapter. For these uses, royalties shall be distributed in distribution category WEB for making the works available to the public [öffentliche Zugänglichmachung] within the meaning of Sec. 19a *UrhG* or for broadcasting them [Sendung] within the meaning of Sec. 20 *UrhG*. Royalties shall be distributed to works for reproduction [Vervielfältigung] within the meaning of Sec. 16 *UrhG* in distribution category WEB VR.

### § 184 Revenue to be distributed

The royalty revenue available from licences granted for the types of use specified at § 183 shall be distributed.

#### § 185 Allocation of royalty revenue to the different distribution categories

The allocation of royalty revenue to distribution categories WEB and WEB VR shall be made on the basis of a percentage ratio of 66.67% for making works available to the public or broadcasting them and 33.33% for reproduction.

### § 186 Method of determining the number of uses

The number of uses shall be established on the basis of the usage reports provided by the operators of Internet and intranet sites.

### § 187 Method of distribution of royalties

- [1] Royalties shall be distributed using the direct distribution model according to § 147.
- [2] If the conditions for direct distribution are not met, the royalty revenue received shall be distributed as a percentage supplement in distribution categories WEB and WEB VR, provided that the share of the total distributable royalty revenue for these distribution categories which is to be distributed by way of direct distribution is at least 50%. If the share of the total revenue received in distribution categories WEB and WEB VR which is to be distributed by way of direct distribution is less than 50%, the royalty revenue not to be distributed by way of direct distribution shall be distributed as follows:

- (a) 33 1/3% shall be distributed as a percentage supplement on the distribution categories of music-on-demand streaming use, of which 66.67% shall go to distribution category MOD S and 33.33% to distribution category MOD S VR.
- (b) 33 1/3% shall be distributed to the distribution categories of radio use, of which 66.67% shall go to distribution category R and 33.33% to distribution category R VR.
- (c) 16 2/3% shall be distributed to the distribution categories of video-on-demand streaming use, of which 66.67% shall go to distribution category VOD S and 33.33% to distribution category VOD S VR.
- (d) 16 2/3% shall be distributed to the distribution categories of television use, of which 66.67% shall go to distribution categories FS and T FS and 33.33% to distribution categories FS VR and T FS VR.
- [3] Royalty revenue which is not to be distributed using a direct distribution model but can be allocated to licensing of the synch right shall be distributed to distribution category FS VR.

### CHAPTER 8: DISTRIBUTION OF ROYALTIES IN THE DISTRIBUTION CATEGORIES OF INTERNATIONAL USE

### § 188 Distribution of royalties in distribution category A

- [1] In distribution category A (International), royalties shall be distributed to works of the GEMA repertoire for use by way of performance [Aufführung], presentation [Vorführung], making available to the public [öffentliche Zugänglichmachung], broadcasting [Sendung] and communication [Wiedergabe] abroad if the rights in the works concerned are managed under representation agreements between GEMA and the respective foreign CMOs for music-related copyrights.
- [2] The royalty revenue received from the foreign CMOs shall be distributed on the basis of their respective distribution, taking into account the provisions of the applicable representation agreements.

### § 189 Distribution of royalties in distribution category A VR

- [1] In distribution category A VR (International Mechanical Right), royalties shall be distributed to works of the GEMA repertoire for use by way of reproduction [Vervielfältigung] and distribution [Verbreitung] abroad if the rights in the works concerned are managed under representation agreements between GEMA and the respective foreign CMOs for music-related copyrights.
- [2] The royalty revenue received from the foreign CMOs shall be distributed on the basis of their respective distribution, taking into account the provisions of the applicable representation agreements.

## CHAPTER 9: DIVISION OF DISTRIBUTION SUM AMONG THE ENTITLED PARTIES FOR GEMA ORIGINAL WORKS (Version for distributions up to and including financial year 2020)

### SECTION 1 GENERAL PROVISIONS

### § 190 Scope

The provisions of this Chapter shall apply to works the original authors or original publishers of which include at least one GEMA member (GEMA original works).

### § 191 Distribution to two or more members of the same professional category

If two or more entitled parties from one and the same professional category have a share in a work, the share allocated to their professional category shall be split among them.

### § 192 Distribution to entitled persons from one and the same professional category who are members of GEMA and other CMOs

If different shares have been agreed with members of other CMOs from one and the same professional category with respect to works by GEMA members, the distribution sum shall be divided between them in accordance with the declaration.

### § 193 Free negotiability of shares in works of entertainment music

- [1] With respect to works of entertainment music according to distribution key II no. 1, 3 a) and 3 b) which were declared to GEMA on or after 1 January 1996, each author's share in the work concerned can be freely negotiated based on a general principle of equality between them. The division of shares agreed between the authors entitled to a work shall be notified to GEMA by an entitled party for the work concerned using the forms provided by GEMA. In this context, that entitled party shall represent and warrant that he or she has obtained the consent of all authors entitled to the work concerned to the agreed division of their share. In the confirmation of registration of a work sent out by GEMA, all authors and publishers who have a share in the work concerned shall be informed about the division of the share.
- [2] With respect to works the music and lyrics of which were created by one author alone, the music and lyrics of the work concerned may be allocated equal proportions.
- [3] The key determined by free negotiation shall apply to all distribution categories of rights of communication to the public.
- [4] If these negotiations do not result in an agreement, the existing distribution key shall continue to apply.

### § 194 Division of the distribution sum for potpourris

[1] The allocation key applicable to the division of the distribution sum for potpourris shall apply to potpourris in all distribution categories.

<sup>&</sup>lt;sup>42</sup> The version of sentences 2 to 4 as adopted by resolution of the 2017 General Assembly has been in force since 1 January 2018.

- [2] A potpourri is a musical work made up of 3 or more pre-existing individual works or parts of 3 or more pre-existing individual works combined and connected by transitions or otherwise arranged by a potpourri arranger.
- [3] Potpourris made up exclusively of public-domain works or parts of works (potpourris of public-domain works) shall be registered as arrangements of public-domain works. If the arrangement is eligible for copyright protection, the arranger and, if applicable, the publisher of the potpourri shall be allocated a share according to the allocation key applicable to arrangements of public-domain works according to sections 2 and 3 of this Chapter.
- [4] With respect to potpourris made up of pre-existing copyright-protected works (potpourris of copyright-protected works), the following distinction is made for the purpose of distribution of royalties:
  - (a) For non-published potpourris of copyright-protected works, 6/12 (50%) of the distribution sum shall be allocated to the arranger of the potpourri and 6/12 (50%) shall be allocated in equal proportions to each of the copyright-protected works used in the potpourri.
  - (b) For published potpourris of copyright-protected works, 3/12 (25%) of the distribution sum shall be allocated to the arranger of the potpourri, 3/12 (25%) to the publisher of the potpourri and 6/12 (50%) shall be allocated in equal proportions to each of the copyright-protected works used in the potpourri.
- [5] If a potpourri is made up of both copyright-protected and public-domain works, the shares attributable to the public-domain works shall be allocated in equal proportions to the pre-existing copyright-protected works.
- [6] In deviation from para. 4 and 5, potpourris of copyright-protected works in which the same parties are entitled both to the potpourri and to all of the pre-existing works used in the potpourri (potpourris of own works) shall be accounted for according to the allocation key defined in sections 2 and 3 of this Chapter as new works of those entitled parties without allowing an arranger's share. If potpourris of own works are arranged by third parties, the provisions of para. 4 and 5 shall apply.

### § 194a Division of the distribution sum for use of dramatico-musical works

From financial year 2017 onwards, the allocation key defined in this Chapter shall apply also to the distribution for use of dramatico-musical works, whether in their entirety, as a medley or in major parts.

Section 2 Division of the distribution sum in the distribution categories of rights of communication to the public

#### SUBSECTION 1. GENERAL ALLOCATION KEY

#### § 195 Allocation key

In distribution categories BM, DK, E, ED, EM, GOP (usage reports)<sup>43</sup>, I R, I FS, I T FS, KMOD, M, MOD D, MOD S, R, TD, U, UD, VOD D, VOD S and WEB the per work

<sup>&</sup>lt;sup>43</sup> Applies to distributions of royalties for financial years up to and including 2022.

distribution sum shall be distributed as follows among the entitled parties who have a share in the work:

	Authors and publishers of the work concerned	Shares	
	work concerned		If arranger receives the higher share specified in § 198
A.	Composer	12/12	
B.	Composer Lyricist	8/12 4/12	
C.	Composer Arranger	11/12 1/12	10/12 2/12
D.	Composer Arranger Lyricist	7/12 1/12 4/12	6/12 2/12 4/12
E.	Composer Publisher	8/12 4/12	
F.	Composer Lyricist Publisher	5/12 3/12 4/12	
G.	Composer Arranger Publisher	7/12 1/12 4/12	6/12 2/12 4/12
H.	Composer Arranger Lyricist Publisher	4/12 1/12 3/12 4/12	4/12 2/12 3/12 3/12

### § 196 Lyricist's share in works of serious music

The share of the lyricist in works of serious music in the context of which a minor portion of text is performed shall be accounted for in the proportion the text used bears to the total volume of the work concerned. In cases of doubt or upon formal request, the Works Committee shall make a decision. The decision of the Works Committee may be appealed in accordance with § 6 of the Rules of Procedure of the Works Committee.

### § 197 Share in works of entertainment music including lyrics where music and lyrics are equal in rank

With respect to works of entertainment music including lyrics which have been classified according to distribution key II no. 3 a) or no. 3 b) upon formal request and in which, according to the assessment of the Works Committee, music and lyrics are equal in rank, the following provisions shall apply to the shares of their respective composers and lyricists:

Shares

publishers of the work concerned		Onares
		If arranger receives the higher share specified in § 198
Composer Lyricist	6/12 6/12	
Composer Arranger Lyricist	6/12 1/12 5/12	5/12 2/12 5/12
Composer Lyricist Publisher	4/12 4/12 4/12	
	Composer Lyricist Composer Arranger Lyricist Composer Lyricist Composer Lyricist	publishers of the work concerned  Composer 6/12 Lyricist 6/12 Composer 6/12 Arranger 1/12 Lyricist 5/12 Composer 4/12 Lyricist 4/12

The decision of the Works Committee may be appealed in accordance with § 6 of the Rules of Procedure of the Works Committee.

### § 198 Arranger's share in copyright-protected works

Authors and

In arrangements of copyright-protected works, the share of the arranger shall be 1/12 if, according to distribution key I to III, the work concerned has a point value of 12 for live performance, and 2/12 if, according to distribution key I to III, the work has a point value of 24 or higher for live performance.

### § 199 Arranger's share in public-domain works

- [1] For arrangements of public-domain works, the arranger shall receive a share of 3/12. For works including lyrics, the arranger shall receive a share equal to that of the lyricist. The non-distributable shares shall be governed by the provisions of § 28.
- [2] If public-domain works are used, the share of the arranger may be fixed at half the share of the composer according to § 195 upon formal request and submission of sheet music as evidence if the new work concerned is characterised equally by the pre-existing work by a third party and new compositional elements created by the composer him or herself. In cases of doubt, the GEMA Works Committee shall make a decision. For the purposes of the verification, a printed or non-printed specimen copy, i.e. a physical embodiment of the score (in six copies), accompanied, if applicable, by published or otherwise available audio recordings, shall generally be submitted by the entitled party. For works of a purely or largely improvisational nature or electroacoustic music, only audio recordings accompanied by written explanations of the work need to be submitted. The decision of the Works Committee may be appealed in accordance with § 6 of the

Rules of Procedure of the Works Committee. The non-distributable shares shall be governed by the provisions of § 28.

### § 199a Share of a lyrics adaptor

If copyright-protected original lyrics are adapted, the lyrics adaptor shall receive half the share of the lyricist.

### SUBSECTION 2. ALLOCATION KEY FOR DISTRIBUTION CATEGORY FS

### § 200 Allocation key

The following allocation key shall apply to works in respect of which royalties are distributed in distribution category FS:

	Authors and publishers of the work concerned		Shares
			If arranger receives the higher share specified in § 198
A.	Composer	24/24	
B.	Composer Lyricist	12/24 12/24	
C.	Composer Arranger	22/24 2/24	20/24 4/24
D.	Composer Arranger Lyricist	11/24 2/24 11/24	10/24 4/24 10/24
E.	Composer Publisher	16/24 8/24	
F.	Composer Lyricist Publisher	9/24 7/24 8/24	
G.	Composer Arranger Publisher	14/24 2/24 8/24	12/24 4/24 8/24
H.	Composer Arranger Lyricist Publisher	8/24 2/24 7/24 7/24	7/24 4/24 6/24 7/24

### § 201 Arranger's and adaptor's share

- [1] The provision of § 198 shall apply *mutatis mutandis* to the share of an arranger in a copyright-protected work.
- [2] The provisions of § 199 shall apply *mutatis mutandis* to the share of an arranger in a public-domain work.
- [3] The provision of § 199a shall apply *mutatis mutandis* to the share of a lyrics adaptor.

#### Subsection 3. Allocation key for distribution categories T and T FS

### § 202 Allocation key

The following allocation key shall apply to works in respect of which royalties are distributed in distribution categories T and T FS:

	Authors and publishers of the work concerned	Share s
A.	Composer	12/12
B.	Composer Lyricist	8/12 4/12
C.	Composer Arranger	10/12 2/12
D.	Composer Arranger Lyricist	6/12 2/12 4/12
E.	Composer Publisher	8/12 4/12
F.	Composer Lyricist Publisher	5/12 3/12 4/12
G.	Composer Arranger Publisher	6/12 2/12 4/12
H.	Composer Arranger Lyricist Publisher	4/12 2/12 3/12 3/12

### § 203 Lyricist's share

- [1] A lyricist shall receive a share for those lengths of music for which he or she created the lyrics and for those lengths of score music which are based on the songs for which he or she created the lyrics.
- [2] If lyrics are newly created and/or translated, both the original lyricist and the translator or author of the new lyrics shall each receive 1/2 of the share allocated to the lyrics in their entirety.

### § 204 Arranger's and adaptor's share

- [1] An arranger shall receive a share for the lengths of music he or she arranged.
- [2] For arrangements of copyright-protected works, the arranger shall receive the share specified in § 202, respectively.
- [3] For arrangements of public-domain works, the arranger shall receive a share of 4/12.
- [4] If, in the case referred to at para. 3, there is not only an arranger but also a lyricist, the lyricist shall receive a share of 3/12 for the lengths of music for which he or

she actually created the lyrics, and the arranger shall receive a share of 3/12 for the lengths of music he or she actually arranged.

- [5] If in the case referred to at para. 3, there is not only an arranger but also a publisher but no lyricist, the arranger shall receive a share of 3/12 and the publisher a share of 3/12.
- [6] If, in the case referred to at para. 3, there is a publisher, a lyricist and an arranger, the lyricist shall receive a share of 2/12 for the lengths of music for which he or she created the lyrics, the arranger shall receive a share of 2/12 for the lengths of music he or she arranged, and the publisher shall receive a share of 2/12.
- [7] If public-domain works are used, the provisions of § 199 para. 2 may be applied *mutatis mutandis* so as to set the share of the arranger to one half the share of the composer.
- [8] The provision of § 199a shall apply *mutatis mutandis* to the share of a lyrics adaptor.

§ 205 N/A

### SECTION 3 DIVISION OF THE DISTRIBUTION SUM IN THE DISTRIBUTION CATEGORIES OF REPRODUCTION AND DISTRIBUTION RIGHTS

### § 206 Allocation key for distribution categories Phono VR, GOP VR<sup>44</sup>, I R VR, KMOD VR, MOD D VR, MOD S VR and WEB VR

[1] The following allocation key shall apply to works in respect of which royalties are distributed in distribution categories Phono VR, IRVR, KMOD VR, MOD D VR, MOD S VR, GOP VR (usage reports)<sup>45</sup> and WEB VR:

		on or after 1 January 1979	before 1 January 1979
A.	Composer	100%	100%
B.	Composer	50%	50%
	Lyricist	50%	50%
C.	Composer	60%	50%
	Publisher	40%	50%
D.	Composer	30%	25%
	Lyricist	30%	25%
	Publisher	40%	50%
E.	Composer (public-domain works)	-	-
	Lyricist	60%	50%
	Publisher	40%	50%
		- / <del>-</del>	

<sup>&</sup>lt;sup>44</sup> Applies to distributions of royalties for financial years up to and including 2022.

<sup>&</sup>lt;sup>45</sup> Applies to distributions of royalties for financial years up to and including 2022.

		Works declared to GEMA on or after 1 January 1979	Works declared to GEMA before 1 January 1979
F.	Composer Lyricist (public-domain works)	60%	50%
	Publisher	40%	50%
G.	Composer Lyricist (public-domain works)	100% -	100% -
H.	Composer (public-domain works)	-	-
I.	Lyricist Composer	100% -	100% -
	(public-domain works) Arranger Lyricist Publisher	37.5% 25% 37.5%	37.5% 25% 37.5%
K.	Composer (public-domain works) Arranger Lyricist (new lyrics) Publisher	- 25% 37.5% 37.5%	- 25% 37.5% 37.5%
L.	Composer (public-domain works) Arranger Lyricist	- 50% 50%	- 50% 50%
M.	Composer (public-domain works) Arranger Publisher	- 60% 40%	- 50% 50%
N.	Composer (public-domain works)	- 100%	- 100%
	Arranger	10076	10070

- [2] For works the declarations of which GEMA received before 1 January 1979, the publisher's share may be reduced in the cases referred to at para. 1 lit. C to F and M upon formal request of the author of the work concerned, or of his or her successor in title, according to the allocation key applicable to work declarations to GEMA on or after 1 January 1979. If the work concerned is a copyright-protected work of music including lyrics, the formal request must be made by the composer and the lyricist jointly. In order for a formal request to this effect to be made, either an arbitration award according to § 16 B no. 1 a) of the GEMA Statutes or a final and non-appealable decision of an ordinary court of law must have been given. The provisions of Secs. 17, 30 and 32 of the German Act on Publishing Rights [Gesetz über das Verlagsrecht VerlG] and Secs. 36 and 41 of the German Act on Copyrights and Related Rights [Gesetz über Urheberrecht und verwandte Schutzrechte UrhG] shall apply.
- [3] The provisions of para. 2 shall apply *mutatis mutandis* to a formal request of the publisher in cases where the conditions for the share to be reduced no longer apply.

- [4] For works the declarations of which GEMA received between 1 January 1979 and 31 December 1989, the author(s) and publisher(s) of the works concerned shall receive a share of 50%, respectively, in the cases referred to at para. 1 lit. C to F and M, provided that such a division has been agreed between the parties involved and notified to GEMA, subject to the exception provided for under Section IV no. 1 a) of the Implementing Provisions governing Distribution Plan B for the mechanical reproduction right as amended from time to time.
- [5] For arrangements of public-domain works, the arranger shall take the place of the composer.
- [6] The provision of § 199a shall apply *mutatis mutandis* to the share of a lyrics adaptor.

### § 207 Allocation key for distribution categories DK VR, FS VR, R VR and T FS VR

[1] The following allocation key shall apply to works in respect of which royalties are distributed in distribution categories DK VR, FS VR, R VR and T FS VR:

A.	Composer	100%
B.	Composer Lyricist	50% 50%
C.	Composer Publisher	60% 40%
D.	Composer Lyricist Publisher	30% 30% 40%
E.	Composer (public-domain works) Lyricist Publisher	30% 30% 40%
F.	Composer Lyricist (public-domain works) Publisher	30% 30% 40%
G.	Composer Lyricist (public-domain works)	70% 30%
H.	Composer (public-domain works) Lyricist	50% 50%
I.	Composer (public-domain works) Arranger Lyricist Publisher	- 30% 30% 40%
K.	Composer (public-domain works) Arranger Lyricist (new lyrics) Publisher	- 30% 30% 40%

L. Composer

(public-domain works)
Arranger 50%

Lyricist 50%

M. Composer

(public-domain works)

Arranger 60% Publisher 40%

N. Composer

(public-domain works)

Arranger 100%

- [2] For arrangements of public-domain works, the arranger shall take the place of the composer.
- [3] The provision of § 199a shall apply *mutatis mutandis* to the share of a lyrics adaptor.

### § 208 Allocation key for distribution categories BT VR, I FS VR, I T FS VR, TD VR, VOD D VR and VOD S VR

[1] The following allocation key shall apply to works in respect of which royalties are distributed in distribution categories BT VR, I FS VR, I T FS VR, TD VR, VOD D VR and VOD S VR:

A.	Composer	100%
B.	Composer Lyricist	50% 50%
C.	Composer Publisher	60% 40%
D.	Composer Lyricist Publisher	30% 30% 40%
E.	Composer (public-domain works) Lyricist Publisher	- 60% 40%
F.	Composer Lyricist (public-domain works) Publisher	60% - 40%
G.	Composer Lyricist (public-domain works)	100%
H.	Composer (public-domain works) Lyricist	100%

I.	Composer (public-domain works) Arranger Lyricist	30% 30%
	Publisher	40%
K.	Composer (public-domain works) Arranger Lyricist (new lyrics) Publisher	30% 30% 40%
L.	Composer (public-domain works) Arranger Lyricist	50% 50%
M.	Composer (public-domain works) Arranger Publisher	60% 40%
N.	Composer (public-domain works) Arranger	100%

- [2] For arrangements of public-domain works, the arranger shall take the place of the composer.
- [3] The provision of § 199a shall apply *mutatis mutandis* to the share of a lyrics adaptor.

## CHAPTER 9: DIVISION OF DISTRIBUTION SUM AMONG THE ENTITLED PARTIES FOR GEMA ORIGINAL WORKS (Version for distributions from financial year 2021 onwards)

### § 190 Scope

The provisions of this Chapter shall apply to works the original authors or original publishers of which include at least one GEMA member (GEMA original works).

### § 191 Principle of free negotiability for works including lyrics

- [1] With respect to works including lyrics which are declared to GEMA on or after 1 January 2021, the share attributable to composers and lyricists, respectively, in the distribution categories of rights of communication to the public for the music and lyrics portions of the work concerned can be freely negotiated, based on a principle of equality between them, in accordance with the following provisions. With respect to works including lyrics which were declared to GEMA in the period from 1 January 1996 to 31 December 2020, the applicable shares for the purposes of the distribution categories of rights of communication to the public can be freely negotiated if the work concerned is a work of entertainment music according to distribution key II no. 1, 3 a) and 3 b).
- [2] In any case, the freely negotiated shares must be at least equal to 55% of the percentages provided for according to the basic division under § 192 para. 1 for the music and lyrics portions, respectively.

- [3] The division of shares agreed between the authors entitled to a work shall be notified to GEMA by an entitled party for the work concerned in compliance with GEMA's requirements as to form. In this context, that entitled party shall represent and warrant that he or she has obtained the consent of all authors entitled to the work concerned to the agreed division of their share. In the confirmation of registration of a work sent out by GEMA, all authors and publishers who have a share in the work concerned shall be informed about the division of the share.
- [4] The division of the share determined by free negotiation shall apply to all distribution categories of rights of communication to the public.
- [5] If the division of the share is not freely negotiated, the basic division according to § 192 shall apply.

### § 192 Basic division

- [1] If the applicable shares are not freely negotiated pursuant to § 191, the following basic division shall apply to works including lyrics:
  - (a) In the distribution categories of rights of communication to the public, the music share is 64% and the lyrics share is 36%.
  - (b) In the distribution categories of rights of reproduction and distribution rights, the music share is 50% and the lyrics share is 50%.
- [2] In the case of works not including lyrics, the music share is 100% in all distribution categories.
- [3] With respect to works of entertainment music including lyrics which have been classified according to distribution key II no. 3 a) or no. 3 b) upon formal request and in which, according to the assessment of the Works Committee, music and lyrics are equal in rank, the music and text shares, respectively, shall be 50% each in all distribution categories. The decision of the Works Committee may be appealed in accordance with § 6 of the Rules of Procedure of the Works Committee.
- [4] The share of the lyricist in works of serious music in the context of which a minor portion of text is performed shall be accounted for in the proportion the text used bears to the total volume of the work concerned. In cases of doubt or upon formal request, the Works Committee shall make a decision. The decision of the Works Committee may be appealed in accordance with § 6 of the Rules of Procedure of the Works Committee.
- [5] With respect to works the music and lyrics of which were created by one author alone, the music and lyrics of the work concerned may be allocated equal proportions.
- [6] In distribution categories T and T FS, a lyricist shall receive a share for those lengths of music for which he or she created the lyrics and for those lengths of score music which are based on the songs for which he or she created the lyrics.

#### § 193 Division among two or more authors from the same professional category

If two or more entitled authors from the same professional category have a share in a work, the share attributable to their professional category shall be divided among them in accordance with the information provided in the declaration of the work concerned. In cases of doubt, the share attributable to their professional category shall be divided equally among them.

### § 194 Distribution in respect of published copyright-protected works

- [1] If the contribution of a composer or lyricist to a work is published, the publisher shall receive a share of the composer's or lyricist's share in accordance with the provisions of the following paragraphs. This shall be without prejudice to the distribution to the music and text portions of the work concerned and to the distribution to two or more authors from the same professional category.
- [2] In the distribution categories of rights of communication to the public, the publisher shall receive 33.33% of the share of the composer or lyricist whose contribution the publisher published.
- [3] In the distribution categories of rights of reproduction and distribution rights, the publisher shall receive 40.00% of the share of the composer or lyricist whose contribution the publisher published.
- [4] If the contribution of a composer or lyricist is published by two or more publishers, the provisions of § 193 shall apply *mutatis mutandis* to the division of the publisher's share pursuant to paras. 2 and 3 among those publishers.

### § 195 Arranger's share in copyright-protected works

- [1] In arrangements of copyright-protected works, the arranger shall receive a share of 8.33% if, according to distribution key I to III, the work concerned has a point value of 12 for live performance, and a share of 16.67% if, according to distribution key I to III, the work has a point value of 24 or higher for live performance. In distribution categories T and T FS, the arranger shall, irrespective of the point value for live performance, always receive a share of 16.67% for the lengths of music he or she arranged.
- [2] In the case of unpublished works, the share of the arranger shall be paid in full by the composer. If two or more composers have a share in the work concerned, they shall pay the arranger's share out of their respective shares according to the division set forth in § 193. In the case of published works, 66.67% of the arranger's share shall be paid by the composer and 33.33% of it shall be paid by the publisher of the work concerned.

#### § 196 Lyrics adaptor's share in copyright-protected original lyrics

If copyright-protected original lyrics are adapted, the lyrics adaptor shall receive half the share attributable to the lyricist pursuant to § 191, § 192 and § 194. If two or more lyricists have a share in the work concerned, they shall pay the lyrics adaptor's share out of their respective shares according to the division set forth in § 193.

### § 197 Division of royalties for works including public-domain music

- [1] For arrangements of public-domain works, the arranger shall receive 40% of the share of the composer according to § 192 and § 194 in distribution categories DK, E, FS, M, R, T, T FS and U. The non-distributable shares shall be governed by the provisions of § 28. In all other distribution categories, the arranger's share shall be 100% of the share of the composer according to § 192 and § 194.
- [2] If the arrangement is published, the publisher shall receive the shares provided for under § 194 out of the music share pursuant to § 192.

[3] With respect to the distribution categories referred to in para. 1 sentence 1, if public-domain works are used, the share of the arranger may be fixed at half the share of the composer according to § 192 and § 194 upon formal request and submission of sheet music as evidence if the new work concerned is characterised equally by the pre-existing work by a third party and new compositional elements created by the composer him or herself. In cases of doubt, the GEMA Works Committee shall make a decision. For the purposes of the verification, a printed or non-printed specimen copy, i.e. a physical embodiment of the score (in six copies), accompanied, if applicable, by published or otherwise available audio recordings, shall generally be submitted by the entitled party. For works of a purely or largely improvisational nature or electroacoustic music, only audio recordings accompanied by written explanations of the work need to be submitted. The decision of the Works Committee may be appealed in accordance with § 6 of the Rules of Procedure of the Works Committee. The non-distributable shares shall be governed by the provisions of § 28.

### § 198 Division of the distribution sum for potpourris

- [1] The following provisions applicable to the division of the distribution sum for potpourris shall apply to potpourris in all distribution categories.
- [2] A potpourri is a musical work made up of 3 or more pre-existing individual works or parts of 3 or more pre-existing individual works combined and connected by transitions or otherwise arranged by a potpourri arranger.
- [3] Potpourris made up exclusively of public-domain works or parts of works (potpourris of public-domain works) shall be registered as arrangements of public-domain works. If the arrangement is eligible for copyright protection, the arranger and, if applicable, the publisher of the potpourri shall be allocated a share according to the provisions applicable to the division of the distribution sum for arrangements of public-domain works according to § 197.
- [4] With respect to potpourris made up of pre-existing copyright-protected works (potpourris of copyright-protected works), the following distinction is made for the purpose of distribution of royalties:
  - (a) For non-published potpourris of copyright-protected works, 50% of the distribution sum shall be allocated to the arranger of the potpourri and 50% shall be allocated in equal proportions to each of the copyright-protected works used in the potpourri.
  - (b) For published potpourris of copyright-protected works, the publisher of the potpourri shall receive 50% of the share of the arranger of the potpourri pursuant to lit. a. The remaining 50% shall be allocated in equal proportions to the copyright-protected works used in the potpourri.
- [5] If a potpourri is made up of both copyright-protected and public-domain works, the shares attributable to the public-domain works shall be allocated in equal proportions to the pre-existing copyright-protected works.
- [6] In deviation from para. 4 and 5, potpourris of copyright-protected works in which the same parties are entitled both to the potpourri and to all of the pre-existing works used in the potpourri (potpourris of own works) shall be accounted for as new works of

those entitled parties without allowing an arranger's share. If potpourris of own works are arranged by third parties, the provisions of para. 4 and 5 shall apply.

### § 199-208 N/A

### CHAPTER 10: DIVISION OF DISTRIBUTION SUM AMONG THE ENTITLED PARTIES FOR SUB-PUBLISHED WORKS

#### SECTION 1 GENERAL PROVISIONS

### § 209 Scope

The provisions of this section shall apply to works to which GEMA original publishers contributed and which are sub-published outside Germany, and to works to which foreign original publishers contributed and which are sub-published in Germany.

### § 210 Conditions for a sub-publisher to be entitled to a royalty share

- [1] If a sub-publisher is to be entitled to a royalty share, this shall be subject to the consent of GEMA. This shall apply to both domestic and foreign works. GEMA's consent shall be deemed granted if the sub-publishing contract does not conflict with the provisions of the Distribution Plan.
- [2] If a sub-publisher is to be entitled to a royalty share, this shall be subject to the consent of the authors of the work concerned. This consent may already be granted in the publishing contract. The consent of the authors is not required if only the normal publisher's share allocated to the original publisher is to be divided between the original publisher and the sub-publisher of the work concerned. This shall be without prejudice to para. 4.
- [3] The sub-publisher shall publish the work taken over in a reprinted edition of his or her own. An edition co-published with the original publisher for technical and commercial reasons shall be regarded as the sub-publisher's own edition if the names of both the original publisher and the sub-publisher appear in the imprint for the territory in which the work is sub-published.
- [4] A sub-publisher does not need to publish a work in a reprinted edition of his or her own if the work concerned is a major instrumental or vocal work of serious or higher-level entertainment music the staging material for which is made available by the original publisher him or herself only on a rent basis or is distributed by the sub-publisher in the foreign original edition because the costs of production are too high. In such cases, the sub-publisher needs to notify the work concerned to GEMA. If the sub-publisher is to receive a royalty share in such cases, this shall in any case be subject to the consent of the authors of the work concerned and the competent foreign CMO.
- [5] Publishers may contract works and/or publishing catalogues to foreign publishers and grant such foreign publisher or foreign co-authors a share in the royalty revenue from the rights in the works concerned only with the consent of the domestic authors, of GEMA and of the foreign CMO that administers the rights in them for the respective country.
- [6] Publishing contracts entered into by foreign publishers with German publishers for works in respect of which the German publisher or the German co-authors are granted a share in the royalty revenue received in Germany or abroad from the rights in

them shall be subject to the consent of the respective foreign authors and CMOs and the consent of GEMA.

- [7] Sub-publishing contracts must be entered into for a term of at least 3 calendar years. The term of such contracts must be in line with calendar years. If the shares held in a work change during the course of a distribution period, this cannot be taken into account.
- [8] A sub-publishing contract for the GEMA territory may not be entered into for a contribution to a work originally published in that territory.<sup>46</sup>
- [9] If a sub-publishing contract is entered into, the entitled parties from GEMA shall notify GEMA of this fact promptly using the form provided for this purpose. The time limits for declaration and notification pursuant to § 36 para. 2 and § 41 para. 3 shall apply *mutatis mutandis*. The declaring parties shall be liable to GEMA for the accuracy of the information provided with the declaration. If no declaration of a sub-publishing contract has been received by the time royalties are distributed, GEMA shall have the right to pay out the royalties received with debt-discharging effect to the authors and original publishers named in the declarations of the works concerned or reports from the foreign sister organisations, or to those authors' and original publishers' successors in title.

[10]If a foreign publisher acquires a German publishing catalogue, this shall be without prejudice to the shares the authors of the works concerned hold in it, even if the acquiring party enters into a sub-publishing contract with a German publisher for that catalogue or any works from it.

[11]If a GEMA original work has been assigned to a publisher who is a member of a CMO with whom GEMA does not have a representation agreement, the assignment will not be acknowledged as valid.

[12] Any share which may have been agreed between the original publisher and the sub-publisher may be assigned only internally between the publishers involved, without this having any effect on GEMA's accounting.

### § 211 Royalty share of two or more publishers of a work sub-published in Germany

If two or more publishers are to receive different royalty shares in a work sub-published in Germany, the distribution sum shall be divided among them according to the declaration of the work concerned.

### § 212 Second sub-publisher

If a GEMA publisher member takes over a work from a foreign sub-publisher for sub-sub-publishing, GEMA shall pay a royalty share only to its publisher member and the original publisher of the work concerned, except for works of an original publisher in the USA. If a GEMA publisher member acquires a work of an original publisher from the USA from the continental sub-publisher of the latter, GEMA shall pay a royalty share to its publisher member and the continental sub-publisher.

<sup>&</sup>lt;sup>46</sup> The version as adopted by resolution of the 2020 General Assembly shall apply to distributions from financial year 2021 onwards.

### § 213 Co-productions

- [1] Fully published works to which at least one GEMA original publisher and at least one foreign original publisher contributed (co-productions) cannot be sub-published, neither under sub-publishing agreements between the publishers involved in the co-production, nor in the countries where those publishers are based.
- [2] The publishers involved in a co-production shall receive a share no greater than 33.33% in the distribution categories of rights of communication to the public and no greater than 40% in the distribution categories of reproduction and distribution rights.<sup>47</sup>

### § 214 Representation

- [1] If a GEMA publisher takes over a foreign work from a foreign original publisher only for the purpose of distribution without printing and (if the original declaration of the work or a notification of changes relating to it was filed on or after 1 January 2007) commercially distributing an edition of his or her own (e.g. by including it in the International Database for Printed Music and Musical Products (IDNV Database) or by having an ISMN and/or barcode assigned to it), the share of that publisher (the "representative") in the work concerned shall, as a matter of principle, not be credited to his or her main member account. This shall be without prejudice to § 210 para. 4.
- [2] The share agreed with the foreign original publisher shall be credited to a special member account of the representative after deduction of an administrative fee pursuant to § 29 para. 2. The distribution sum credited to the special member account shall not be taken into account for the purposes of the rating procedure nor for calculation of the total amount of royalties required to attain full membership.
- [3] In deviation from the provisions of para. 1 and 2, a share of up to 50% in distribution categories T, TD, TD VR, T FS and T FS VR may be credited to the main member account of the representative. A prerequisite for this is that GEMA and the foreign CMO have given their consent and the authors of the work or works concerned have agreed to this, which must be proven to GEMA before a contract to this effect is entered into. The representative shall be required to supply to GEMA the usual cue sheet of the music used in a sound film.

### SECTION 2 DIVISION OF THE DISTRIBUTION SUM FOR SUB-PUBLISHED WORKS IN THE DISTRIBUTION CATEGORIES OF RIGHTS OF COMMUNICATION TO THE PUBLIC

### § 215 Allocation key<sup>48</sup>

[1] In the case of works that are sub-published in their entirety, the share attributable to the authors (composer, original arranger, sub-arranger, original lyricist, lyrics adaptor and sub-lyricist) shall be 50% of the total shares in the sub-published work concerned. The shares attributable to the original publisher and the sub-publisher of a work combined shall be 50% of the total shares.

<sup>&</sup>lt;sup>47</sup> The version as adopted by resolution of the 2020 General Assembly shall apply to distributions from financial year 2021 onwards.

<sup>&</sup>lt;sup>48</sup> The version as adopted by resolution of the 2020 General Assembly shall apply to distributions from financial year 2021 onwards.

- [2] If only the contributions individual authors made to the work concerned are sub-published, para. 1 shall apply *mutatis mutandis* to the shares in the distribution sum attributable to those contributions.
- [3] The division of royalties between the original publisher and the sub-publisher of a work shall be governed by the agreements made between the publishers involved.
- [4] If the consent of GEMA is to be obtained, German sub-publishers shall pay attention to ensuring that the sub-publishing contracts concerned provide for GEMA sub-lyricists to receive at least 12.5% and for GEMA sub-arrangers to receive at least 8.33% of the total shares, respectively.

### § 216 Royalty share of the sub-lyricist<sup>49</sup>

- [1] A sub-lyricist shall be entitled to a royalty share if
- (a) his or her sub-lyrics and his or her share in royalties were approved by an authorised sub-publisher on or before the date the sub-lyrics were declared to GEMA.
- (b) his or her sub-lyrics have been declared to GEMA, and
- (c) his or her sub-lyrics are identifiable in the respective usage reports.

This shall be without prejudice to § 59.

- [2] The sub-lyricist of a GEMA original work shall receive half of the share of the lyricist pursuant to § 191, § 192 and § 194.
- [3] The following provisions shall apply to works from foreign-language countries that are sub-published in Germany:
  - (a) Subject to the written consent of the sub-lyricist of the work concerned, the sub-publisher may authorise special sub-lyrics in the individual case in question. If the special sub-lyrics constitute only an adaptation or other transformation of the sub-lyrics, the royalty share of the sub-lyricist shall be divided between the sub-lyricist and the author of the special sub-lyrics. If, however, the special sub-lyrics created constitute lyrics in their own right, only the author of these new lyrics shall receive the sub-lyricist's share for his or her version of the lyrics in his or her capacity as the new sub-lyricist.
  - (b) If circumstances change, the sub-publisher may request that the sub-lyrics be updated. If the sub-lyricist refuses or is unable to do this, the sub-publisher shall have the right to select another sub-lyricist after 3 months from the date of his or her request. The existing sub-lyricist may not object to the selection of another sub-lyricist if his or her objection would be against good faith. If the new sub-lyrics constitute only an adaptation or other transformation of the existing sub-lyrics, the royalty share of the sub-lyricist shall be divided between the sub-lyricist and the author of the special sub-lyrics. If, however, the new sub-lyrics created constitute lyrics in their own right, only the author of these new lyrics shall receive the sub-lyricist's share for his or her version of the lyrics in his or her capacity as the new sub-lyricist.

<sup>&</sup>lt;sup>49</sup> The version as adopted by resolution of the 2020 General Assembly shall apply to distributions from financial year 2021 onwards.

(c) The royalties for the original versions shall be credited to the entitled persons of the original work concerned (as named in the declaration of the sub-publisher).

### § 217 Royalty share of the sub-arranger<sup>50</sup>

- [1] The sub-arranger is only entitled to receive royalty distributions in the categories of rights of communication to the public. He or she shall be entitled to a royalty share if this has been authorised by a sub-publisher and his or her sub-arrangement is expressly mentioned in the usage reports. This shall be without prejudice to the provisions of § 59 regarding substantiation by *prima facie* evidence and complaints.
- [2] The share of the sub-arranger of copyright-protected GEMA original works shall be half the share of an arranger of copyright-protected works pursuant to § 195 para. 1.

### SECTION 3 DIVISION OF THE DISTRIBUTION SUM FOR SUB-PUBLISHED WORKS IN THE DISTRIBUTION CATEGORIES OF REPRODUCTION AND DISTRIBUTION RIGHTS

### § 218 General provisions

- [1] The royalty share a sub-publisher receives for a work sub-published in Germany shall be determined on the basis of the agreements made between the parties involved, taking into account the distribution plans of the foreign CMOs concerned. For works from foreign-language countries that are sub-published in Germany, the authors concerned shall receive a royalty share of 50% and the original publisher a share of 50% if at least one of the authors is a GEMA member.
- [2] The royalty shares the original beneficiaries of GEMA original works which are sub-published abroad receive shall be determined according to the provisions of Chapter 9 of the Special Provisions of this Distribution Plan. With respect to distribution categories Phono VR, I R VR, MOD D VR, MOD S VR, GOP VR (usage reports)<sup>51</sup> and WEB VR, GEMA acknowledges the percentage shares specified in para. 1 sentence 2.
- [3] The shares the original publisher and the sub-publisher receive for a work with original lyrics in German that was originally published in the German-speaking countries must not exceed a combined share of 60% of the total distribution sum if the sub-publisher is based in a German-speaking country. This provision shall apply both to foreign works sub-published in Germany and to GEMA original works sub-published abroad.
- [4] If only the contributions individual authors made to the work concerned are subpublished, paras. 2 and 3 shall apply *mutatis mutandis* to the shares in the distribution sum attributable to those contributions.<sup>52</sup>

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<sup>&</sup>lt;sup>50</sup> The version as adopted by resolution of the 2020 General Assembly shall apply to distributions from financial year 2021 onwards.

<sup>&</sup>lt;sup>51</sup> Applies to distributions of royalties for financial years up to and including 2022.

<sup>&</sup>lt;sup>52</sup> The version as adopted by resolution of the 2020 General Assembly shall apply to distributions from financial year 2021 onwards.

### § 219 Division of royalties for works of foreign original publishers not represented by a CMO

If the foreign original publisher of a work is not a member of a CMO with whom GEMA has a representation agreement in place, the share of the original publisher shall also be credited to the German sub-publisher of that work in distribution categories Phono VR, BT VR, TD VR and the distribution categories of online use, instructing him to distribute the royalties on to the original publisher in accordance with the provisions of the sub-publishing contract. If the author of the work concerned is not a member of such a CMO either, the German sub-publisher shall also receive the royalty share of the author. If a work is subcontracted to sub-publishers in Austria and Switzerland, the Austrian or Swiss sub-publisher shall receive the share of the German sub-publisher in lieu of the latter. This shall be without prejudice to the royalty share of the German sub-lyricist according to § 220 and § 221.

### § 220 Royalty share of a German sub-lyricist in distribution categories Phono VR, I R VR, MOD D VR, MOD S VR, GOP VR (usage reports)<sup>53</sup> and WEB VR

- [1] The author of the sub-lyrics of a work from a foreign-language country that is subpublished in Germany shall be entitled to a royalty share if
  - (a) his or her sub-lyrics and his or her share in royalties were approved by an authorised sub-publisher on or before the date the sub-lyrics were declared to GEMA,
  - (b) his or her sub-lyrics have been declared to GEMA, and
  - (c) his or her sub-lyrics are identifiable in the respective usage reports.

This shall be without prejudice to § 59 para. 1 and 2.

- [2] Only one set of sub-lyrics shall be acknowledged for the duration of the protection period. The sub-lyricist shall receive a fix 16.67% royalty share of 100%. This entitlement shall apply regardless of the amount of the share of the sub-publisher.
  - [3] § 216 para. 3 shall apply mutatis mutandis.

### § 221 Royalty share of a German sub-lyricist in distribution categories R VR, FS VR, T FS VR, DK VR, TD VR, BT VR, I FS VR, I T FS VR, VOD D VR and VOD S VR

- [1] For declared sub-lyrics of foreign original works, the sub-lyricist shall receive 30% and the sub-publisher 70% of the royalty share that remains in Germany. The conditions specified in § 220 para. 1 shall apply *mutatis mutandis* to the royalty share the sub-lyricist is entitled to.
  - [2] § 216 para. 5 shall apply mutatis mutandis.

### § 222 Foreign sub-lyricist's share

For authorised foreign-language lyrics of works written in German that are not sub-published abroad, the foreign lyricist shall receive half of the lyricist's share applicable in his or her country in distribution categories Phono VR, DK VR, BT VR, TD VR and in the distribution categories of online use if recordings using his or her lyrics are used in the

<sup>&</sup>lt;sup>53</sup> Applies to distributions of royalties for financial years up to and including 2022.

authorised territory, but no more than 12.5% of the distribution sum in distribution categories Phono VR, I R VR, MOD D VR, MOD S VR, GOP VR (usage reports)<sup>54</sup> and WEB VR, and no more than 15% of the distribution sum in distribution categories BT VR, I FS VR, I T FS VR, TD VR, VOD D VR and VOD S VR. The remaining amount shall be distributed according to the allocation key applicable to the original work concerned.

### **Final provisions**

#### § 223 Effective date

This Distribution Plan shall take effect on 1 January 2017.

### § 224 Rule of interpretation

According to the resolution of the General Assembly of 26/27 April 2016 on Item 23 of the agenda, this Distribution Plan replaces and supersedes the last previous version of the GEMA Distribution Plan, comprising Distribution Plan A for performing and broadcasting rights, Distribution Plan B for the mechanical reproduction right and Distribution Plan C for online use. The changes to the wording and structure of the Distribution Plan that were adopted by the resolution on Item 23 of the agenda of the General Assembly of 26/27 April 2016 are editorial in nature. No changes in substance are intended by this editorial revision, except where a change was clearly identified in the statement of grounds for the proposal for resolution on Item 23 of the agenda as printed on the agenda for the General Assembly of 26/27 April 2016 as a change in substance. In constructing the provisions of this Distribution Plan, it is therefore to be assumed in cases of doubt that any change to the wording and structure adopted by the resolution on Item 23 of the agenda of the General Assembly of 26/27 April 2016 was not intended to bring about a change in the substance of the Distribution Plan as in force until 31 December 2016.

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<sup>&</sup>lt;sup>54</sup> Applies to distributions of royalties for financial years up to and including 2022.