

REGULATION FOR THE DISTRIBUTION OF PRIVATE COPYING COMPENSATION

The General Council of A.P.A. - Association of Audiovisual Producers with registered office at Via Sabotino 2/a, Rome ("APA" or "Association") met on 21 June 2022 in order to resolve on the adoption of this regulation for the distribution of the compensation pursuant to articles 71-sexies et seq. of Law no. 633 dated 22 April 1941 ("**Italian Copyright Law**").

Whereas

- a) Article 71-septies of the Italian Copyright Law provides that authors and producers of phonograms, as well as original producers of audiovisual works, artists and performers, and producers of videograms, and their successors in title, are entitled to compensation for the private reproduction of phonograms and videograms referred to in article 71-sexies of the Italian Copyright Law; this provision allows the private reproduction of phonograms and videograms on any medium by individuals for exclusively personal use, provided that this is not for profit and has no direct or indirect commercial purposes, in compliance with the technological measures referred to in article 102-quater of the Italian Copyright Law.
- b) This compensation is determined by decree of the Minister for Culture, after consultation with the Committee referred to in article 190 of the Italian Copyright Law and the most representative trade associations of the producers of audio and video recording equipment and media.
- c) The compensation for private copying for video recording equipment and media (private copying compensation, "**PCC**") is paid to the *Società italiana degli autori e editori* ("**SIAE**"), which distributes this, net of expenses, also through their most representative trade associations, thirty per cent to authors, and the remaining seventy per cent in equal shares among the original producers of audiovisual works, producers of videograms, artists and performers.
- d) With reference to the PCC due to the original producers of audiovisual works accrued from the 2020 Accrual Year, SIAE periodically specifies the allocation percentages for the television sector and the film sector.
- e) In the Regulation for the Distribution of the Private Copying Compensation for Original Producers of Audiovisual Works dated 14 June 2022 ("**SIAE Regulation**"), SIAE recognised APA as the most representative association of original producers of audiovisual works intended for television broadcasting and consequently entrusted it with the task of distributing the relevant share of the PCC for the Accrual Years 2020 and 2021.
- f) APA allocates the share of the PCC for which it is responsible in accordance with the rules adopted by SIAE, including the SIAE Regulation, and on the basis of the criteria, procedures and timeframes set out in its own regulations applicable to the relevant Accrual Years.
- g) The PCC paid by SIAE and pertaining to the years from 2020 onwards will be distributed in accordance with

this Regulation, adopted in line with the commitments undertaken by APA and made compulsory by the Italian Antitrust Authority with Decision no. 29916 dated 25 November 2021, which closed the proceedings no. I853.

In consideration of the above,
the General Council of A.P.A. - Association of Audiovisual Producers

HEREBY ADOPTS THE FOLLOWING RESOLUTION

Art. 1 - Definitions

For the purposes of the Regulation, and without prejudice to any further definitions as set out herein, the expressions below, whether used in the singular or plural, or as a capitalised term or otherwise, shall have the meaning set out below:

- **Accrual Year:** the calendar year to which the Received PCC refer on an accrual basis, as indicated by SIAE at the time of payment of the relevant amounts;
- **Meeting:** the general meeting of APA members convened and deliberating in accordance with the Association's statute;
- **Auditel:** Auditel S.r.l., with registered office in via Larga 11, Milan, VAT, Italian tax code and registration number with the Milan Register of Companies 07483650151, <https://www.auditel.it/>.
- **Rightsholders:** the original producers of the Audiovisual Works and their successors in title and assigns, who are entitled to the payment of the relevant Allotted PCC for the Italian territory in a given Accrual Year, regardless of whether or not they are members of APA;
- **Received PCC:** the PCC actually paid by SIAE to APA and whose Allotment falls within the scope of the Regulation;
- **Allotted PCC:** the share of Received PCC that, further to the audits conducted by APA, is accrued by each Audiovisual Works;
- **Allocated PCC:** the share of the Allotted PCC that, further to the audits conducted by APA, is found to be due to one or more Rightsholder;
- **Distributed PCC:** the Allocated PCC and actually paid to the individual Rightsholders directly by APA or, where applicable, also through their mandated Collecting society or other entity appointed by them;
- **Collecting society:** collective management organisations and independent management entities on the list referred to in article 40(3) of Italian Legislative Decree No. 35/2017, as well as foreign entities assimilated to them;
- **Technical Annex:** the document attached as Annex A hereto and forming an integral part hereof, containing the calculation criteria adopted for the determination of the Allotted PCC for the Accrual Years from and including 2020;

- **Distribution:** the payment by APA of the Allocated PCC to the Rightsholders or, where applicable, to their mandated Collecting societies or other entity appointed by them;
- **Non-distributable amounts:** the amounts indicated in article 7 of the present Regulation;
- **Request:** the request referred to in Article 2.3. of the present Regulation;
- **Media Research Company:** the consultancy company chosen at APA's discretion in order to analyse the television contents, to monitor the national and local broadcasters as well as the audience data, in order to assist APA in the identification of the television genres and the Selected Communication Platforms and, ultimately, the Entitled Audiovisual Works. Currently, the company chosen by APA for this purpose is Gecaitalia S.r.l, with registered office at Via Sabotino 12, Rome;
- **Communication Channels:** registered mail with return receipt or certified courier sent to the address above, or certified electronic mail (PEC) sent to apaonline@legalmail.it or non-certified e-mail sent to cp@apaonline.it, provided that it is possible to prove receipt and reading by APA;
- **Audiovisual Works:** all audiovisual works, protected by copyright, eligible to give rise to the right to the payment of PCC. In particular, Audiovisual Works means audiovisual works: (i) belonging to the television sector; and (ii) falling within the genres identified by APA, with the advice of the Media Research Company, as identified by the market. The section of the Site dedicated to private copying lists the identified genres for each Accrual Year, with the specification, where necessary, of their definition;
- **Entitled Audiovisual Works:** with reference to each Accrual Year, the Audiovisual Works that actually gave rise to the right to the payment of PCC. These include those communicated and/or made available to the public on the Selected Communication Platforms and published in the private copying section of the Site;
- **Flat-rate percentage:** the flat-rate percentage of the Received PCC indicated in article 4.2. hereof to be dedicated to social, cultural and educational services in the field of television production;
- **Communication Platforms:** the means of TV broadcasting, communicating and making available to the public Audiovisual Works with national coverage whose audience ratings are recorded by Auditel in the relevant Accrual Year;
- **Selected Communication Platforms:** the Communication Platforms identified by APA with the help of the Media Research Company. For the Accrual Years 2020 and 2021, the Selected Communication Platforms constitute a representative segment of the television market in relation to editorial offers, genres/types of Audiovisual Works and audience catchment areas.
From Accrual Year 2022, the Selected Communication Platforms are identified as those meeting a minimum threshold of relevance in terms of audience rating. With this in mind, the Selected Communication Platforms are those:
 - (i) with reference to which APA is able to obtain, with the assistance of the Media Research Company, audience data processing pertaining to each Audiovisual Work and

(ii) that in the year preceding the Accrual Year for the PCC subject to the Allotment, have obtained, based on Auditel data, an annual share (over the whole day 02:00 - 25:59) at least equal to 1% ("**Share Threshold**"). On 2 November of each year, APA will issue the ranking of the Communication Platforms based on the annual share recorded by Auditel in the previous twelve months (1 November - 31 October). The Communication Platforms that have obtained a share equal to or higher than the Share Threshold in the previous 12 months are selected for allotment for the following Accrual Year and become Selected Communication Platforms.

Selected Communication Platforms for each Accrual Year are published on the Site.

- **Regulation:** this regulation for the Allotment and Distribution of the Received PCC to the Rightsholders;
- **Reimbursement of Expenses:** the reimbursement of the costs actually incurred by APA in the performance of its work of Allotment and Distribution as identified in article 4 hereof;
- **Allotment:** all the technical and administrative activities carried out by APA, in execution of the Regulation, for the identification, for each Accrual Year, of the Rightsholders and the calculation of the Allocated PCC to which they are entitled;
- **Site:** the official website of APA (www.apaonline.it).

Art. 2 - Allotment

2.1. APA operates, indiscriminately, in the interest of all the Rightsholders, on behalf of SIAE and not on the basis of mandates from third parties. APA will carry out the Allotment in an impartial, timely and efficient manner, taking into account the complexity and the problems inherent in the performance of this activity. APA does not impose any obligations on the Rightsholders and the Collecting societies that are not necessary for the effective management of the Allotment.

2.2 The Allotment process includes, in particular, the following activities for each Accrual Year:

- i. the identification of Entitled Audiovisual Works;
- ii. the publication of the list of such Entitled Audiovisual Works on the Site in the private copying section;
- iii. the attribution to each Entitled Audiovisual Work of the relevant Allotted PCC;
- iv. the identification of the Rightsholders on the basis of all reasonably available information. Such information is collected by APA and/or provided by the Rightsholders, including, where applicable, through their mandated Collecting Societies or other specially appointed entities;
- v. the management of any conflicts of ownership over the same Entitled Audiovisual Work between two or more Rightsholders, pursuant to the terms of article 6 hereof;

vi. the Distribution to the Rightsholders of the Allocated PCC relating to each Entitled Audiovisual Work.

2.3. In order to receive the Distribution in their favour of the Allotted PCC to which they are entitled, the Rightsholders must send APA, directly or through the Collecting societies or another entity appointed by them, a specific Request using the forms attached to the Regulation and, in any case, available on the Site. In this regard, the Request must be accompanied by the following documentation:

- a) a detailed list of the Entitled Audiovisual Works, with reference to the lists published on the Site, for which payment of the Allotted PCC is requested, for each Accrual Year, as per the template contained in the attached models;
- b) the self-certification, duly signed, certifying the applicant's status as "Rightsholder", in the text as per Annex "B", in the case of an original Rightsholder, or in the text as per Annex "B1", in the case of a successor in title or assign Rightsholder;
- c) with reference to the documentaries broadcast within the so-called "container programmes", the self-certifications must be drawn up and signed, as the case may be, in the text indicated in Annexes "B2" and "B3";
- d) the authorisation, duly signed, to process personal data, in the text indicated in Annex "C";
- e) the duly signed undertaking to hold harmless and indemnify in the text indicated in Annex "D".

2.4. The Request must be received by APA through the Communication Channels .

2.5. In the case of a Request sent through a Collecting society or another entity appointed by the Rightsholder, the above-mentioned documentation must be provided by the aforementioned Collecting society or appointed entity together with a copy of the relevant mandate (or other equivalent document) conferred by the Rightsholder specifying the Audiovisual Works covered by the mandate.

2.6. If the Request relates to Entitled Audiovisual Works for which the Rightsholder has already sent the above-mentioned documents (e.g. in the case of repeats of the same work), it is not necessary, for such Entitled Audiovisual Works, to resend the documents referred to in article 2.3. letters b) and c) above, unless there is an objective need for amendments or additions.

2.7. APA reserves the right not to follow up on Requests made in the absence of the forms provided for this purpose (in order to allow the Allotment to be carried out effectively and efficiently), or in the absence of all the information requested therein, or containing untruthful or incorrect data.

Art. 3 - Participation of Collecting societies in the Allotment

3.1. Collecting societies wishing to collaborate with APA and actively contribute to the performance of certain Allotment activities may send a specific request to APA through the Communication Channels.

3.2. In the 15 (fifteen) days following the receipt of said request, APA shall contact the requesting Collecting society in order to initiate a discussion aimed at agreeing on the exact scope of the collaboration and, therefore, on the activities that the Collecting society may directly take charge of from among the following:

- (i) precise identification of the Entitled Audiovisual Works among those claimed by the Collecting Society's mandators, on the basis of the list published by APA on the Site;
- (ii) precise identification of the Rightsholders, from among the Collecting society's mandators, who are actually entitled to obtain the Allotted PCC referring to the relevant Audiovisual Work;
- (iii) in the event that third parties other than the mandators of Collecting societies also hold the right to be paid the PCC on an Entitled Audiovisual Work, the precise identification of said third parties and their contact details and the sending of the appropriate information notices;
- (iv) management of conflicts of ownership that may arise between the mandators of the same Collecting Society;
- (v) in the event that several Rightsholders, mandators of the same Collecting Society are entitled to receive the Allotted PCC, verification of their respective shares of the Allotted PCC for the same Entitled Audiovisual Work;
- (vi) issue of the relevant statements and sending a copy to APA.

3.3. Once the scope of the collaboration between APA and the Collecting Society has been identified, and the tasks that, within the scope of the Allotment activity, the Collecting Society will perform, the parties will enter into a specific written agreement, also specifying the amount by way of Reimbursement of Expenses due to APA in accordance with the provisions of article 4.3 below, and setting forth the undertaking to hold harmless and indemnify that the Collecting Society must issue to APA in relation to the activities that it will perform as sub-agent of APA.

Article 4 - Reimbursement of Expenses

4.1. APA shall be entitled to the Reimbursement of Expenses. Save as provided for in article 4.3 below, in the first application of the Regulation, the Reimbursement of Expenses is quantified at 13% (thirteen per cent) of the

Distributed PCC.

Within 15 February of each year, the General Council of APA shall verify the appropriateness of the Reimbursement of Expenses on the basis of the expenses, strictly related to the Allotment activity, incurred in the previous year and shown from the statement referred to in article 71-octies, paragraph 3-ter, of the Italian Copyright Law, and, if necessary, shall provide for any justified adjustments. Any change in the amount of the Reimbursement of Expenses will be published on the Site and, if necessary, through other means of communication.

4.2. APA will also withhold against the Allotted PCC the Flat-rate percentage of 3% (three per cent) to be dedicated to finance social, cultural and educational activities for the benefit of the rights holders in accordance with the resolutions of the General Council of APA, also by evaluating proposals received from the interested Collecting Societies. In this regard, by 15 February of each year, also through publication on the Site, APA will notify how it plans to use the Flat-rate percentage in the then current year. Each Collecting Society may submit proposals and comments - within an appropriate deadline, in any case not exceeding one month, from the relevant communication. Subsequently, taking due account of any contributions received from Collecting Societies APA will identify the way on which the Flat-rate percentage will be used, giving due reasons for its decision.

4.3. The amount of the Reimbursement of Expenses may be reduced in the cases of cooperation referred to in article 3 above, in consideration of the activity carried out by each Collecting Society for the relevant Accrual Year. Should APA and the individual Collecting Society fail to agree on the extent of the reduction, the decision will be referred to a third party arbitrator pursuant to article 1349 of the Italian Civil Code, appointed by mutual agreement or, in the absence of agreement, by the President of the Order of Chartered Accountants of Rome at the request of the most diligent party.

4.4. Any tax, duty or social security or social contribution, however denominated, provided for by national or foreign laws applicable to the Allotted PCC shall be borne by the Rightsholder.

Article 5 - Annual Reports - Payments

5.1. APA will carry out the Allotment and Distribution of the Received PCC in application of the principle of non-discrimination and with due care and diligence.

5.2. To said end:

- (i) within 90 (ninety) days from the receipt by SIAE of the Received PCC pertaining to the first advance payment of any given Accrual Year, APA will publish on its Site the list of the Entitled Audiovisual Works admitted to the distribution, specifying the title under which such Entitled Audiovisual Works are broadcast in Italy, the

Communication Platform and the broadcasting date;

- (ii) once the above publication has taken place, APA will collect, either directly or through Collecting Societies in the terms set forth in article 3, all the information necessary to identify the Rightsholders and, once they have been effectively identified (also on the basis of any requests received in the meantime), will prepare, for each of them, an individual statement indicating the amount of the Allocated PCC, the amount of the Reimbursement of Expenses and the specification of the net amount due to the Rightsholder, with the necessary information for invoicing;
- (iii) upon receipt of the statement, the Rightsholder (or their Collecting Society or other appointed entity) will send APA the invoice for the amount owed to them on the basis of each statement, with the indication of the bank account to which APA may make the transfer, accompanied by the documentation pursuant to article 2.3 above. Upon receipt of the invoice and having verified that it complies with the requirements set forth under point (ii) above, APA will issue its own invoice for the Reimbursement of Expenses and shall pay, net of the Reimbursement of Expenses, the amount due within the following 30 (thirty) days.

5.3. APA is in any event authorised to rectify the statements sent in the preceding 10 (ten) years and to reclaim from each Rightsholder any amount paid that was not due, as well as to set off such amount, up to the amount of the same, against further amounts to which the Rightsholder is entitled for any reason whatsoever.

5.4. Each Rightsholder is entitled to request from APA, within 90 (ninety) days of receipt of the statement, any further clarification or information regarding its content, after which time the statement will be deemed to have been accepted.

Article 6 - Conflicts of Ownership - Conciliation Chamber

6.1. In the event of a dispute concerning the ownership of the Entitled Audiovisual Works in accordance with the provisions of article 5 above, APA shall deposit the relevant Allotted PCC into a dedicated current account, notifying the parties accordingly.

6.2. The amount referred to in article 6.1 above shall be paid to the entitled party upon receipt of formal documentation evidencing the settlement of the dispute, in or out of court, with clear and unambiguous indication of the identity of the Rightsholder.

6.3. APA establishes a Conciliation Chamber, to which the parties may freely decide to refer free of charge and in order to facilitate the amicable settlement of any conflicts of ownership, according to the principles of good faith and fairness and in respect of the adversarial process. The Conciliation Chamber consists of 2 full members, chosen by APA from among jurists who are experts in copyright. The names of the members of the Conciliation Chamber

will be published on the Site and in any case available to any interested party at the secretariat of the Association.

6.4. Any party to a conflict of ownership may submit a written request to the Conciliation Chamber through one of the Communications Channels. The request must contain a concise statement of the facts and the parties in dispute, together with any other information deemed useful for the resolution of the dispute.

6.5. Within 15 (fifteen) days of receipt of the request, the Conciliation Chamber shall send each party to the conflict a request to confirm its claim in writing and to send to the Chamber and to all other parties involved the documents supporting the claim within 10 (ten) days of receipt of the request.

6.6. The Conciliation Chamber, having received the aforementioned documents and having carried out the appropriate evaluations, shall send the parties, within 45 (forty-five) days following the deadline referred to in article 6.5 above, a proposal for conciliation of the dispute with a succinct justification in fact and in law.

6.7. Should the parties accept the above proposal or, in any event, reach an agreement regarding the rights that are the subject of the dispute, minutes shall be drawn up that, signed by the parties and the members of the Conciliation Chamber, will constitute an expression of the parties' common intent to settle the dispute on the terms and conditions set forth therein.

6.8. If, on the contrary, the attempt at conciliation fails and, therefore, the minutes referred to above are not signed by the parties within 90 (ninety) days from the date on which the Conciliation Chamber receives the request referred to in article 6.4 above, it shall notify the parties and APA will deposit the amount in dispute to a dedicated current account in accordance with article 6.1 above.

Article 7 - Non-Distributable Amounts

Once ten years have elapsed from the end of the financial year in which APA has collected the Received PCC from SIAE, in line with the timeframe provided for by article 7, paragraph 1, of the SIAE Regulation, subject to giving adequate notice to the public APA may dedicate what it has not been able to distribute - notwithstanding the activities carried out under the Regulation - to finance social, cultural and educational activities for the benefit of the rights holders in accordance with the provisions established by the APA Meeting, also evaluating any proposals received from the Collecting societies concerned.

Art. 8 - Amendments to the Regulation

The General Council of APA reserves the right to amend the Regulation should this be appropriate due to any changes in the applicable legislation and/or the evolution of the reference market, subject to subsequent ratification by the Meeting and in any case in compliance with the commitments undertaken by APA and made mandatory by the Italian Antitrust Authority with Decision no. 29916 dated 25 November 2021.

Art. 9 - Accounting and Annual Transparency Report

9.1. The amounts of Received PCC and Allotted PCC will be shown separately in APA's accounts.

9.2. In compliance with the provisions of article 71-octies of the Italian Copyright Law, the SIAE Regulation and any other applicable legislation, APA will prepare an annual report on the activities carried out during the year of reference at the time of the PCC Allotment, which will indicate the amounts of PCC Received, Allotted, Allocated and Distributed, the list of Collecting Societies and Rightsholders, and the additional information required by article 6, paragraph 2 of the SIAE Regulation. This report will be published on the Site.

Article 10 - Publicity

10.1. The Regulation will be published on the Site within 15 (fifteen) days from the date on which the Meeting adopts it, and will also be published in two national newspapers and one international newspaper.

ANNEX A

TECHNICAL ANNEX

The Allotment is based on the audience data recorded and objectively measured by Auditel and processed by APA, also by availing itself of a leading consulting and analysis company, for each Entitled Audiovisual Work.

The following audience data recorded by Auditel are taken into account in the Allotment process:

- i. the Consolidated Recorded Average Listening (value) which considers the sum of listening:
 - Live (i.e. listening that takes place live);
 - in VOSDAL (Viewing On Some Day as Live) (i.e. the listening that is deferred but takes places the same day as the broadcast);
 - and
 - in Time Shifting (i.e. the listening that is deferred by at least one day after broadcast);
- ii. the Time Shifting Recorded Average Listening (value), which considers deferred listening (the listening achieved by a recorded programme - e.g. via Dvd, USB, MySky - and reviewed after its airing. As of 2011 this is measured from 1 day up to 7 days after airing; as of 1 May 2021 the Time Shifting Recorded Average Listening is measured up to 28 days after airing).

Auditel's audience figures for each Entitled Audiovisual Work are processed together with the duration of the programmes in minutes.

OBJECTIVE DATA

The Allotted PCC (i.e., the PCC allotted to each Entitled Audiovisual Work, hereinafter referred to as "p") is calculated definitely on the basis of the minutes actually watched, as measured and recorded by Auditel and processed by APA, by availing itself of a leading consulting and analysis company, for each Entitled Audiovisual Work.

The basic elements of the calculation are:

- Consolidated Recorded Average Listening (value) - AMRCp
- Time-Shifting Recorded Average Listening (value) - AMRTSp
- Programme duration (in minutes) - Dp

DERIVED DATA

From the objective data measured and recorded by Auditel (and processed as indicated above) for each Entitled Audiovisual Work, it is possible to calculate

- **Consolidated Minutes Actually Watched:** obtained by multiplying the Consolidated Recorded Average Listening by the Programme Duration: $MVC_p = AMRC_p \times D_p$
- **Minutes Watched in Time Shifting:** obtained by multiplying the Time Shifting Recorded Average Listening by the Programme Duration: $MVTS_p = AMRTS_p \times D_p$
- **Consolidated Total Minutes Watched:** obtained as the sum of the Minutes Actually Watched of all TMVC programmes
- **Total Minutes Watched in Time Shifting:** obtained as the sum of the Minutes Watched in Time Shifting of all TMVTS programmes

DERIVATIVE INDICATORS

The key indicators of the criterion are:

- The share of **Consolidated Minutes Actually Watched** of programme **p** in relation to the Total Minutes Actually Watched for all eligible programmes:

$$QMVC_p = MVC_p / TMVC - \text{SHARE OF CONSOLIDATED MINUTES ACTUALLY WATCHED}$$

- The share of **Minutes Watched in Time Shifting** of programme **p** in relation to the Total Minutes Watched in Time Shifting of all eligible programmes:

$$QMVTS_p = MVTS_p / TMVTS - \text{SHARE OF MINUTES WATCHED IN TIME SHIFTING}$$

ELEMENTS OF THE CALCULATION (ON AN ANNUAL BASIS)

To summarise, for the individual programme **p**, the following are determined:

- AMRC_p: Consolidated Recorded Average Listening (value)
- AMRTSp: Time Shifting Recorded Average Listening (value)
- D_p: Programme duration (in minutes)
- MVC_p = AMRC_p x D_p: Consolidated Minutes Actually Watched (value)
- MVTS_p = AMRTSp x D_p: Minutes Watched in Time Shifting (value)
- TMVC: Consolidated Total Minutes Watched
- TMVTS: Total Minutes Watched in Time Shifting
- QMVC_p = MVC_p / TMVC: Share of Consolidated Minutes Actually Watched
- QMVTSp: MVTS_p / TMVTS: Share of Minutes Watched in Time Shifting

Allotted PCC per individual Entitled Audiovisual Work

The Allotted PCC per individual Entitled Audiovisual Work with title **p** is determined by appropriately combining two indicators derived from objectively collected data:

- The Share of Consolidated Minutes Actually Watched of each Entitled Audiovisual Work (QMVC_p), an indicator of the attention received by the Entitled Audiovisual Work and referred to as "**INTENSITY**".
- The Share of Minutes Watched in Time Shifting of each Entitled Audiovisual Work (QMVTSp), a proxy-indicator of the "**REPLICABILITY**" of the same Entitled Audiovisual Work, i.e. of viewers' aptitude to consume television events in deferred form and thus to copy and enjoy them at times subsequent to broadcasting.

The viewing dynamics are thus considered, which show a differentiated enjoyment by viewers/users according to,

for example, the genre of the Audiovisual Work, its specific content and editorial packaging. There are Audiovisual Works, such as live events or exclusive shows, which are characterised by an almost entirely Live viewing, i.e. which ends the moment the programme is aired; these programmes are not copied and reviewed at subsequent times by the user and are therefore characterised by an one-shot viewing (and listening) experience. Other genres and types of programmes, on the other hand, are characterised by greater '**Replicability**' with content and narrative structures that are not related to the contingency of a live event; programmes that have a greater propensity to be recorded and viewed even several days after their live broadcast.

In order to take into account these differentiations in the consumption of Audiovisual Works, the contribution of each of the two indicators (QMVC and QMVTSp) to the gross compensation for each programme is established by a tuning parameter α , between zero and one.

The higher the value (close to 1), the higher the incidence of the QMVC indicator ('**Intensity**').

The lower the value (close to zero), the greater the weight of consumption in time shifting ('**Replicability**').

The level of the tuning parameter can be varied according to the higher/lower weight of the time shifting component in the overall listening.

COMPENSATION DISTRIBUTION MODEL

- The Allotted PCC of the individual Eligible Audiovisual Work CL_p is calculated as follows:

$$CL_p = [\alpha \times QMVC_p + (1 - \alpha) \times QMVTSp] \times CLR$$

where CLR is the total Received PCC (gross) for the relevant Accrual Year, net of the Flat-rate Percentage, and α is the *tuning parameter* between zero and one, to be defined for each year.

- The share of the Allotted PCC per individual Entitled Audiovisual Work **p** is obtained from the ratio

$$CL_p / CLR \text{ i.e. } QCL_p = \alpha \times QMVC_p + (1 - \alpha) \times QMVTSp$$

combining INTENSITY and REPLICABILITY through the tuning parameter.

CONCLUDING REMARKS

The tuning parameter α is set by APA, also with the assistance of the Media Research Company, and is published on the Site before the start of the allotment and distribution for the relevant Accrual Year.

The tuning parameter will be periodically updated in line with market developments and measurement systems.

ANNEX B

SELF-CERTIFICATION OF OWNERSHIP

APA - Audiovisual Producers Association
Via Sabotino n. 2/a
Rome

The undersigned _____, in their capacity as _____ of the Company _____
_____ with registered office in _____, VAT No. Fiscal Code _____

declares

that the Company is the exclusive owner of the exploitation rights, as Original Producer/Coproducer, for Italy - including those for the Private Copy, as provided for by articles 71-septies and 71-octies of Law No. 633/1941 (Copyright Law) - for the Audiovisual Work(s) indicated in the relevant appendix.

and therefore requests

the payment of the share of compensation due to the undersigned Company, on the basis of the criteria set forth in the "Regulation for the Distribution of Private Copying Compensation" (and its Technical Annex), approved by the General Council of the Audiovisual Producers' Association on _____, which they declare they have read and accepted.

The undersigned also authorises the processing of their personal data, for the purposes and in the manner indicated in the attached Annex C) ("Privacy Policy") of the aforementioned "Regulation for the Distribution of Private Copying Compensation".

_____, dated _____

Signature _____

SELF-CERTIFICATION OF OWNERSHIP

APA - Audiovisual Producers Association
Via Sabotino n. 2/a
Rome

The undersigned _____, in their capacity as _____ of the Company _____
_____ with registered office in _____, _____ VAT No.
_____ Fiscal Code _____

declares

that the Company is the exclusive owner of the exploitation rights for Italy - including those for the Private Copy Rights, as provided for by articles 71-septies and 71-octies of Law No. 633/1941 (Copyright Law) - for the Audiovisual Work(s) indicated in the relevant annex:

- as the holder for the Italian territory of the rights definitively acquired from the Original Producers or third-party entities

or

- as holder for the Italian territory of the rights acquired through licences from the Original Producers or third party entities, for a limited period of time

and therefore requests

the payment of the share of compensation due to the undersigned company, on the basis of the criteria set forth in the "Regulation for the Distribution of Private Copying Compensation" (and its Technical Annex), approved by the General Council of the Audiovisual Producers Association on _____ which they declare they have read and accepted.

The undersigned also authorises the processing of their personal data, for the purposes and in the manner indicated in the attached Annex C) ("Privacy Policy") of the aforementioned "Regulation for the Distribution of Private Copying Compensation".

_____, dated _____

Signature _____

ANNEX B2 DOCUMENTARIES (IN CONTAINER PROGRAMMES).

SELF-CERTIFICATION OF OWNERSHIP

APA - Audiovisual Producers Association
Via Sabotino 2a
Rome

The undersigned _____, in their capacity as _____ of the Company _____ with registered office in _____, VAT No. _____ Fiscal Code _____

declares

that the Company is the exclusive owner of the exploitation rights, as Original Producer/Coproducer, for Italy - including those for the Private Copy Right, as provided for by articles 71-septies and 71-octies of Law No. 633/1941 (Copyright Law) - for the following Audiovisual Work:

Title used in Italy _____ Original Title _____
Year of production _____ Country of production _____
Director _____ Percentage of ownership _____
ISAN code* _____ (*optional)

The undersigned furthermore declares that the Audiovisual Work was broadcast within the following television programme, on the date and at the times detailed therein, undertaking to hold harmless and indemnify APA from any and all negative consequences that may derive to it from the calculation and payment of the compensation for private copying carried out on the basis of such data:

Title of the 'container programme' _____
Transmission channel _____
Date of broadcast _____
Broadcast start time code of the requested Audiovisual Work _____
Broadcast end time code of the requested Audiovisual Work _____

and therefore requests

the payment of the share of compensation due to the undersigned Company, on the basis of the criteria established by the "Regulation for the Distribution of Private Copying Compensation " (and its Technical Annex), which they declare they have read and accepted.

The undersigned also authorises the processing of their personal data, for the purposes and in the manner indicated in the attached Annex C) ("Privacy Policy") of the aforementioned "Regulation for the Distribution of Private Copying Compensation".

_____, dated _____

Signature _____

ANNEX B3 "DOCUMENTARIES (IN CONTAINER PROGRAMMES)".

SELF-CERTIFICATION OF OWNERSHIP

APA - Audiovisual Producers Association
Via Sabotino n. 2/a
Rome

The undersigned _____, in their capacity as _____ of the Company _____ with
registered office in _____, _____ VAT No. _____ Fiscal Code _____

declares

that the Company is the exclusive owner of the exploitation rights for Italy - including those for the Private Copy Right, as provided for by articles 71-septies and 71-octies of Law No. 633/1941 (Copyright Law) - for the following Audiovisual Work:

- as the holder for the Italian territory of the rights definitively acquired from the Original Producers or third-party entities

or

- as holder for the Italian territory of the rights acquired through licences from the Original Producers or third-party entities, for a limited period of time

Title used in Italy _____ Original Title _____

Year of production _____ Country of production _____

Director _____ Percentage ownership _____

ISAN code* _____ (*optional)

Transferring company _____

Ownership from _____ to _____

The undersigned furthermore declares that the Audiovisual Work was broadcast within the following television programme, on the date and at the times detailed therein, undertaking to hold harmless and indemnify APA from any and all negative consequences that may derive to it from the calculation and payment of the compensation for private copying carried out on the basis of such data:

Title of the 'container programme' _____
Transmission channel _____
Date of broadcast _____
Broadcast start time code of the requested Audiovisual Work _____
Broadcast end time code of the requested Audiovisual Work _____

and therefore requests

the payment of the share of compensation due to the undersigned Company, on the basis of the criteria set forth in the "Regulation for the Distribution of Private Copying Compensation" (and its Technical Annex), approved by the General Council of the Audiovisual Producers' Association on _ _____, which they declare they have read and accepted.

The undersigned further authorise the processing of their personal data, for the purposes and in the manner indicated in Annex C) ("Privacy Policy") of the aforementioned "Regulation for the Distribution of Private Copying Compensation".

_____ dated _____

Signature _____

ANNEX C

PRIVACY POLICY

Pursuant to Article 13 of EU Regulation 2016/679 ("GDPR"), and in relation to the personal data concerning you that will be processed, A.P.A. - Audiovisual Producers Association ("APA") informs you of the following.

1. Data controller

The data controller is APA - Associazione Produttori Audiovisivi, Via Sabotino 2/a - 00195, Rome.

2. Purposes of Data Processing and their Legal Basis

Your personal data ("Data") will be processed in order to enable you to take advantage of the Private Copying compensation distribution services offered by APA ("Services").

In this case, the legal basis for this processing purpose is the request for payment of compensation for private copying made by the user in his or her own name or on behalf of a different natural or legal person.

APA may also process your data in connection with the identification of those rightsholders entitled to private copying compensation or the calculation of the amount due, as part of the performance of a task provided for by copyright law in connection with the payment of private copying compensation to producers of audiovisual works.

APA may also process your data as well as any further information relating to you where such activity is necessary to:

- protect its interests before the competent authorities;
- comply with legal requirements or orders of any competent authority;
- in addition to the above, support the competent police authorities in combating crimes;
- assert their rights in any forum, state, grade and against anyone;
- defend themselves against claims by third parties alleging that any of the user's acts and/or omissions in any way performed through the Services and/or as a result of the use of the Services violate their rights.

In these cases, the legal basis for these processing purposes is the pursuit of a legitimate interest of APA, except in cases of processing necessary to comply with legal obligations (e.g. of a fiscal nature or arising from copyright law)

where the latter will be the relevant legal basis.

3. Provision of Data

Your Data, except those marked with an asterisk in the form, must necessarily be provided in order to be able to use the Services offered by APA. In their absence, APA will not be able to render the requested Service. The provision of Data marked with an asterisk is optional. Failure to provide them will not have any consequence on the use of the Services.

4. Methods of Data Processing and Storage

Your Data will be processed using electronic and manual means suitable to guarantee their security and confidentiality, in application of the security measures provided by APA.

The Data will be retained for the period necessary to carry out the processing activities for which it is collected. The criteria for determining this retention period will be determined on the basis of the specific purpose of the processing, tax (or otherwise applicable) law, prescription of rights, as well as the legitimate interest of APA where this is the legal basis for the processing.

5. Communication, dissemination and transfer of Data abroad

Your Data may be disclosed by APA only and exclusively for the purposes indicated and where necessary, to the following categories of persons:

- banks and credit institutions;
- legal advisers;
- tax consultants, auditors and accountants;
- companies providing computer services;
- insurance companies;
- companies that detect financial risks and carry out fraud prevention activities;
- debt collection companies;
- public administrations, supervisory and control authorities, judicial authorities (where required by law or by orders of those entities)
- “subsidiary companies”
- collecting societies and other entities active in copyright field.

Your Data will not be disclosed to unspecified persons.

With reference to the Data communicated to them, the subjects belonging to the above categories may operate, depending on the case, as data processors or as separate data controllers. In the latter case, the Data will be communicated only with the express consent of the users, except in cases where such communication is obligatory or necessary by law, or for the pursuit of purposes for which your consent is not required by law.

APA, in its capacity as data controller, also reserves the right to transfer your Data to third countries. Transfers of data outside the European Economic Area are subject to a special regime under the GDPR, and are only made to countries that ensure an adequate level of protection for your Data, either on the basis of an adequacy decision by the European Commission or where there is another applicable legal basis or where adequate safeguards are in place (including the standard contractual conditions set out by the European Commission), provided that you have enforceable rights and effective remedies.

6. Your rights

At any time, you are entitled to:

- obtain confirmation from APA that your Data is or is not being processed and if so, to obtain access to the information referred to in art. 15 GDPR;
- obtain the rectification of inaccurate Data, or, taking into account the purposes of the processing, the integration of incomplete Data;
- obtain the deletion of your Data, in the presence of one of the grounds referred to in art. 17 GDPR, where applicable;
- withdraw consent at any time in cases where consent has previously been given. Withdrawal of consent will not affect the lawfulness of the processing based on the consent previously given;
- obtain the restriction of the processing of your data in the event of one of the cases referred to in art. 18 GDPR;
- object to the processing of your Data on grounds relating to your particular position, where applicable;
- to receive your Data in a structured, commonly used and machine-readable format, as well as to transmit such Data to another data controller, in the cases and within the limits set out in art. 20 GDPR.

To exercise your rights, and for any questions or clarifications on the processing of Data, you may contact us by e-

mail at info@apaonline.it or by registered mail with return receipt addressed to: APA- Associazione Produttori Audiovisivi - Via Sabotino 2/a - 00195, Rome.

Pursuant to the GDPR, APA is not permitted to charge you for complying with any of the requests set out in this paragraph, unless they are manifestly unfounded or excessive and repetitive in nature. In cases where you request more than one copy of your Data or your requests are excessive or unfounded, APA may

- (i) charge you a reasonable fee, taking into account the administrative costs incurred in processing your request or
- (ii) refuse to comply with your request.

In such cases, APA will inform you of such costs before processing your request.

APA may ask you for additional information before processing requests, should it need to verify your identity.

7. Complaint to the Competent Authority

To safeguard your rights and protect your Data, you may at any time lodge a complaint with the competent supervisory authority, i.e. the Italian Data Protection Authority [*Garante per la Protezione dei Dati Personali*] (tel. +39 06.696771, e-mail address: garante@gpdp.it or urp@gpdp.it, more information at www.garanteprivacy.it).

In any case, we would always invite you to contact us for any needs relating to the exercise of your rights before turning to the competent authority, so that we can amicably resolve any disputes relating to your Data.

By way of receipt and acknowledgement

Date_____

Signature_____

ANNEX D

UNDERTAKING TO HOLD HARMLESS AND INDEMNIFY *

*to comply with any subsequent SIAE directions

APA- Audiovisual Producers Association
Via Sabotino n. 2/a
Rome

The undersigned _____, in their capacity as _____ of the Company
_____, with registered office in _____, VAT No. _____
Fiscal Code _____

with reference to the Self-Certification of Ownership of Audiovisual Works issued today and attached hereto, hereby undertakes, in the name and on behalf of the above Company, to hold harmless and indemnify APA in respect of any and all claims and/or actions that may be made or initiated by third parties in relation to the Video Private Copying Compensation paid by APA in execution of the "Regulation for the distribution of private copying compensation" (and the relevant Technical Annex), approved by the General Council of the Audiovisual Producers Association on _____.

In particular, the _____ [*indicate company name*] undertakes to reimburse:

- APA, upon the latter's simple written request, within 20 days from receipt of the same request, and with waiver of the right to raise objections, any and all sums that APA may be obliged to pay, by virtue of an enforcement order, to any third party as Video Private Copying Compensation for Audiovisual Works, the compensation for which has previously been acknowledged and paid to the Company by APA;
- APA and/or SIAE, upon the simple written request of either, within 20 days of receipt of the same request, and with waiver of the right to raise objections, any and all sums received by way of Video Private Copying Compensation that APA is obliged to return to SIAE, by reason of a similar indemnity granted by the former to the latter.

____ dated _____ Signature _____