

Bd. Dimitrie Pompeiu no. 6E, 11th Floor, District 2, Bucharest

Phone: 021 222 20 45/46 Fax: 021 222 20 43, PO Box 020337

CIF: RO 9670110 / HJ: 136/1996

IBAN: RO92RNCB0070153249250001

BCR Pipera Branch

www.upfr.ro / office@upfr.ro

Registration no. 4742/05.02.2026

Disclaimer!

This English version is provided for informational purposes only. It was generated with an AI-based translation tool and may contain inaccuracies or omissions. In case of any legal or official matters, please refer to the original Romanian text.

GENERAL DISTRIBUTION POLICY

2026

Draft submitted for approval by the Annual General Meeting pursuant to Decisions 4843/05.02.2026 and 6773/12.03.2026

This document was approved by the decision of the Annual General Meeting with registration no. 9257/27.04.2026

CONTENTS

1. General rules for declaring phonograms/videograms for the purpose of distribution
 - 1.1. Preamble
 - 1.2. Method for declaring the repertoire to UPFR
 - 1.3. Registration of the repertoire in the UPFR database
 - 1.4. General rules for resolving discrepancies
2. Collection of playlist-type documents underlying distributions
3. Method for calculating distributions
 - 3.1. General considerations
 - 3.2. Analysis of collected remuneration
 - 3.3. Analysis of playlists
 - 3.4. Monitoring of radio and TV stations
 - 3.5. Digital-environment indicators
 - 3.6. Unclaimed amounts
 - 3.7. Interest and damages
4. Collection sources and distribution rules for phonogram/videogram producers
 - 4.1. Amounts resulting from collection sources for phonograms
 - 4.1.1. Compensatory remuneration for private copying
 - 4.1.2. Equitable remuneration for broadcasting
 - 4.1.3. Equitable remuneration for public communication
 - 4.1.4. Remuneration due for public communication on the internet
 - 4.1.5. Remuneration due from cable retransmission
 - 4.1.6. Remuneration due from reproduction for broadcasting, public communication and making available to the public
 - 4.2. Amounts resulting from collection sources for videograms
 - 4.2.1. Compensatory remuneration for private copying of videograms
 - 4.2.2. Remuneration due from cable retransmission of videograms
5. Method for calculating and using audience figures and defining stations with measured audience
 - 5.1. Method for calculating audience figures
 - 5.2. Stations with measured audience
6. MISCONDUCT AND SANCTIONS

6.1. Disciplinary misconduct

6.2. Applicable sanctions

1. General rules for declaring phonograms/videograms for the purpose of distribution

1.1. Preamble

1.1.1. Uniunea Producatorilor de Fonograme din Romania - Asociatia pentru Drepturi Conexe (UPFR) shall hereinafter be referred to as UPFR.

1.1.2. The declaration of a producer's repertoire and its registration in the UPFR database enables the correct identification of the phonograms held by that producer both in the playlists received by UPFR from users and through the monitoring reports received from the monitoring company.

1.1.3. The calculation of producers' related rights is based on processing playlists declared and submitted by users to UPFR and/or reports obtained from station monitoring carried out by a specialised company, taking into account the repertoire declared and registered by each producer with UPFR.

1.1.4. The procedure for declaring and registering repertoire with UPFR is available on the UPFR website and applies to UPFR members and non-members, similar CMOs in Romania, and foreign CMOs.

1.1.5. Declaring a producer's repertoire to UPFR, whether the producer is a UPFR member or non-member, is a mandatory condition for benefiting from the distribution of related rights collected by UPFR.

1.1.6. Fingerprinting phonograms by a phonogram producer, whether a UPFR member or non-member, is a mandatory condition for benefiting from the distribution of related rights collected by UPFR.

1.1.7. Distributed remuneration means the remuneration collected by UPFR from users, allocated to each phonogram used, determined on the basis of information transmitted by the user or, as applicable, on the basis of information obtained from phonogram producers, including through the declaration of phonogram repertoires to UPFR, UPFR monitoring, and the digital sources taken into account for remuneration distribution, according to the distribution criteria applicable to each collection source, under the conditions provided by the UPFR Statute and this General Distribution Policy.

1.1.8. A producer may request the distribution of the related rights due only on the basis of the declared repertoire and the conclusion of the related-rights management agreement (for non-members), in accordance with the legislation in force, except where the producer is an associated member of a similar organisation in Romania or abroad with which UPFR has concluded a cooperation protocol for collective management activity, in which case the repertoire is transmitted by that organisation. The claiming of the related rights and remuneration is not carried out exclusively by declaring the repertoire, but also by fulfilling all specific conditions provided by the UPFR Statute and the General Distribution Policy.

1.2. Method for declaring the repertoire to UPFR

1.2.1. The complete procedure for repertoire declaration, as well as the documents required for declaring the repertoire, are communicated to all producers, members or non-members of UPFR, in the format accepted by UPFR, through the union's website in the Repertoire section.

1.2.2. The general format for declaring the phonogram/videogram repertoire complies with the rules established by ORDA Decision no. 52/2014, corroborated with the international standards recommended by IFPI - representing the recording industry worldwide. If legislative amendments occur, the format shall be modified accordingly.

1.2.3. The producer is required to submit the repertoire for which it holds a mandate, with all mandatory fields completed, so that it can be entered in the UPFR repertoire database, called BDR-UPFR.

1.2.4. The repertoire may be declared on optical media, directly at the UPFR headquarters, electronically through the union's website under Producers > Repertoire declaration, or by email, as an alternative to declaring the repertoire on physical media at the union's headquarters.

1.2.5. If, following verification of the repertoire declared by the producer, missing items/inconsistencies are found in the mandatory fields, the UPFR representative shall notify the producer in writing. If no written reply is received from the producer and the repertoire declaration is not corrected, the declared phonograms/videograms cannot be taken into account in the distribution process.

1.2.6. For the registration of the repertoire, the producer must submit, at the time of registration with UPFR, a statement on its own responsibility confirming that the declared repertoire contains the phonograms/videograms belonging to it, that the respective phonograms/videograms are not produced with the help of artificial intelligence but are sound recordings of artistic performances by named artists, and, as applicable, the supporting documents and the period for which it requests the distribution of rights.

1.2.7. The producer is required to fingerprint the phonograms in the repertoire for which it holds a mandate, in compliance with the fingerprinting procedures communicated by UPFR.

1.2.8. The complete repertoire fingerprinting procedure is communicated to all producers, members or non-members of UPFR, through the UPFR website in the Fingerprinting section.

1.2.9. Repertoire fingerprinting may be performed either through an FTP service or through a direct upload service. The differences between the two services are set out in the repertoire fingerprinting procedure, which can be accessed through the union's website in the Fingerprinting section.

1.3. Registration of the repertoire in the UPFR database

1.3.1. UPFR registers phonograms/videograms of phonogram/videogram producers that carry related rights.

1.3.2. For phonograms/videograms declared to UPFR, the producer must be able, at any time, to provide proof through documents attesting its capacity as producer, licensee or exclusive authorised representative in Romania for the related rights over the phonograms/videograms declared within the registered repertoire, and must sign the related-rights management agreement (for non-members). From this point of view, UPFR does not register phonograms/videograms of producers that do not fall within one of the preceding categories. UPFR reserves the right to request additional information from the producer to certify its capacity as producer.

1.3.3. A producer that registers phonograms such as advertising spots, signals, curtains, jingles, etc. must hold documents proving that it has not assigned its related rights to the advertising agency/spot beneficiary/broadcaster (hereinafter referred to as beneficiaries), etc. UPFR reserves the right to request from the producer any supporting document proving ownership of the related rights over the declared phonograms/videograms, depending on the particularities of each situation.

1.3.4. The phonograms/videograms declared to UPFR and the phonograms referred to in point 1.3.3 form the same database, each type of fixation being classified differently.

1.3.5. Producers with repertoire registered with UPFR are required to update it quarterly, in accordance with the provisions of the UPFR Statute.

1.3.6. Repertoire updates shall be made through a procedure similar to that set out in point 1.2, indicating the phonograms/videograms that have been removed from or added to the producer's repertoire, using the same Excel format in which the initial repertoire is communicated, by the 15th day of the month following the end of the quarter.

1.4. General rules for resolving discrepancies

1.4.1. The repertoire declaration procedure shall be followed for comparing the submitted repertoire with the repertoire existing in the database.

1.4.2. The phonograms/videograms in the newly submitted repertoire that do not enter into discrepancy with the phonograms/videograms in the UPFR database shall be uploaded to the UPFR database according to the repertoire declaration procedure.

1.4.3. If, after uploading, the repertoire has generated discrepancies, the UPFR representative shall inform, in writing by email, the UPFR members/independent producers who submitted the respective repertoire of the identified discrepancies, for reconfirmation/reworking of the repertoire declaration within 15 working days.

1.4.4. If no written response is received within 15 working days from becoming aware of the discrepancies created by the repertoire, the UPFR representative shall notify in writing the deactivation of the phonograms in discrepancy submitted by the phonogram producer.

1.4.5. If the producer reconfirms the ownership of the phonograms/videograms in discrepancy, UPFR shall simultaneously inform by email, attaching the phonograms/videograms in discrepancy, the producer who previously submitted the same phonograms/videograms identical to those of other producers with whom it is in discrepancy, for reconfirmation of the phonograms.

1.4.6. If, following the email sent to both producers, neither party waives the phonograms/videograms in discrepancy, UPFR shall request additional documents from both phonogram/videogram producers to certify ownership of the rights.

1.4.7. For phonograms/videograms in the local repertoire, in the event of a discrepancy, the phonogram producer must prove ownership of the related rights over the phonograms/videograms by submitting any documents requested by UPFR.

1.4.8. After receipt of the documents certifying that the phonograms/videograms belong to the right holder, they shall be analysed and endorsed by UPFR's lawyers.

1.4.9. The deadline by which UPFR waits for a response in the case of discrepancies is 30 calendar days from the first notification, and failure to respond is equivalent to deactivation of the phonograms in discrepancy of the producer that does not respond.

1.4.10. For phonograms/videograms in the international repertoire, in the event of a discrepancy, the producer holding the rights shall provide a notarised translation of the contracts for representation of related rights in Romania, and the reference to the representation of related rights must be explicit. A copy of the original licence, signed and stamped as conforming to the original, shall also be provided.

1.4.11. Failure to communicate the supporting documents for resolving discrepancies within the deadline mentioned above is equivalent to withdrawal of the repertoire declaration.

1.4.12. Mandate agreements (for members) or collective management agreements (for producers that are not UPFR members) shall be signed only if at least one of the phonograms/videograms declared in the repertoire is not in discrepancy.

1.4.13. If both the first phonogram producer and the second phonogram producer provide the requested evidence, UPFR may only express its opinion on the documentation submitted by the parties; if the discrepancies are not resolved amicably, the producers shall apply to the competent courts. In this case, UPFR shall block the amounts generated as a result of the unresolved discrepancies until a final decision is issued or until they are resolved amicably.

1.4.14. If a phonogram/videogram has been registered by several producers and, according to the documentation received from radio and television organisations, the broadcast version cannot be accurately determined, the amount allocated per phonogram shall be distributed as follows:

- a. the producer of the original recording receives 2/3 of the allocated amount, and the producer that made the re-recording receives 1/3 of the allocated amount;
- b. in the case of several re-recordings, 1/2 of the allocated amount is allocated to the producer of the original recording, and 1/2 of the allocated amount is distributed equally among the number of producers that made declared re-recordings.

1.4.15. Co-productions are productions with several holders in the same category of rights, one of whom is an administrator that communicates its capacity to UPFR, with the amounts for the respective co-productions - phonograms or videograms - to be distributed to that administrator, UPFR being released from any claim by the other co-producers. The entire UPFR/co-producer relationship regarding distribution documentation is carried out through the co-production administrator or through UPFR; in the latter case, the administrator's consent is required.

1.4.16. The co-production administrator means the natural or legal person who exploits the phonogram or videogram and who will communicate to UPFR all information on the basis of which the remuneration generated by the phonograms in co-production will be calculated.

1.4.17. If technically possible in the distribution software, UPFR shall distribute the due rights directly to the co-producers according to the shares declared by the administrator to UPFR on its own responsibility, the co-production administrator being required to declare to UPFR the shares agreed with the other co-producers and the beneficiary co-producers and to prove the agreed shares.

1.4.18. If the co-producers are not in the UPFR database, the co-production administrator shall provide the information necessary to make the payment.

1.4.19. To the extent that UPFR is unable to distribute the amounts due to the co-producers, point 1.4.15 shall apply, and the amounts shall be distributed to the co-production administrator, who shall bear full responsibility for distributing the amounts to the other co-producers, UPFR being released from any claim by them.

2. Collection of playlist-type documents underlying distributions

2.1. In order to carry out distributions, UPFR uses monitoring reports for radio and TV stations from the Vericast BMAT platform and, where monitoring reports do not exist, the playlists transmitted by radio and TV stations.

2.2. Monitoring reports for radio and TV stations from the Vericast BMAT platform and playlists transmitted by radio and TV stations constitute the basis for distributing the remuneration collected by UPFR from all users.

2.3. The format in which the playlist must be submitted is provided by the methodologies in force. In order for playlists to be uploaded into the distribution software, they must be in electronic format and accompanied by a cover letter bearing the name of the legal representative, the representative's signature and the user's stamp; through this letter, the truthfulness of the information is confirmed on the user's own responsibility.

3. Method for calculating distributions

3.1. General considerations

3.1.1. The distribution of remuneration is carried out by UPFR according to the rules established in the UPFR Statute, and the method for calculating and determining the amounts to be distributed is approved by UPFR members through this document, in compliance with the following general principles:

- a) remuneration collected by UPFR is distributed to right holders in proportion to the actual use of the phonograms/videograms, except where distribution in proportion to actual use of the phonograms/videograms is not possible;
- b) remuneration is distributed, as a rule, separately by collection categories and types of use, except where this regulation provides otherwise.

3.1.2. Remuneration is collected for the collective benefit of producers and other holders of related rights managed by UPFR, who may not be UPFR members but who hold related rights as producers of phonograms and videograms.

3.1.3. A right holder is entitled to remuneration collected by UPFR, in compliance with the UPFR Statute and this General Distribution Policy.

3.1.4. Individual distribution and payment of remuneration is carried out periodically, quarterly, to all right holders, whether they are UPFR members or non-members. Each year, UPFR carries out a settlement involving the resumption of the entire distribution process, taking into account claims made after the quarterly distributions as a result of repertoire declarations, the identification of phonograms after quarterly distributions, notified on the official UPFR website under the section "Phonograms pending allocation", the resolution of discrepancies after quarterly distributions, corrections to information resulting from radio and TV station monitoring, or additional documentation of collected remuneration and reporting or corrections of digital-environment indicators after quarterly distributions.

3.1.5. A percentage of 1% shall be withheld from the amounts collected from the sources to be distributed according to digital-environment indicators, to which shall be added the remuneration unclaimed by phonogram producers in quarterly distributions. This percentage is consolidated following the annual settlement carried out according to point 3.1.4, so that, over a period of 3 years from the notification date, both phonograms claimed after the settlement and digital-environment indicator reports for producers that report such information after the annual settlement may be remunerated from these amounts; the generated remuneration shall be paid after the settlement, depending on the year for which it is determined, at each distribution of the current year.

3.1.6. The General Meeting of Members or the UPFR Board of Directors may set advance distribution deadlines (in the case of properly justified situations), longer or shorter deadlines, without exceeding the maximum deadline provided by republished Law no. 8/1996.

3.1.7. For the distribution of remuneration in proportion to the duration of phonograms/videograms, account shall be taken of the information indicated in the reports communicated by users to UPFR and/or the monitoring reports of the respective stations, to the extent that those stations were monitored.

3.2. Analysis of collected remuneration

3.2.1. Remuneration collected by UPFR during a financial year shall be recorded by collection sources, grouped as follows:

- equitable remuneration for public communication;

- remuneration due from reproduction for broadcasting, public communication and making available to the public;
- compensatory remuneration for private copying of phonograms;
- equitable remuneration for radio-type broadcasting;
- equitable remuneration for TV-type broadcasting;
- remuneration due from cable retransmission of phonograms;
- remuneration due for public communication on the internet;
- compensatory remuneration for private copying of videograms;
- remuneration due from cable retransmission of videograms;
- damages;
- bank interest.

3.2.2. Remuneration collected by UPFR from users is allocated to the period established according to the internal procedures for working with users, the non-exclusive licence agreements, the tax invoices issued by UPFR and any other documents arising in the relationship with the user. Depending on these periods, the rules on the basis of which such remuneration is distributed are established. Whenever a global remuneration is collected and it is not possible to determine exactly the period for which the remuneration was collected, it shall be distributed according to the rules applicable in the period in which the respective remuneration was collected.

3.2.3. Remuneration collected for a period prior to the date on which such remuneration is paid or recovered, to the extent that it is not documented by the user under the conditions above, shall be distributed to right holders in proportion to the amounts distributed to them for the same collection source during the period for which such remuneration was paid or recovered.

3.2.4. In the case of remuneration for broadcasting, amounts collected for past periods shall be distributed according to the documentation received for the period for which such amounts were paid or recovered; if UPFR does not hold the playlists from the user for these amounts due to the user's fault, the amounts shall be distributed to right holders in proportion to the amounts distributed to them for the same collection source during the period for which such amounts were paid or recovered.

3.2.5. In the case of remuneration paid by a radio or TV organisation without being broken down by station, the remuneration shall be distributed among the respective stations according to each station's audience. Within the playlists received by station, phonograms/videograms are weighted by the audience established by an audience-monitoring company specialised in determining audience figures. If there is no measured audience for certain stations, the minimum measured audience for the period for which the distribution is made shall be taken into account.

3.2.6. In the case of remuneration paid by a radio organisation for which the playlist is not provided separately according to the remuneration paid under the radio methodology, information from the declared repertoire shall be used.

3.2.7. In the case of remuneration collected for the public communication source, private copying of phonograms source, private copying of videograms source, and cable retransmission of phonograms and videograms source, the amounts collected shall be distributed according to the information available at the distribution date. Considering the time lag between the period for reporting and processing playlists and the collection period, the collected amounts shall be allocated to uses from the preceding collection period.

3.2.8. Amounts collected as penalties for late payment of remuneration shall be distributed in proportion to the remuneration distributed to right holders for the category of users from whom they were collected.

3.2.9. Payment of remuneration due to phonogram producers is made into the bank account mentioned by the producers in the mandate agreement concluded with UPFR, if the following obligations are met, as applicable:

- a) the phonogram producer has submitted to UPFR a confirmation from the bank where it holds its current account, confirming the accuracy of the banking information; likewise, the phonogram producer has ensured that its banking details, contact details and correspondence details in the relationship with UPFR have been updated;
- b) the phonogram producer has issued to UPFR a tax invoice for payment of the claimed remuneration, in the exact amount previously notified by UPFR;
- c) if phonograms other than those initially declared in the repertoire submitted to UPFR are claimed, the phonogram producer has submitted to UPFR the statement on its own responsibility regarding the phonograms for which UPFR could not determine the right holder and which the producer claims, if applicable;
- d) in the case of phonogram co-productions, the co-producers are required to communicate to UPFR, when declaring the repertoire or when submitting the request to claim phonograms (from the lists of phonograms pending identification), within the common statement on their own responsibility, the complete details of the co-producers, indicating the correspondence address, and to nominate a representative in the relationship with UPFR;
- e) for a phonogram producer claiming rights from the lists of phonograms pending identification, the producer has submitted, in addition to the statement on its own responsibility, the request for distribution on the basis of the claimed phonograms, as mentioned in point 3.3.6;
- f) for a phonogram producer claiming rights from the lists of phonograms pending identification of the type advertising spots, signals, curtains, jingles, etc., the producer has submitted to UPFR the documents showing that it holds the related rights for the claimed phonograms and has received a favourable opinion from UPFR's legal department.

If the producers or, as applicable, the co-producers of the phonograms for which payment of remuneration is claimed do not comply with the conditions set out in the preceding paragraph, UPFR is entitled to qualify the remuneration as unclaimed, and it shall be kept for 3 years.

3.3. Analysis of playlists

3.3.1. Depending on each collection source, only those playlists transmitted in Excel format and transmitted according to the methodology in force shall be analysed, namely point 10 letter a) of the Methodology published by ORDA Decision no. 216/2011 in Official Gazette no. 470/05.07.2011 for radio stations, respectively point 9 letter a) of the Methodology published by ORDA Decision no. 133/2012 in Official Gazette no. 520/26.07.2012 for TV stations, and which contain at least the following information: broadcast date, broadcast time, minutes broadcast, seconds broadcast, track title, artist. Playlists that do not contain this information shall not be analysed.

3.3.2. If the playlist transmitted by broadcasters is incomplete or does not comply with the methodology in force, UPFR may use monitoring reports, to the extent that such reports exist, in order to carry out the distribution.

3.3.3. To the extent that users provide the playlist according to point 2.3 and the amount subject to distribution is less than RON 0.0005/second (as the ratio between the amount subject to distribution and the total seconds broadcast), the playlist cannot be subjected to distribution analysis; in such cases, the remuneration shall be distributed within the same type of use according to the calculation method and rules established as criteria by the Annual General Meeting.

3.3.4. Following playlist analysis, the phonograms/videograms for which the right holder could not be determined are made available to the public through the UPFR website and on the UPFR Facebook page, with right holders being required to notify UPFR if they identify their own phonograms/videograms.

3.3.5. In the case of producers claiming phonograms such as advertising spots, signals, curtains, jingles, etc., in addition to the documents mentioned in point 3.2.9, the producer must also submit a request for distribution on the basis of the claimed phonograms.

3.3.6. The related rights resulting from the adaptations of phonograms into audiovisual works shall be remunerated according to the contractual relationship between the phonogram producer and the producer of the audiovisual work.

3.4. Monitoring of radio and TV stations

3.4.1. Through monitoring reports, UPFR may verify playlists transmitted by users if they are incomplete.

3.4.2. In the case of playlists that do not comply with the methodology in force and cannot be processed, and users do not return to correct and complete them, UPFR may use monitoring reports to the extent that such reports exist.

3.4.3. In order to improve the accuracy of the information in monitoring reports, UPFR cooperates with phonogram producers by facilitating the fingerprinting of audio content and the updating of information already existing in the databases of the monitoring platform.

3.5. Digital-environment indicators

3.5.1. In the case of remuneration collected from the use of publicly communicated phonograms, phonograms publicly communicated on the internet, their reproduction, as well as compensatory remuneration for private copying of phonograms and videograms, UPFR also uses digital-environment information in the distribution.

3.5.2. The digital sources taken into account in the distribution process are limited exclusively to YouTube.

3.5.3. The digital indicators used in the distribution of remuneration are represented by a score allocated according to net revenues and the number of views related to phonograms from the YouTube source. These indicators are calculated according to the algorithm detailed in point 3.5.4 and form the basis for distributing remuneration for the sources where the influence of phonogram listening is applied.

3.5.4. The score allocated according to revenues and views is an indicator used for the YouTube source and is calculated according to the following algorithm:

- the number of views at phonogram level shall be divided by 1,000,000, and the result shall be multiplied by 10, thus obtaining a score for views;
- revenues at phonogram level (in RON) shall be divided by the RON equivalent of EUR 1,500 (using the average NBR exchange rate for the period for which the report is made), and the result shall be multiplied by 10, thus obtaining a score for revenues;
- a weighted average shall be calculated between the score for views and the score for revenues, each of the two scores being weighted at 50%;
- to reduce rounding errors, the score obtained shall be multiplied by 100 and decimals shall be eliminated.

3.5.5. Each producer shall report quarterly, in tabular format, the net revenues and views obtained from the YouTube source.

3.5.6. The revenues reported under point 3.5.5 are the net amounts generated from the use of phonograms in Romania; such revenues exclude advances and minimum guarantees that the producer has in relation to digital platforms.

3.5.7. Reports from the YouTube digital source shall contain at least the information shown in the table below.

Title	Performer/Artist Name	ISRC Code	Net Revenue (RON)	Number of Views
-------	-----------------------	-----------	-------------------	-----------------

3.5.8. The phonograms for which net revenues are reported according to point 3.5.7 must not exceed 90% of the net revenues obtained by a producer from the net amounts generated from the YT source in Romania (according to 3.5.6) and must contain no more than 1,000 items.

3.5.9. If a producer holds a representation licence in Romania from a major (Sony, Warner, Universal Music), the condition in point 3.5.8 applies separately to the catalogue held under that licence.

3.5.10. Reports from the YouTube digital source shall not contain information relating to shorts, vlog, interview, podcast, advertisements, contests, tour and concert recordings, or any other type of content that does not relate to phonograms.

3.5.11. In reports from the YouTube digital source, producers shall attempt to remove non-alphanumeric characters (such as @, !, \$, #, ©, ∞, etc.) and any characters or symbols that could make the identification process more difficult.

3.5.12. The above-mentioned reports shall be uploaded into the distribution system in playlist form and shall be compared with the repertoire database.

3.5.13. The deadline for communicating these reports is 45 days from the end of the quarter.

3.5.14. These reports must also be accompanied by a statement on the producer's own responsibility attesting to the truthfulness of the information transmitted.

3.5.15. The reports are subject to audit.

3.5.16. If right holders do not transmit, within the established deadlines, the information or indicators necessary for the distribution process, the distribution shall be carried out no later than the settlement in the year following the request.

3.6. Unclaimed amounts

3.6.1. Unclaimed amounts resulting from the distribution shall be kept for a maximum period of 3 years from the notification date in separate UPFR analytical accounts, and shall be distributed as they are claimed or, after the expiry of that period, according to the UPFR Statute.

3.6.2. Notification of undistributed or unclaimed amounts according to the Distribution rules is made in writing and electronically, including on the collective management organisation's own website, within 9 months from the end of the financial year in which they were collected, and shall contain any information that could facilitate identification of the right holder.

3.7. Interest and damages

Remuneration collected as damages, losses or compensation for infringement of producers' rights, as well as remuneration collected from bank interest, is distributed in proportion to the amounts allocated in each distribution period.

4. Collection sources and distribution rules for phonogram/videogram producers

4.1. Amounts resulting from collection sources for phonograms

4.1.1. Compensatory remuneration for private copying

Remuneration collected for the private copying source is distributed according to the statutory provisions on the basis of the information available at the distribution date, as follows:

- a) 20.04% is distributed in proportion to the duration of phonograms identified from the radio playlists referred to in point 5.2.2, weighted by measured audience;
- b) 22.83% is distributed in proportion to the duration of phonograms identified from the TV playlists referred to in point 5.2.3, weighted by measured audience;
- c) 57.13% is distributed according to the influence of listening to phonograms from the YouTube source.

For this purpose, each producer shall transmit reports with revenues and views obtained from the YouTube source, according to the indications in point 3.5.

Common provisions:

- i) Reports from the YouTube source must also be accompanied by a statement on the producer's own responsibility attesting to the truthfulness of the information transmitted.
- ii) Reports from the YouTube source that do not contain information on artist, title, ISRC code, revenues and views according to point 3.5 shall not be taken into account for the distribution.
- iii) The annual settlement involves allocating all amounts collected in the previous year according to the criteria for distributing remuneration and penalties from the private copying source, less a percentage of 1% of the collected amounts for the purpose of distributing amounts that may be claimed within three years from the notification date.
- iv) It is presumed that only phonograms made available to the public by sale or by wire or wireless means, in such a way that anyone may access them from a place and at a time individually chosen, may become private copies and shall be considered in the distribution of rights from private copying. These phonograms must be associated with an artistic act and/or a performing artist and include performances, executions and other sounds, other than those made for the purpose of identifying and self-promoting a broadcasting station or one of its programmes, or other than phonograms whose producer is either the respective broadcasting station or another phonogram producer that made the phonogram on order from that broadcasting station, or that are made for the purpose of broadcasting them to promote a product or service belonging to a third party in relation to the broadcasting station, as a form of advertising of that product or service.

4.1.2. Equitable remuneration for broadcasting

4.1.2.1. Remuneration collected for the radio source is distributed according to the UPFR Statute, as follows:

a) in proportion to the duration of phonograms, weighted by measured audience, from the playlists generated by the monitoring platform and/or playlists transmitted by broadcasting users, separately for each radio station, for the period for which the remuneration was collected;

b) in proportion to the duration of phonograms from the radio playlists referred to in point 5.2.2, weighted by measured audience, in the following cases:

i. stations that do not transmit a playlist;

ii. stations whose playlist does not comply with the methodology in force;

iii. stations for which the amount subject to distribution is less than RON 0.0005/second (as the ratio between the amount subject to distribution and the total seconds broadcast).

4.1.2.2. Remuneration collected for the TV source is distributed according to the UPFR Statute, as follows:

a) in proportion to the duration of phonograms, weighted by measured audience, from the playlists generated by the monitoring platform and/or playlists transmitted by broadcasting users, separately for each TV station, for the period for which the remuneration was collected;

b) in proportion to the duration of phonograms from the radio and TV playlists referred to in point 5.2.1, weighted by measured audience, in the following cases:

i. stations that do not transmit a playlist;

ii. stations whose playlist does not comply with the methodology in force;

iii. stations for which the amount subject to distribution is less than RON 0.0005/second (as the ratio between the amount subject to distribution and the total seconds broadcast).

4.1.3. Equitable remuneration for public communication

Remuneration collected for the public communication source is distributed according to the statutory provisions on the basis of the information available at the distribution date, as follows:

a) 62.90% is distributed in proportion to the duration of phonograms identified from the radio stations referred to in point 5.2.2, weighted by measured audience;

b) 17.38% is distributed in proportion to the duration of phonograms identified from the TV stations referred to in point 5.2.3, weighted by measured audience;

c) 19.72% is distributed according to the influence of listening to phonograms from the YouTube source.

For this purpose, each producer shall transmit reports with revenues and views obtained from the YouTube source, according to point 3.5.

Common provisions:

i) Remuneration collected from users of phonograms through public communication for which the methodologies do not provide an obligation for users to provide playlist reports, including the use of phonograms for ambient purposes, may also be subject to distribution directly in proportion to the duration of use of the identified phonograms only if the following conditions are cumulatively met:

- the user transmits the playlist before the distribution is carried out;
- the amount subject to distribution is greater than RON 0.0005/second (as the ratio between the amount subject to distribution and the total seconds broadcast);
- distribution for a direct playlist shall be carried out in the first quarter of the year following the end of the financial year.

ii) Reports from the YouTube source must be accompanied by a statement on the producer's own responsibility attesting to the truthfulness of the information transmitted.

iii) Reports from the YouTube source that do not contain information according to point 3.5 shall not be taken into account for the distribution.

iv) The annual settlement involves allocating all amounts collected in the previous year according to the criteria for distributing remuneration and penalties from the public communication source, less a percentage of 1% of the collected amounts for the purpose of distributing amounts that may be claimed within three years from the notification date.

v) Phonograms included in the playlists referred to in point 5.2.2, as mentioned in Article 1 of the radio methodologies in force, shall be used in proportion to the amounts collected according to Article 4 of the radio methodologies in force, in the quarter for which the distribution is made.

4.1.4. Remuneration due for public communication on the internet

Remuneration collected for the source public communication of phonograms on the internet is distributed according to the UPFR Statute, in accordance with point 4.1.3.

4.1.5. Remuneration due from cable retransmission

Remuneration collected for the cable retransmission source for phonograms is distributed according to the UPFR Statute, on the basis of the information available at the distribution date, as follows:

- a) the remuneration distributed for each channel is proportional to the total number of seconds broadcast on each channel by broadcasters retransmitted by cable, as reported in programme grids by cable operators. The radio and TV stations retransmitted by these cable users must broadcast from Romania;
- b) the collected remuneration is distributed in proportion to the duration of phonograms, weighted by the average hourly audience, from the monitoring reports for all monitored radio and TV stations reported in the programme grids of cable operators;
- c) phonograms from radio playlists, as mentioned in Article 1 of the radio methodologies in force, shall be used in proportion to the amounts collected according to Article 4 of the radio methodologies in force, in the quarter for which the distribution is made;
- d) phonograms from TV playlists, as mentioned in Article 1 of the TV methodologies in force, shall be used as mentioned in point 4.1.2.2.

4.1.6. Remuneration due from reproduction for broadcasting, public communication and making available to the public

Remuneration collected for reproduction of public communication is distributed according to the UPFR Statute, in accordance with point 4.1.3.

4.2. Amounts resulting from collection sources for videograms

4.2.1. Compensatory remuneration for private copying of videograms

Remuneration collected for private copying of videograms is distributed according to the UPFR Statute, on the basis of the information available at the distribution date, as follows:

- a) 42.87% is distributed in proportion to the duration of videograms identified from the TV playlists referred to in point 5.2.4, weighted by measured audience;
- b) 57.13% is distributed according to the influence of viewing/listening to videograms from the YouTube source.

For this purpose, each producer shall transmit reports with revenues and views obtained from the YouTube source, according to point 3.5.

Common provisions:

- i) Reports from the YouTube source must be accompanied by a statement on the producer's own responsibility attesting to the truthfulness of the information transmitted.
- ii) Reports from the YouTube source that do not contain information on artist, title, ISRC code, revenues and views according to point 3.5 shall not be taken into account for the distribution.
- iii) The annual settlement involves allocating all amounts collected in the previous year according to the criteria for distributing remuneration and penalties from the private copying of videograms source, less a percentage of 1% of the collected amounts for the purpose of distributing amounts that may be claimed within three years from the notification date.

4.2.2. Remuneration due from cable retransmission of videograms

Remuneration collected for the cable retransmission source for videograms is distributed according to the UPFR Statute, on the basis of the information available at the distribution date, as follows:

- a) it is distributed in proportion to the duration of videograms broadcast on the TV stations referred to in point 5.2.4, retransmitted by cable and reported in the programme grids by cable operators, weighted by measured audience.

5. Method for calculating and using audience figures and defining stations with measured audience

5.1. Method for calculating audience figures

5.1.1. For the radio stations referred to in point 5.2.2, audience figures are provided by ARA, and the indicator used is the average audience per quarter-hour during the week.

5.1.2. For the TV stations referred to in point 5.2.3, audience figures are provided by ARMADATA, and the indicator used is the average audience per quarter-hour during the week.

5.1.3. For the TV stations referred to in point 5.2.4, audience figures are provided by ARMADATA, and the indicator used is the average audience per quarter-hour during the week.

5.1.4. For radio and TV stations that do not have measured audience, the minimum average audience shall be used.

5.2. Stations with measured audience

5.2.1. Radio and TV stations with measured audience:

SRR ACTUALITATI, SRR ANTENA SATELOR, SRR CRAIOVA, SRR CULTURAL, SRR IASI FM, SRR MUZICAL, SRR RADIO BUCURESTI, SRR TIMISOARA FM, KISS FM, EUROPA FM, PRO FM, RADIO ZU, MAGIC FM, VIRGIN RADIO, NATIONAL FM, ROCK FM, ROMANTIC FM, ONE WORLD RADIO, DIGI FM, DANCE FM, RADIO GUERRILA, KISS TV, U TV, MUSIC CHANNEL, MOOZ RO, ZU TV, RADIO TRANSILVANIA LBM, ROCK TV, MAGIC TV, ATOMIC TV, IMPULS BUCURESTI, ACCENT FM, HIT MUSIC CHANNEL, FAVORIT TV, HORA TV, ETNO TV, TRADITIONAL TV, FAVORIT FM, RADIO SEVEN, RADIO ITSY BITSY, SPORT TOTAL FM, RFI, DIGI 24 FM, DISCO MIX, ATOMIC ACADEMY HD, TARAF TV.

The playlists from these radio and TV stations are those mentioned and used within the distributions under point 4.1.2.2 letter b), to the extent that they can be monitored.

5.2.2. Radio stations with measured audience:

SRR ACTUALITATI, SRR ANTENA SATELOR, SRR CRAIOVA, SRR CULTURAL, SRR IASI FM, SRR MUZICAL, SRR RADIO BUCURESTI, SRR TIMISOARA FM, KISS FM, EUROPA FM, PRO FM, RADIO ZU, MAGIC FM, VIRGIN RADIO, NATIONAL FM, ROCK FM, ROMANTIC FM, ONE WORLD RADIO, DIGI FM, DANCE FM, RADIO GUERRILA, RADIO TRANSILVANIA LBM, IMPULS BUCURESTI, ACCENT FM, FAVORIT FM, RADIO SEVEN, RADIO ITSY BITSY, SPORT TOTAL FM, RFI, DIGI 24 FM.

The playlists from these radio stations are those mentioned and used within the distributions under point 4.1.1 letter a), point 4.1.2.1 letter b), point 4.1.3 letter a), and point 4.2.1 letter a), to the extent that they can be monitored.

5.2.3. TV stations with measured audience:

KISS TV, U TV, MUSIC CHANNEL, MOOZ RO, ZU TV, ROCK TV, MAGIC TV, ATOMIC TV, H!T MUSIC CHANNEL, FAVORIT TV, HORA TV, ETNO TV, TRADITIONAL TV, DISCO MIX, ATOMIC ACADEMY HD, TARAF TV.

The playlists from these TV stations are those mentioned and used within the distributions under point 4.1.1 letter b), point 4.1.3 letter b), and point 4.2.1 letter b), to the extent that they can be monitored.

5.2.4. TV stations for videograms with measured audience:

KISS TV, U TV, MUSIC CHANNEL, MOOZ RO, ZU TV, ROCK TV, MAGIC TV, ATOMIC TV, H!T MUSIC CHANNEL, FAVORIT TV, HORA TV, ETNO TV, TRADITIONAL TV, DISCO MIX, ATOMIC ACADEMY HD, TARAF TV.

The playlists from these TV stations are those mentioned and used within the distributions under point 4.2.2 letter a), to the extent that they can be monitored.

6. MISCONDUCT AND SANCTIONS

6.1. Disciplinary misconduct

Disciplinary misconduct may be serious or very serious.

a) Serious disciplinary misconduct consists of:

- i. declaring to UPFR a repertoire that does not belong to the producer;
- ii. declaring reports by right holders that underlie distributions (e.g. reports from digital sources) incorrectly and with figures higher than those actually generated in Romania;
- iii. making a false statement that does not correspond to the truth regarding one or more declared phonograms/videograms, in order to unjustly benefit from the related remuneration, including remuneration from the list of phonograms pending identification displayed on the UPFR website;
- iv. making a declaration without the prior written authorisation of the holders of economic copyright in musical works who are entitled to grant such authorisation, where such a right is within the statutory term of protection;
- v. intentionally reproducing, adapting or transforming a pre-existing phonogram/videogram, followed by unjustly claiming remuneration;
- vi. failing to notify UPFR that the related rights have been assigned to a third party.

b) The commission of several acts representing serious misconduct, regardless of whether they have been previously sanctioned, constitutes very serious disciplinary misconduct.

6.2. Applicable sanctions

a) For serious misconduct, any of the following disciplinary sanctions may be applied:

i. disciplinary pecuniary sanction through payment to UPFR of an amount between EUR 500 and EUR 1,000, the equivalent in lei at the NBR exchange rate on the day the decision to apply the sanction is adopted;

ii. blocking payment of the distributed amounts until the error is resolved and corrected by the right holder, where the misconduct leads to the distribution of amounts for which the right holder has been notified of the commission of serious misconduct.

b) For very serious misconduct, any of the following disciplinary sanctions may be applied:

i. blocking payment of distributed amounts resulting from licensing the repertoire until proof is provided that the misconduct has been remedied;

ii. payment, as a disciplinary pecuniary sanction, of an amount between EUR 1,000 and EUR 20,000, plus the amount paid by UPFR for the audit carried out by an external firm, the equivalent in lei at the NBR exchange rate on the date the decision to apply the sanction is issued;

iii. suspension of the right to vote and to be elected to the governing bodies.

c) The investigation of disciplinary misconduct and the application of disciplinary sanctions is carried out by decision issued by the UPFR Board of Directors.

d) The application of the sanctions mentioned above does not remove the right of UPFR or other injured persons to request full compensation for the damage caused by the acts constituting disciplinary misconduct.