Distribution Rules



General Incorporated Association Japanese Society for Rights of Authors, Composers and Publishers

Distribution Rules

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Chapter 1 GENERAL PROVISIONS

Article 1 Purpose

The purpose of these Rules is to determine the details related to the distribution of fees, etc. in accordance with Article 19, paragraph 8 of the Stipulations for Administration Trust Contract.

Article 2 Definitions

- 1. In these Rules, the following terms shall have the meaning assigned to them respectively:
 - (1) "Administered works" means the works administered as stipulated in Article 1, paragraph 11 of the Stipulations for Administration Trust Contract;
 - (2) "Cue-sheets" means information showing works used in films, their interested parties, duration, etc. and similar other information;
 - (3) "Fees subject to distribution" means fees distributable for each distribution period;
 - (4) "Works subject to distribution" means works for which the fees are to be distributed as stipulated in Article 19, paragraph 2 of the Stipulations for Administration Trust Contract;
 - (5) "Per work fees" means fees calculated and collected for each use of an administered work:
 - (6) "Co-writer" means each writer of a joint work (a work created by two or more persons whose contributions to the work cannot be separated so as to allow each part of the work to be used independently);
 - (7) "Classification of the roles of interested parties" means each classification which interested parties are divided into: composer, author, arranger, translator, and music publisher;
 - (8) "Sub-publishing agreement" means an agreement executed concerning a foreign work between a music publisher who is a Trustor and a foreign music publisher who owns the copyright of the work to grant the authority to administer copyright for the development of the use of the work in Japan;
 - (9) "Sub-published work" means a foreign work for which a sub-publishing agreement is executed;
 - (10) "Original publisher" means a foreign music publisher who owns the copyright of a sub-published work;
 - (11) "Sub-publisher" means a music publisher who is a Trustor and has executed a subpublishing agreement with an original publisher; and
 - (12) "Original writer" means an original composer or an original author of a subpublished work.

- 2. In addition to what is provided in the items of the preceding paragraph, the terms defined in the Stipulations for Administration Trust Contract shall have the same meaning herein unless otherwise provided in these Rules.
- 3. "Fees" herein shall include compensation specified in Article 12, paragraph 1, item 3 of the Stipulations for Administration Trust Contract (excluding compensation for which Trustee has determined the detailed rules of distribution separately from these Rules) and damages set forth in item 5 of the same paragraph.
- 4. "Distribution documents" herein shall include documents acquired by Trustee's investigation, and which records information such as the title of the work used, etc.
- 5. "Collaborator" herein shall be deemed to be a co-writer of the lyrics or music, and "notification of collaboration" shall be included as a work document.

Article 3 Persons subject to distribution

- 1. Interested parties of administered works which have been used shall be persons subject to distribution of fees for such use (meaning the Subject Right Holders stipulated in Article 19, paragraph 3 of the Stipulations for Administration Trust Contract).
- 2. Notwithstanding the provisions of the preceding paragraph, for the use of a work to which lyrics were written to an instrumental work with the authorization of the composer, the author shall be considered subject to distribution only when those lyrics are used. However, the author shall always be subject to distribution when the author is recognized by other interested parties as an interested party as is mentioned in the preceding paragraph.
- 3. The arranger or translator shall qualify for distribution when his/her arrangement or adaptation is used.

Article 4 Exceptions concerning persons subject to distribution

- 1. When distributing the fees which the amounts are designated by Trustor pursuant to the provisions of the Stipulations for Administration Trust Contract (for purposes of this Article, hereinafter referred to as "amount designation") according to the provisions of Chapter 3, Section 11 "Reproduction for specific purposes," notwithstanding the provisions of Article 3, paragraph 1, among the interested parties of the administered work used, those who conducted the amount designation shall be subject to distribution.
- 2. In case of the preceding paragraph, when both lyrics and music are used and each Trustor conducts the amount designation, the relevant person shall be subject to distribution only for the amount he/she has designated.

Article 5 Method for determination of interested parties, etc.

- 1. The interested parties of administered works shall be determined by the interested parties listed in the work documents.
- 2. In cases where no work documents are available, those recognized as an interested party by Trustee may be determined as an interested party of the work.
- 3. Interested parties of each work subject to distribution shall be determined based on the share splits on the validation date specified for each category of fees subject to distribution in Chapter 3 "DISTRIBUTION CALCULATION."
- 4. Distribution of fees shall be withheld when interested parties cannot be determined by Trustee on the validation date of interested parties for such reasons as lack of work documents.

Article 6 Work documents determining interested parties

Interested parties of each work subject to distribution shall be determined based on work documents submitted at least 10 days before the validation date of interested parties (in case it falls on a non-business day, the day immediately preceding such day).

Article 7 Distribution documentation, etc.

- 1. Distribution of fees shall be based on distribution documentation.
- 2. Works listed as administered works on distribution documentation shall be excluded from works subject to distribution if they are inappropriate for Trustee's administration by Trustee's screening body.

Article 8 Distribution adjustments

- 1. When it turns out that excessive or insufficient distributions of fees were made, Trustee shall notify the relevant interested parties to that effect and may make adjustments at the time of distribution by debiting the excessively distributed amount from, or by crediting the insufficiently distributed amount to, the fee.
- 2. The adjustments in the preceding paragraph shall be made by debiting the excessively distributed amount from, or by crediting the insufficiently distributed amount to, the fees distributed in the period in which the date that the excessive or insufficient distribution of fees was notified to interested parties belongs.
- 3. Notwithstanding the provisions of the preceding paragraph, if excessive distributions are not attributable to the interested parties receiving the excessive distributions, distribution adjustments can be made by debiting the excessively distributed amount from the fees distributed in the distribution period immediately following the

distribution period in which the notification under the preceding paragraph was provided.

- 4. When debiting excessively distributed amounts pursuant to the preceding two paragraphs, if the amount of fees subject to distribution in the relevant distribution period is less than the amount to be debited, the remaining amount can be debited from the fees subject to distribution in the following or succeeding distribution periods.
- 5. In case of excessive distributions of fees, if it is not reasonable to debit royalties from interested parties who received the excessive distribution, it is possible not to conduct the debit with the approval of the Board of Directors.
- 6. In case of the preceding paragraph, for distributions to interested parties who received insufficient distributions of fees, the amount of which is equal to the fees not debited, deposits which are no longer administered and were incorporated into the income of the general account can be appropriated to resources for distributions.

Article 9. Method of processing fees pending distributions for unidentified foreign works

Among the fees pending distributions pursuant to Article 5, paragraph 4 and which correspond to the performing rights of foreign works comprised only of right owners who do not belong to any foreign trustor organization, the method of administration for withheld fees which the recipients are undetermined (hereinafter referred to as "pending fees") and the method of processing pending fees which the recipients could not be identified shall be as provided in each of the following items:

- (1) With respect to works which distributions have been withheld, investigation shall be conducted to determine recipients by making inquiries to foreign trustor organizations by "inquiry lists" based on international rules or by other methods.
- (2) For works which recipients of distributions have been determined as a result of the investigation stipulated in the preceding item, withheld distributions shall be released promptly and fees shall be distributed in the nearest distribution period.
- (3) If recipients of distributions cannot be determined even after the investigation under item (1) above and after the lapse of 3 years from the allocation of fees as pending fees, investigation for determining recipients shall be terminated and those pending fees shall be transferred to the "reserve fund for distribution compensation" in the following fiscal year.
- (4) In case compensation for distribution is requested by a domestic right holder or a foreign trustor organization and such request is deemed reasonable, resources for the relevant distribution compensation or advance distribution can be paid from the reserve fund for distribution compensation under item (3) above.

- (5) The provisions of the above item shall not apply in case fees with separate provisions for dividing the fees subject to distribution into resources for distribution or the distribution fund, and the distribution compensation fund, are invoiced.
- (6) The distribution compensation under item (4) above shall be provided with the approval of the Board of Directors.
- (7) Any remaining amount of the reserve fund for distribution compensation after the lapse of one year shall be divided into four quarters and distributed by adding it to the broadcasting distribution fund for fees for broadcasting, etc., related to Articles 30, 31, and 32 for the following fiscal year. In this case, allocation to each fund shall be prorated based on the amount of each fund for the relevant distribution period.

Article 10. Exceptional measures

If distribution under these Rules is difficult due to status regarding usages and usage reports, or due to other circumstances, distribution periods, calculation methods for distribution, and other necessary matters may be separately specified with the approval of the Board of Directors.

Chapter 2 SHARES

Section 1 Performing rights

Article 11 Shares of performing rights fees

1. Distributions to the interested parties of fees accruing from performances, broadcasts, cable broadcasts, showing of films, and other uses in an intangible form (hereinafter referred to as "performing rights fees") shall be made in accordance with the shares shown on the following table:

| | To 4 4 . 1 4 | C1 | International most | | Share | | | | |
|---|------------------|-------|--------------------|------|-------|------|------|--|--|
| | Interested party | Share | Interested party | (1) | (2) | (3) | (4) | | |
| 1 | Composer | 12/12 | 7 Composer | 8/12 | 6/12 | _ | _ | | |
| | | | Music publisher | 4/12 | 6/12 | _ | — | | |
| 2 | Composer | 10/12 | 8 Composer | 6/12 | 4/12 | _ | _ | | |
| | Arranger | 2/12 | Arranger | 2/12 | 2/12 | _ | _ | | |
| | | | Music publisher | 4/12 | 6/12 | _ | _ | | |
| 3 | Composer | 6/12 | 9 Composer | 4/12 | 3/12 | 4/12 | 3/12 | | |
| | Author | 6/12 | Author | 4/12 | 3/12 | 3/12 | 4/12 | | |
| | | | Music publisher | 4/12 | 6/12 | 5/12 | 5/12 | | |
| 4 | Composer | 5/12 | 10 Composer | 3/12 | 2/12 | 3/12 | 2/12 | | |
| | Author | 5/12 | Author | 3/12 | 2/12 | 2/12 | 3/12 | | |
| | Arranger | 2/12 | Arranger | 2/12 | 2/12 | 2/12 | 2/12 | | |
| | | | Music publisher | 4/12 | 6/12 | 5/12 | 5/12 | | |
| 5 | Composer | 5/12 | 11 Composer | 3/12 | 2/12 | 3/12 | 2/12 | | |
| | Author | 5/12 | Author | 3/12 | 2/12 | 2/12 | 3/12 | | |
| | Translator | 2/12 | Translator | 2/12 | 2/12 | 2/12 | 2/12 | | |
| | | | Music publisher | 4/12 | 6/12 | 5/12 | 5/12 | | |
| 6 | Composer | 5/12 | 12 Composer | 3/12 | 2/12 | 3/12 | 2/12 | | |
| | Author | 5/12 | Author | 3/12 | 2/12 | 2/12 | 3/12 | | |
| | Arranger | 1/12 | Arranger | 1/12 | 1/12 | 1/12 | 1/12 | | |
| | Translator | 1/12 | Translator | 1/12 | 1/12 | 1/12 | 1/12 | | |
| | | | Music publisher | 4/12 | 6/12 | 5/12 | 5/12 | | |

Note: The shares applicable in 7 through 12 above shall be those notified by the interested parties.

2. Notwithstanding the provisions of the preceding paragraph, distributions to the interested parties of fees calculated in accordance with Tariffs for dramatic musical works shall be made in accordance with the shares shown on the following table:

| | Total and the same | G1 | | International and | Share | | |
|---|--------------------|-------|----|-------------------|-------|------|--|
| | Interested party | Share | | Interested party | (1) | (2) | |
| 1 | Composer | 12/12 | 7 | Composer | 8/12 | 6/12 | |
| | | | | Music publisher | 4/12 | 6/12 | |
| 2 | Composer | 10/12 | 8 | Composer | 6/12 | 4/12 | |
| | Arranger | 2/12 | | Arranger | 2/12 | 2/12 | |
| | | | | Music publisher | 4/12 | 6/12 | |
| 3 | Composer | 7/12 | 9 | Composer | 5/12 | 3/12 | |
| | Author | 5/12 | | Author | 3/12 | 3/12 | |
| | | | | Music publisher | 4/12 | 6/12 | |
| 4 | Composer | 6/12 | 10 | Composer | 4/12 | 2/12 | |
| | Author | 4/12 | | Author | 2/12 | 2/12 | |
| | Arranger | 2/12 | | Arranger | 2/12 | 2/12 | |
| | | | | Music publisher | 4/12 | 6/12 | |
| 5 | Composer | 6/12 | 11 | Composer | 4/12 | 2/12 | |
| | Author | 4/12 | | Author | 2/12 | 2/12 | |
| | Translator | 2/12 | | Translator | 2/12 | 2/12 | |
| | | | | Music publisher | 4/12 | 6/12 | |
| 6 | Composer | 6/12 | 12 | Composer | 4/12 | 2/12 | |
| | Author | 4/12 | | Author | 2/12 | 2/12 | |
| | Arranger | 1/12 | | Arranger | 1/12 | 1/12 | |
| | Translator | 1/12 | | Translator | 1/12 | 1/12 | |
| | | | | Music publisher | 4/12 | 6/12 | |

Note: The shares applicable in 7 through 12 shall be those notified by the interested parties.

- 3. The share for a co-writer shall be determined by equally dividing the shares in paragraphs 1 and 2 within each classification of the roles of interested parties.
- 4. Notwithstanding the provisions of the preceding paragraph, in case the share is determined per co-writer depending on the contribution of the co-writer's creation, agreed upon by all co-writers (hereinafter referred to as "agreed shares"), and is submitted on a separately prescribed form, the share for a co-writer shall be the agreed share. However, a co-writer shall determine the agreed share within the shares for the classification of the roles of interested parties in paragraphs 1 and 2.
- 5. Notwithstanding the provisions of paragraphs 1 and 2, for an arrangement of a work when it is issued for the first time in a format of a record or used in interactive transmissions, the arranger of the arrangement (hereinafter referred to as "arranger at

the time of release") may be an interested party of the relevant work, and the share for the arranger at the time of release may be 1/12 while the share for the other interested parties may be 11/12. The same shall apply to an arrangement made with the consent of the interested parties when a work already issued as a record or a work already used in interactive transmissions is issued again as a record or used again in interactive transmissions.

- 6. When more than one arranger at the time of release exists for a work, the share for each arranger at the time of release shall be determined by equally dividing the share of 1/12 for arranger at the time of release provided in the preceding paragraph.
- 7. The extent of distributions in accordance with the preceding two paragraphs shall be as follows for the time being:
 - (1) Karaoke fees provided in Article 23
 - (2) Fees distributed from the funds for evaluation of fees amounting to the public transmission of online karaoke for commercial use provided in Article 52
- 8. Those falling under the following items shall be considered therein, and shares in accordance with paragraphs 1 and 2 shall be applied.
 - (1) The arranger of a work which the music is in the public domain is considered a composer
 - (2) The translator of a work which the lyrics are in the public domain is considered an author
- 9. In case a music publisher is included as an interested party of a dramatic musical work, and when other interested parties have consented to receiving their shares through the music publisher by agreement with the music publisher, the total fee shall be distributed to the music publisher.

Article 12 International standards

- 1. In case those who belong to a foreign trustee organization is included in the interested parties under the preceding Article, distributions may be made according to the shares under the standards provided in the copyright administration agreement concluded between Trustee and the relevant foreign trustor organization, standards established by the International Confederation of Societies of Authors and Composers, or other similar standards (hereinafter referred to as "international standards").
- 2. Among the international standards under the preceding paragraph, standards for the interested parties of foreign works, for which sub-publishing agreements have been concluded, shall be subject to the following items:
 - (1) Distributions to each interested party of a sub-published work shall be made according to the shares provided in (a) or (b) below. However, for any work, if a

foreign trustor organization to which the original publisher belongs gives approval based on agreement among the interested parties, the entire publisher share, including the share of the original publisher, may be distributed to the sub-publisher.

(a) North American works (works which the original publisher belongs to a foreign trustor organization the United States of America or Canada)

| | Interested party | Instrumental works | Vocal works | |
|-----------------|-----------------------|--------------------|-------------|-----|
| | Composer | 4/8 | 2/8 | 2/8 |
| Writer share | Author | | 2/8 | 1/8 |
| | Translator | Translator — | | 1/8 |
| Publisher share | Original publisher | 2/8 2/8 | | |
| ruonsner snare | Sub- publisher | | | |

Note: A translator is a writer of the translated lyrics to a sub-published work, made with legitimate permission.

B. Other works

| _ | Interested party | Instrumental works | | Vocal works | | vorks |
|-----------------|---------------------|--------------------|------|-------------|---|-------|
| | Composer | 6/12 | 4/12 | 3/12 | 2 | 2/12 |
| Writer share | Author | | | 3/12 | 2 | 2/12 |
| | Translator/arranger | — | 2/12 | | | 2/12 |
| Publisher share | Original publisher | 4/12 3/ | | 12 | | 2/12 |
| rublisher share | Sub-publisher | 2/12 | | 3/12 | | 4/12 |

Note: A translator or an arranger is a writer of the translated lyrics or arranged music to a sub-published work, made with legitimate permission.

(2) Notwithstanding the preceding item, distributions to the writers of a sub-published work shall be made in accordance with the shares shown on the following table depending on the usage of the relevant translated lyrics:

| | Interested | Share | | | |
|-------------------|------------|----------------------|-------------|--|--|
| Lyrics used | parties | North American works | Other works | | |
| | Composer | 6/24 | 6/24 | | |
| Original lyrics | Author | 6/24 | 6/24 | | |
| | Translator | _ | _ | | |
| Translated lyrics | Composer | 6/24 | 4/24 | | |

| | Author | 3/24 | 4/24 | |
|---|--------------------|--------|------------------------|--|
| | Translator | 3/24 | 4/24 | |
| Instrumental performance, or when the lyrics used are | Composer Author | - | age of original lyrics | |
| unknown | Translator | Silaii | ирргу. | |

Note: A translator is a writer of the translated lyrics to a sub-published work, made with legitimate permission.

- (3) Notwithstanding items (1) and (2) above, in case the foreign Trustor organization to which the original writer or the original publisher belongs gives approval based on agreement among the interested parties, different shares may be applied.
- (4) The provisions of this paragraph shall apply to the shares distributed to a translator of the following translated lyrics:
 - (a) Translated lyrics made with legitimate permission based on a sub-publishing agreement, and which the relevant sub-publishing agreement has terminated
 - (b) For foreign works other than sub-published works, translated lyrics made with legitimate permission from original writers or original publishers
 - (c) When translated lyrics made with legitimate permission already exist for a foreign work, separate translated lyrics made with legitimate permission under a new sub-publishing agreement
- (5) The shares to translators of new and old translated lyrics under (c) of the preceding item shall be determined by equally dividing the share the translator provided in this paragraph, and the same shall apply when three or more translated lyrics are made with legitimate permission.

Section 2 Mechanical rights

Article 13 Shares of mechanical rights fees

1. Distributions to the interested parties of fees accruing from audio recordings, publications, films, recordings to videograms, and other reproductions (hereinafter referred to as "mechanical rights fees") shall be made in accordance with the shares shown on the following table:

| | Interest land Chan | | | | Share | | | | | |
|---|--------------------|-------|----|------------------|-------|-------|------|-------|-------|--|
| | Interested party | Share | | Interested party | (1) | (2) | (3) | (4) | (5) | |
| 1 | Composer | 8/8 | 7 | Composer | 8/12 | 6/10 | 4/8 | _ | _ | |
| | | | | Music publisher | 4/12 | 4/10 | 4/8 | _ | _ | |
| 2 | Composer | 6/8 | 8 | Composer | 6/12 | 9/20 | 3/8 | — | | |
| | Arranger | 2/8 | | Arranger | 2/12 | 3/20 | 1/8 | _ | | |
| | | | | Music publisher | 4/12 | 8/20 | 4/8 | _ | — | |
| 3 | Composer | 4/8 | 9 | Composer | 4/12 | 3/10 | 2/8 | 4/12 | 3/12 | |
| | Author | 4/8 | | Author | 4/12 | 3/10 | 2/8 | 3/12 | 4/12 | |
| | | | | Music publisher | 4/12 | 4/10 | 4/8 | 5/12 | 5/12 | |
| 4 | Composer | 3/8 | 10 | Composer | 3/12 | 9/40 | 3/16 | 12/48 | 9/48 | |
| | Author | 4/8 | | Author | 4/12 | 12/40 | 4/16 | 12/48 | 16/48 | |
| | Arranger | 1/8 | | Arranger | 1/12 | 3/40 | 1/16 | 4/48 | 3/48 | |
| | | | | Music publisher | 4/12 | 16/40 | 8/16 | 20/48 | 20/48 | |
| 5 | Composer | 4/8 | 11 | Composer | 4/12 | 12/40 | 4/16 | 16/48 | 12/48 | |
| | Author | 3/8 | | Author | 3/12 | 9/40 | 3/16 | 9/48 | 12/48 | |
| | Translator | 1/8 | | Translator | 1/12 | 3/40 | 1/16 | 3/48 | 4/48 | |
| | | | | Music publisher | 4/12 | 16/40 | 8/16 | 20/48 | 20/48 | |
| 6 | Composer | 3/8 | 12 | Composer | 3/12 | 9/40 | 3/16 | 12/48 | 9/48 | |
| | Author | 3/8 | | Author | 3/12 | 9/40 | 3/16 | 9/48 | 12/48 | |
| | Arranger | 1/8 | | Arranger | 1/12 | 3/40 | 1/16 | 4/48 | 3/48 | |
| | Translator | 1/8 | | Translator | 1/12 | 3/40 | 1/16 | 3/48 | 4/48 | |
| | | | | Music publisher | 4/12 | 16/40 | 8/16 | 20/48 | 20/48 | |

Note: The shares applicable in 7 through 12 shall be those notified by the interested parties.

- 2. The share for a co-writer shall be determined by equally dividing the shares in the preceding paragraph within each classification of the roles of interested parties.
- 3. Notwithstanding the provisions of the preceding paragraph, in case agreed shares are submitted on a separately prescribed form, the share for a co-writer shall be the agreed share. However, a co-writer shall determine the agreed share within the shares for the classification of the roles of interested parties in paragraph 1.

- 4. Those falling under the following items shall be considered therein, and shares in accordance with paragraph 1 shall be applied.
 - (1) The arranger of a work which the music is in the public domain is considered a composer
 - (2) The translator of a work which the lyrics are in the public domain is considered an author
- 5. In case a music publisher is included as an interested party of a dramatic musical work, and when other interested parties have consented to receiving their shares through the music publisher by agreement with the music publisher, the total fee shall be distributed to the music publisher.

Article 14 International standards

In case those who belong to a foreign trustee organization is included in the interested parties under the preceding Article, distributions may be made according to international standards.

Chapter 3 DISTRIBUTION CALCULATION

Section 1 Performances

Article 15 Dramatic performances

- 1. For performances, showing of films or transmission (hereinafter referred to as "performances, etc."), among the collected fees (excluding BGM fees provided in Article 27, Pachinko and Pachislot machine fees provided in Article 28, and fees for showing of films provided in Article 44; hereinafter referred to as "performance fees"), fees for performances in dramatic format (hereinafter referred to as "dramatic performance fees") to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of paragraph 2 and distributed to the interested parties as of the validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to the distributed as dramatic performance fees for each work subject to distribution shall be calculated in accordance with each of the following items:
 - (1) Distribution periods and fees subject to distribution shall be as shown on the following table:

| Distribution period | Fees to subject to distribution |
|---------------------|--|
| June | Fees collected from January through March |
| September | Fees collected from April through June |
| December | Fees collected from July through September |
| March | Fees collected from October through December |

- (2) Works subject to distribution shall be works for which the fees subject to distribution have been collected.
- (3) The amount of fees subject to distribution to each work subject to distribution shall be the amount of fees collected as dramatic performance fees. If the amount of fees collected is for multiple dramatic music works, calculation shall be based on the ratio of the performance duration of each work.
- 3. The validation date of the interested parties of each work subject to distribution of dramatic performance fees shall be the last day of the period subject to distribution for the fees subject to distribution for each distribution period.
- 4. The shares of interested parties for dramatic performance fees shall be as provided in Articles 11 and 12.

Article 16 Concerts, etc.

- 1. Among performance fees, for performances at concerts and other events (hereinafter referred to as "concerts, etc."), the collected fees (excluding hall-style live music club fees provided in Article 17, public transportation fees provided in Article 18, fees for aircrafts provided in Article 19, and fees for dinner shows, etc. in Article 20; hereinafter referred to as "fees for concerts, etc.") to be distributed to each work subject to distribution shall be calculated for distribution in accordance with the provisions of paragraph 2 and distributed to the interested parties as of the validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4. Fees for large-scale concerts, etc. (among concerts, etc., those which the "amount obtained by multiplying the admission fee by the capacity" per performance calculated based on the Tariffs for Use of Musical Works exceed 50 million yen) shall be included in the fees for concerts, etc.
- 2. The amount to the distributed as fees for concerts, etc. for each work subject to distribution shall be calculated in accordance with each of the following items:
 - (1) Distribution periods and fees subject to distribution shall be as shown on the following table. Among the fees subject to distribution, blanket fees for performances at concerts shall be classified into the fund for distribution (hereinafter referred to as "distribution fund") and the distribution compensation fund. Among the fees for concerts, etc., the fees subject to distribution for karaoke contests may be added to the fees subject to distribution in the distribution fund for karaoke entertainment venues provided in Article 23.

| Distribution period | Fees subject to distribution |
|---------------------|--|
| June | Fees collected from January through March |
| September | Fees collected from April through June |
| December | Fees collected from July through September |
| March | Fees collected from October through December |

(2) Notwithstanding the preceding item, among the fees for concerts, etc., the distribution periods and fees subject to distribution for blanket fees collected monthly or yearly under a yearly blanket licensing agreement shall be as shown on the following table:

| Distribution period | Fees subject to distribution |
|---------------------|--|
| June | Fees collected from October through December |
| September | Fees collected from January through March |
| December | Fees collected from April through June |

(3) The allocation ratio between the distribution fund and the distribution compensation fund shall be as shown on the following table:

| Allocation ratio | | |
|--|-----------------------------|--|
| Distribution fund Distribution compensation fund | | |
| Fees subject to distribution | 0.3% of the fees subject to | |
| minus the distribution | distribution | |
| compensation fund | | |

- (4) Works subject to distribution shall be works for which the fees subject to distribution have been collected. However, the works subject to distribution for karaoke concerts shall be works subject to distribution of karaoke fees provided in Article 23.
- (5) The amount of fees distributed to each work subject to distribution shall be calculated *en bloc* by allocating the points specified below to each work subject to distribution and then multiplying them together to obtain the product as the distribution points of the relevant work. The amount of fees distributed to each work subject to distribution for karaoke contests added to the fees subject to distribution for karaoke entertainment venues distribution fund provided in Article 23 in accordance with the provisions of item (1), shall be calculated in accordance with the provisions for karaoke fees provided in Article 23.
 - (a) Basic points

Per work per use

Sum of shares for interested parties subject to distribution

Sum of shares for all interested parties

(b) Grading points

(i) Points based on number of works used

The value obtained by dividing the fee invoiced for an event by the total number of administered works used in the relevant event (sum of the number of administered works; a usage not exceeding 5 minutes is counted as one work, and in case the usage exceeds 5 minutes, one work is added for each additional 5 minutes or part thereof) shall be the points assigned.

(ii) Points based on duration

One point for a usage of a work not exceeding 5 minutes; in case the usage exceeds 5 minutes, one point is added for each additional 5 minutes or part thereof

(6) The calculation *en bloc* under the preceding item is to calculate the amount of fees distributed to each work subject to distribution based on the following formula:

Amount of fees

distributed to each work subject to

distribution =

Sum of distribution points of all works

subject to distribution

Sum of distribution

Distribution

work subject to distribution

- (7) Distributions by the distribution compensation fund shall be made in accordance with the following:
 - (a) Distributions to the interested parties of works missing from the works subject to distribution due to lack of distribution documentation or for other reasons shall be made based on requests for distribution by expediting the amount calculated in accordance with the provisions of the preceding two items from the distribution compensation fund.
 - (b) Distributions from the distribution compensation fund shall be made when distribution is requested along with documentation on the relevant use for distributions within 3 years of the date of request and when such use has actually been confirmed.
 - (c) Any remaining amount in the distribution compensation fund shall be included in the fees subject to distribution for the following distribution period.
- 3. The validation date of the interested parties of each work subject to distribution of fees for concerts, etc. shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for fees for concerts, etc. shall be as provided in Articles 11 and 12.

Article 17 Hall-style live music clubs

- 1. Regarding fees under a yearly blanket licensing agreement for performances at facilities where meals are not offered to customers in live performance viewing spaces (hereinafter referred to as "hall-style live music club fees"), which are included in performance fees, the amount of fees to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of paragraph 2 and distributed to interested parties as of the rights validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution for hall-style live music clubs shall be calculated in accordance with the provisions in each of the following items:

(1) Fees subject to distribution shall be classified into the distribution fund and the distribution compensation fund. Distribution periods and fees subject to distribution shall be as shown on the following table:

| Distribution period | Fees subject to distribution |
|---------------------|--|
| June | Fees collected from October through December |
| September | Fees collected from January through March |
| December | Fees collected from April through June |
| March | Fees collected from July through September |

(2) The allocation ratio between the distribution fund and the distribution compensation fund shall be as shown on the following table:

| Allocation ratio | | |
|-------------------------------|--------------------------------|--|
| Distribution fund | Distribution compensation fund | |
| Amount obtained by deducting | 0.3% of the fees subject to | |
| the distribution compensation | distribution | |
| fund from the fees subject to | | |
| distribution | | |

- (3) Works subject to distribution shall be works which were used during the collection period of fees subject to distribution.
- (4) The works subject to distribution under item (3) shall be determined based on the distribution documentation collected by the following methods:
 - (a) Distribution documentation based on reports on the works used submitted by users, Trustors, etc.

Works used, which are reported by users, Trustors, etc., for each quarter shall be regarded as distribution documentation.

(b) Distribution documentation collected by Trustee

In addition to the distribution documentation provided in (a) above, information such as set lists collected by Trustee (including those collected through outsourcing) may be regarded as distribution documentation.

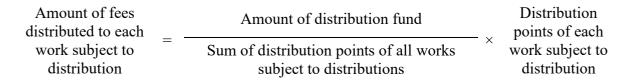
- (5) The amount of fees distributed to each work subject to distribution shall be calculated *en bloc* by allocating the points specified below to each work subject to distribution and then multiplying them together to obtain the product as the distribution points of the relevant work:
 - (a) Basic points

Per work per use

(b) Grading points

The monthly fee of the facility using the relevant work shall be the points.

(6) The calculation *en bloc* under the preceding item is to calculate the amount of fees distributed to each work subject to distribution based on the following formula:



- (7) Distributions by the distribution compensation fund shall be made in accordance with the following:
 - (a) Distributions to the interested parties of works missing from the works subject to distribution due to lack of distribution documentation or for other reasons shall be made based on requests for distribution by expediting the amount calculated in accordance with the provisions of the preceding two items from the distribution compensation fund.
 - (b) Distributions from the distribution compensation fund shall be made when distribution is requested along with documentation on the relevant use for distributions within 3 years of the date of request and when such use has actually been confirmed.
 - (c) Any remaining amount in the distribution compensation fund shall be included in the fees subject to distribution for the following distribution period.
- 3. The validation date of the interested parties of each work subject to distribution of hall-style live music club fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for hall-style live music club fees shall be as provided in Articles 11 and 12.

Article 18 Public transportation

1. Regarding fees for performances in public transportation (excluding fees for aircrafts provided in Article 19; hereinafter referred to as "public transportation fees"), which are included in performance fees, the amount of fees to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of paragraph 2 and distributed to interested parties as of the rights validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.

- 2. The amount to be distributed to each work subject to distribution for public transportation fees shall be calculated in accordance with the provisions in each of the following items:
 - (1) Distribution periods and fees subject to distribution shall be as shown on the following table. Fees subject to distribution for transportation may be added to the fees subject to distribution in the distribution fund for karaoke entertainment venues provided in Article 23:

| Distribution period | Fees subject to distribution |
|---------------------|--|
| June | Fees collected from January through March |
| September | Fees collected from April through June |
| December | Fees collected from July through September |
| March | Fees collected from October through December |

- (2) Works subject to distribution shall be works subject to distribution for karaoke fees provided in Article 23.
- (3) For the fees subject to distribution which have been added to the fees subject to distribution of the distribution fund for karaoke entertainment venues provided in Article 23 in accordance with the provisions of item (1) above, the amount to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of karaoke fees provided in Article 23.
- 3. The validation date of the interested parties of each work subject to distribution of public transportation fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for public transportation fees shall be as provided in Articles 11 and 12.

Article 19 Aircrafts

- 1. Regarding fees for performances in aircrafts (hereinafter referred to as "aircraft fees"), which are included in performance fees, the amount of fees to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of paragraph 2 and distributed to interested parties as of the rights validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution for aircraft fees shall be calculated in accordance with the provisions in each of the following items:

(1) Distribution periods and fees subject to distribution shall be as shown on the following table:

| Distribution period | Fees subject to distribution |
|---------------------|--|
| September | Fees collected in the previous fiscal year |

- (2) Works subject to distribution shall be works which were used during the collection period of fees subject to distribution.
- (3) The amount of fees distributed to each work subject to distribution shall be calculated *en bloc* by allocating the points specified below to each work subject to distribution:

Distribution points

Per work per use

(4) The calculation *en bloc* under the preceding item is to calculate the amount of fees distributed to each work subject to distribution based on the following formula:

- 3. The validation date of the interested parties of each work subject to distribution of aircraft fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for aircraft fees shall be as provided in Articles 11 and 12.

Article 20 Dinner shows, etc.

1. Regarding fees for performances at dinner shows, dance parties, etc. (hereinafter referred to as "fees for dinner shows, etc."), which are included in performance fees, the amount of fees to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of paragraph 2 and distributed to interested parties as of the rights validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.

- 2. The amount to be distributed to each work subject to distribution for fees for dinner shows, etc. shall be calculated in accordance with the provisions in each of the following items:
 - (1) Distribution periods and fees subject to distribution shall be as shown on the following table:

| Distribution period | Fees subject to distribution |
|---------------------|--|
| June | Fees collected from January through March |
| September | Fees collected from April through June |
| December | Fees collected from July through September |
| March | Fees collected from October through December |

- (2) Works subject to distribution shall be works for which the fees subject to distribution have been collected.
- (3) The amount of fees distributed to each work subject to distribution shall be calculated *en bloc* by allocating the points specified below to each work subject to distribution and then multiplying them together to obtain the product as the distribution points of the relevant work:
 - (a) Basic points

Per work per use

One point ×

Sum of shares for interested parties subject
to distribution

Sum of shares for all interested parties

- (b) Grading points
 - (i) Points based on number of works used

The value obtained by dividing the fee invoiced for an event by the total number of administered works used in the relevant event (sum of the number of administered works; a usage not exceeding 5 minutes is counted as one work, and in case the usage exceeds 5 minutes, one work is added for each additional 5 minutes or part thereof) shall be the points assigned.

(ii) Points based on duration

One point for a usage of a work not exceeding 5 minutes; in case the usage exceeds 5 minutes, one point is added for each additional 5 minutes or part thereof

(4) The calculation *en bloc* under the preceding item is to calculate the amount of fees distributed to each work subject to distribution based on the following formula:

- 3. The validation date of the interested parties of each work subject to distribution of fees for dinner shows, etc. shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for fees for dinner shows, etc. shall be as provided in Articles 11 and 12.

Article 21 Places of entertainment

- 1. Among performance fees, for performances at places of entertainment and dance schools, the collected fees (excluding concert-style live music club fees provided in Article 22 and karaoke fees provided in Article 23; hereinafter referred to as "fees for places of entertainment") to be distributed to each work subject to distribution shall be calculated for distribution in accordance with the provisions of paragraph 2 and distributed to the interested parties as of the validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution for fees for places of entertainment shall be calculated in accordance with the provisions in each of the following items:
 - (1) Distribution periods and fees subject to distribution shall be as shown on the following table. Among the fees subject to distribution, fees collected based on yearly blanket licensing agreements shall be classified into the distribution fund and the distribution compensation fund.

| Distribution period | Fees subject to distribution |
|---------------------|--|
| June | Fees collected from January through March |
| September | Fees collected from April through June |
| December | Fees collected from July through September |
| March | Fees collected from October through December |

(2) The allocation ratio between the distribution fund and the distribution compensation fund shall be as shown on the following table:

| Allocation ratio | | |
|--|-----------------------------|--|
| Distribution fund Distribution compensation fund | | |
| Amount obtained by deducting the | 0.3% of the fees subject to | |
| distribution compensation fund | distribution | |
| from the fees subject to distribution | | |

- (3) Works subject to distribution shall be as follows:
 - (a) Fees under yearly blanket licensing agreementsWorks used during the collection period of the fees subject to distribution
 - (b) Fees not under yearly blanket licensing agreementsWorks for which the fees subject to distribution were collected
- (4) Works subject to distribution in (a) of the preceding item shall be determined based on the distribution documentation collected by the following methods:
 - (a) Distribution documentation based on extracted samples
 - (i) For each quarter, 200 places of entertainment shall be extracted, and the titles of all music used which were collected at the relevant place of entertainment during a day randomly chosen shall be used as distribution documentation.
 - (ii) The number of places extracted shall be prorated based on the ratio calculated by the following formula for each extraction category in the following table. For each category, places of entertainment shall be extracted at random.

| Category of extraction | | Classification applied in the Tariffs for Use of Musical Works | |
|--|---|--|-------------------------------|
| 1 | Live music clubs (excluding concert-style live music clubs), etc. | | Category 1 (i) |
| 2 | 2 Cabarets, show pubs, restaurant theaters, etc. | | Category 1 (ii) |
| 3 | 3 Discos, dance halls, etc. | | Category 1 (iii) |
| 4 | Places other than 1 to 3 | Monthly license fee of less than 25,000 yen | |
| 5 | above such as bars, "snack bars," izakaya, | Monthly license fee of more than 25,000 yen and less than 45,000 yen | Category 1 (iv) |
| 6 | and restaurants, etc. | Monthly license fee of more than 45,000 yen | |
| 7 Marriage halls, restaurants, inns, hotels, etc. (mainly used for banquet purposes) | | Category 2 | |
| 8 | 8 Inns, hotels, etc. (mainly used by overnight guests) | | Category 3 |
| 9 | 9 Dance schools | | Performances at dance schools |

Percentage of the number of agreements for each category against the total monthly license agreement fee Total number of agreements for the relevant category

Total number of agreements for all categories

- (iii) The number of places extracted for each category shall be prorated based on the percentage of the number of agreements for each of Trustee's regional licensing office.
- (iv) The distribution documentation collected shall be used in each distribution period within 1 year from the current period.
- (b) Distribution documentation based on reports on the works used submitted by users, etc.
 - (i) In addition to (a), reports on the works used submitted by users, etc. per quarter may be regarded as distribution documentation. However, reports on usages at the same place of entertainment and on the same day as the distribution documentation in (a) shall be regarded as distribution documentation based on extracted samples in (a).
 - (ii) The distribution documentation collected shall only be used in the relevant period.
- (5) The amount of fees distributed to each work subject to distribution shall be calculated *en bloc* by allocating the points specified below to each work subject to distribution and then multiplying them together to obtain the product as the distribution points of the relevant work. However, fees for places of entertainment calculated on a per work basis shall be added to the fees subject to distribution for fees for dinner shows, etc. provided in Article 20 and distributed in accordance with the provisions of the relevant article:
 - (a) Basic points

- (b) Grading points
 - (i) Grading points based on duration

One point for a usage of a work not exceeding 5 minutes, two points for a usage of a work exceeding 5 minutes but not exceeding 10 minutes, and in case the usage exceeds 10 minutes, two points are added for each additional 10 minutes or part thereof

(ii) Grading points based on the collection method of distribution documentation

For a work subject to distribution which has been determined based on distribution documentation from extracted samples, one point shall be allocated.

For a work subject to distribution which has been determined based on distribution documentation from reports on the works used submitted by users, etc., the points allocated shall be a value obtained by dividing one point by the number of days in a quarter (90 days).

(iii) Adjustment points for each category of extraction

For a work subject to distribution which has been determined based on distribution documentation from extracted samples, for each category of extraction, the points allocated shall be a value obtained by dividing the number of samples calculated in accordance with (a) (ii) of the preceding item (to the second decimal place) by the number of samples collected as distribution documentation.

(iv) Points based on the size of facility

For a work subject to distribution which has been determined based on distribution documentation from extracted samples, the points allocated shall be the monthly fees for the relevant sampled facility.

For a work subject to distribution which has been determined based on distribution documentation from reports on the works used submitted by users, the points allocated shall be the monthly fees for the facility related to the relevant reports on the works used.

(6) The calculation *en bloc* under the preceding item is to calculate the amount of fees distributed to each work subject to distribution based on the following formula:

- (7) Distributions by the distribution compensation fund shall be made in accordance with the following:
 - (a) Distributions to the interested parties of works missing from the works subject to distribution due to lack of distribution documentation or for other reasons shall be made based on requests for distribution by expediting the amount calculated in accordance with the provisions of the preceding two items from the distribution compensation fund.
 - (b) The amount of fees distributed to one usage of a work subject to distribution shall be calculated based on the following formula (amounts less than one yen are rounded off). However, regardless of the number of works used for the number of usages, 1/10 of the monthly license fee for the relevant place of entertainment shall be the maximum.

- (c) Distributions from the distribution compensation fund shall be made when distribution is requested along with documentation on the relevant use for distributions within 3 years of the date of request and when such use has actually been confirmed.
- (d) Any remaining amount in the distribution compensation fund shall be included in the fees subject to distribution for the following distribution period.
- 3. The validation date of the interested parties of each work subject to distribution of fees for dinner shows, etc. shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for fees for fees for places of entertainment shall be as provided in Articles 11 and 12.

Article 22 Concert-style live music clubs

- 1. Regarding fees under a yearly blanket licensing agreement for performances at facilities which are places of entertainment where different performers appear and perform various works (hereinafter referred to as "concert-style live music club fees"), which are included in performance fees, the amount of fees to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of paragraph 2 and distributed to interested parties as of the rights validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution for concert-style live music club fees shall be calculated in accordance with the provisions in each of the following items:
 - (1) Fees subject to distribution shall be classified into the distribution fund and the distribution compensation fund. Distribution periods and fees subject to distribution shall be as shown on the following table:

| Distribution period | Fees subject to distribution |
|---------------------|--|
| June | Fees collected from October through December |
| September | Fees collected from January through March |
| December | Fees collected from April through June |

March Fees collected from July through September

(2) The allocation ratio between the distribution fund and the distribution compensation fund shall be as shown on the following table:

| Allocation ratio | | |
|------------------------------|--------------------------------|--|
| Distribution fund | Distribution compensation fund | |
| Amount obtained by | 0.3% of the fees subject to | |
| deducting the distribution | distribution | |
| compensation fund from the | | |
| fees subject to distribution | | |

- (3) Works subject to distribution shall be works which were used during the collection period of fees subject to distribution.
- (4) The works subject to distribution under item (3) shall be determined based on the distribution documentation collected by the following methods:
 - (a) Distribution documentation based on reports on the works used submitted by users, Trustors, etc.

Works used, which are reported by users, Trustors, etc., for each quarter shall be regarded as distribution documentation.

(b) Distribution documentation collected by Trustee

In addition to the distribution documentation provided in (a) above, information such as set lists collected by Trustee (including those collected through outsourcing) may be regarded as distribution documentation.

- (5) The amount of fees distributed to each work subject to distribution shall be calculated *en bloc* by allocating the points specified below to each work subject to distribution and then multiplying them together to obtain the product as the distribution points of the relevant work. However, concert-style live music club fees calculated on a per work basis shall be added to the fees subject to distribution for fees for dinner shows, etc. provided in Article 20 and distributed in accordance with the provisions of the relevant article.
 - (a) Basic points

Per work per use

Sum of shares for interested parties subject
to distribution

Sum of shares for all interested parties

(b) Grading points

The monthly fee of the facility using the relevant work shall be the points.

(6) The calculation *en bloc* under the preceding item is to calculate the amount of fees distributed to each work subject to distribution based on the following formula:

Amount of fees
distributed to each
work subject to
distribution

Sum of distribution points of all works
distribution

Sum of distributions

Distribution
points of each
work subject to
distribution

- (7) Distributions by the distribution compensation fund shall be made in accordance with the following:
 - (a) Distributions to the interested parties of works missing from the works subject to distribution due to lack of distribution documentation or for other reasons shall be made based on requests for distribution by expediting the amount calculated in accordance with the provisions of the preceding two items from the distribution compensation fund.
 - (b) Distributions from the distribution compensation fund shall be made when distribution is requested along with documentation on the relevant use for distributions within 3 years of the date of request and when such use has actually been confirmed.
 - (c) Any remaining amount in the distribution compensation fund shall be included in the fees subject to distribution for the following distribution period.
- 3. The validation date of the interested parties of each work subject to distribution of concert-style live music club fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for fees for hall-style live music clubs shall be as provided in Articles 11 and 12.

Article 23 Karaoke

- 1. Regarding fees for performance, showing, or transmission of works by karaoke equipment for karaoke accompaniment of works, or for singing with karaoke accompaniment (hereinafter referred to as "karaoke fees"), which are included in the performance fees, the amount of fees to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of paragraph 2 and distributed to interested parties as of the rights validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution for karaoke fees shall be calculated in accordance with the provisions in each of the following items:
 - (1) Distribution periods and fees subject to distribution shall be as shown on the following table:

| Distribution period | Fees subject to distribution | |
|---------------------|--|--|
| June | Fees collected from January through March | |
| September | Fees collected from April through June | |
| December | Fees collected from July through September | |
| March | Fees collected from October through December | |

- (2) Fees subject to distribution shall be classified into the following distribution funds depending on the business type:
 - (a) Distribution fund for karaoke entertainment venues

Fees subject to distribution which were collected from places of entertainment and karaoke schools (music classes in which singing lessons are given by using karaoke equipment; the same shall apply hereinafter)

(b) Distribution fund for karaoke singing rooms

Fees subject to distribution which were collected from karaoke facilities

- (3) Works subject to distribution shall be works for which the number of usages at karaoke entertainment venues and karaoke singing rooms as online karaoke for commercial use have been reported by online karaoke operators each quarter.
- (4) The amount of fees distributed to each work subject to distribution shall be calculated *en bloc* by allocating the points specified below to each work subject to distribution and then multiplying them together to obtain the product as the distribution points of the relevant work.
 - (a) Basic points

Per work per use

One point ×

Sum of shares for interested parties subject to distribution

Sum of shares for all interested parties

(b) Grading points

One point when one work is used for one access code, 0.5 point for each work when more than one work is used for one access code.

(5) The calculation *en bloc* under the preceding item is to calculate the amount of fees distributed to each work subject to distribution based on the following formula:

Amount of fees
distributed to each
work subject to
distribution

Sum of distribution points of all works
distribution

Sum of distribution
Subject to distribution

Distribution
points of each
work subject to
distribution

- 3. The validation date of the interested parties of each work subject to distribution of karaoke fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for karaoke fees shall be as provided in Articles 11 and 12.

Article 24 Fitness clubs

- 1. Regarding fees for performances at fitness clubs (hereinafter referred to as "fitness club fees"), which are included in performance fees, the amount of fees to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of paragraph 2 and distributed to interested parties as of the rights validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution for fitness club fees shall be calculated in accordance with the provisions in each of the following items:
 - (1) Distribution periods and fees subject to distribution shall be as shown on the following table:

| Distribution period | Fees subject to distribution |
|---------------------|---|
| March | Fees collected from October through September |

- (2) Works subject to distribution shall be works which were used during the collection period of fees subject to distribution.
- (3) The amount of fees distributed to each work subject to distribution shall be calculated by adding the fees subject to distribution for fitness clubs to the fees subject to distribution for fees for concerts, etc. provided in Article 16 and distributed in accordance with the provisions of the relevant article.
- 3. The validation date of the interested parties of each work subject to distribution of fitness club fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for fitness club fees shall be as provided in Articles 11 and 12.

Article 25 "Culture centers"

1. Regarding fees for performances at "culture centers" (hereinafter referred to as "culture center fees"), which are included in performance fees, the amount of fees to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of paragraph 2 and distributed to interested parties as of the rights

validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.

- 2. The amount to be distributed to each work subject to distribution for culture center fees shall be calculated in accordance with the provisions in each of the following items:
 - (1) Distribution periods and fees subject to distribution shall be as shown on the following table. Fees subject to distribution shall be distributed by allocating them to the fees for concerts, etc. provided in Article 16 and shall be classified into the distribution fund and the distribution compensation fund:

| Distribution period | Fees subject to distribution | |
|---------------------|--|--|
| September | Fees collected in the previous fiscal year | |

(2) The allocation ratio between the distribution fund and the distribution compensation fund shall be as shown on the following table:

| Allocation ratio | | | | |
|----------------------------------|--------------------------------|--|--|--|
| Distribution fund | Distribution compensation fund | | | |
| Amount obtained by deducting the | 0.3% of the fees subject to | | | |
| distribution compensation fund | distribution | | | |
| from the fees subject to | | | | |
| distribution | | | | |

- (3) Works subject to distribution shall be works which were used during the collection period of fees subject to distribution.
- (4) Works subject to distribution under the preceding item can be appropriated by works subject to distribution corresponding to the courses offered at licensed facilities during the period subject to distribution based on the classification of the course genres, etc. as shown on the following table:

| Course genres, etc. | Course classification | Works subject to distribution |
|--|-----------------------|---|
| Musical instrument lessons, theatre arts appreciation, film appreciation, music appreciation and similar courses, and other courses in general | Concerts, etc. | Works subject to distribution of fees for concerts, etc. |
| Aerobics, fitness, health exercise, and similar courses | Fitness clubs | Works subject to distribution of fitness club fees |
| Ballroom dance, hip-hop dance, jazz dance, ballet, hula, and similar courses | Dance schools | Works subject to distribution of dance schools, included in the fees for places of entertainment |
| Singing lessons, karaoke lessons, and similar courses | Karaoke | Works subject to distribution of karaoke fees |

- (5) The amount of fees distributed to each work subject to distribution shall be calculated *en bloc* by allocating the points specified below to each work subject to distribution and then multiplying them together to obtain the product as the distribution points of the relevant work.
 - (a) Basic points

For a use of one work

One point ×

Sum of shares for interested parties subject to distribution

Sum of shares for all interested parties

(b) Grading points

For a use of one work

Annual fee for the relevant facility

Number of courses in which the relevant work was used at the relevant facility

Total number of courses in which administered works were used in the relevant facility

However, for works subject to distribution provided in the preceding item, the points calculated based on the following formula shall be the grading points of the works. The number of courses and the amounts distributed in the formula shall be the value during the period subject to distribution for the fees to be distributed.

Fees subject to distribution

× Number of courses subject to license in the relevant course classification

Total number of courses subject to license

Amount distributed in the relevant course classification of the relevant work

Total amount distributed in the relevant course classification

(6) The calculation *en bloc* under the preceding item is to calculate the amount of fees distributed to each work subject to distribution based on the following formula:

Amount of fees distributed to each work subject to distribution

Sum of distribution points of all works subject to distribution

Subject to distribution

Distribution points of each work subject to distribution

- (7) Distributions by the distribution compensation fund shall be made in accordance with the following:
 - (a) Distributions to the interested parties of works missing from the works subject to distribution due to lack of distribution documentation or for other reasons shall be made based on requests for distribution by expediting the amount

- calculated in accordance with the provisions of the preceding item from the distribution compensation fund.
- (b) Distributions from the distribution compensation fund shall be made when distribution is requested along with documentation on the relevant use for distributions within 3 years of the date of request and when such use has actually been confirmed.
- (c) Any remaining amount in the distribution compensation fund shall be included in the fees subject to distribution for the following distribution period.
- 3. The validation date of the interested parties of each work subject to distribution of culture center fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for culture center fees shall be as provided in Articles 11 and 12.

Article 26 Music lessons

- 1. Regarding fees for performances at music lessons excluding karaoke lessons (hereinafter referred to as "fees for music lessons"), which are included in performance fees, the amount of fees to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of paragraph 2 and distributed to interested parties as of the rights validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution for fees for music lessons shall be calculated in accordance with the provisions in each of the following items:
 - (1) Distribution periods and fees subject to distribution shall be as shown on the following table. Fees subject to distribution shall be distributed by allocating them to the fees for concerts, etc. provided in Article 16 and shall be classified into the distribution fund and the distribution compensation fund:

| Distribution period | Fees subject to distribution |
|---------------------|--|
| March | Fees collected in the previous fiscal year |

(2) The allocation ratio between the distribution fund and the distribution compensation fund shall be as shown on the following table:

| Allocation ratio | | | | |
|----------------------------------|--------------------------------|--|--|--|
| Distribution fund | Distribution compensation fund | | | |
| Amount obtained by deducting the | 0.3% of the fees subject to | | | |
| distribution compensation fund | distribution | | | |

| from the fees subject to | |
|--------------------------|--|
| distribution | |

- (3) Works subject to distribution shall be works for which the fees subject to distribution have been collected.
- (4) The amount of fees distributed to each work subject to distribution shall be calculated *en bloc* by allocating the points specified below to each work subject to distribution and then multiplying them together to obtain the product as the distribution points of the relevant work.
 - (a) Basic points

Sum of shares for all interested parties

(b) Grading points

Per work per use

Annual fee for the relevant facility

Number of courses subject to license in the relevant facility

Total number of courses in which administered works were used in the relevant facility

(5) The calculation *en bloc* under the preceding item is to calculate the amount of fees distributed to each work subject to distribution based on the following formula:

Amount of fees
distributed to each
work subject to
distribution

Sum of distribution points of all works
distribution

Sum of distribution

Subject to distribution

Subject to distribution

Distribution
points of each
work subject to
distribution

- (6) Distributions by the distribution compensation fund shall be made in accordance with the following:
 - (a) Distributions to the interested parties of works missing from the works subject to distribution due to lack of distribution documentation or for other reasons shall be made based on requests for distribution by expediting the amount calculated in accordance with the provisions of the preceding two items from the distribution compensation fund.
 - (b) Distributions from the distribution compensation fund shall be made when distribution is requested along with documentation on the relevant use for distributions within 3 years of the date of request and when such use has actually been confirmed.
 - (c) Any remaining amount in the distribution compensation fund shall be included in the fees subject to distribution for the following distribution period.

- 3. The validation date of the interested parties of each work subject to distribution of fees for music lessons shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for fees for music lessons shall be as provided in Articles 11 and 12.

Section 2 BGM

Article 27 BGM

- 1. Regarding BGM (background music; the same shall apply hereinafter) and fees collected for their performances or transmission (hereinafter referred to as "BGM fees"), the amount of fees to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of paragraph 2 and distributed to interested parties as of the rights validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution for BGM fees shall be calculated in accordance with the provisions in each of the following items:
 - (1) Distribution periods and fees subject to distribution shall be as shown on the following table:

| Distribution period | Fees subject to distribution |
|---------------------|--|
| March | Fees collected in the previous fiscal year |

- (2) Fees subject to distribution in the preceding item shall be classified into the following distribution funds depending on their respective collection methods:
 - (a) Distribution fund for BGM cable radio

BGM fees collected from cable radio broadcasters under blanket licensing agreements

(b) Distribution fund for BGM recording tapes

BGM fees collected from business operators producing or lending BGM recording tapes for rental purposes under blanket licensing agreements

- (3) BGM fees collected by methods other than (a) or (b) of the preceding item shall be prorated based on the amount in each fund and shall be added to each fund.
- (4) Works subject to distribution shall be works which were used during the collection period of fees subject to distribution and shall be determined based on the works provided in each of the following distribution funds:
 - (a) Distribution fund for BGM cable radio

Works subject to distribution for cable radio fees provided in Article 39

(b) Distribution fund for BGM recording tapes

Works subject to distribution of fees for BGM recording tapes for rental purposes provided under Category 3 in Article 45, paragraph 2, item (1)

- (5) The amount of fees distributed to each work subject to distribution shall be calculated *en bloc* for each distribution fund by allocating the points specified below to each work subject to distribution. For the distribution fund for BGM cable radio, the product obtained by multiplying the points together shall be the distribution points of the relevant work, and for the distribution fund for BGM recording tapes, the value of the basic points shall be the distribution points of the relevant work.
 - (a) Distribution fund for BGM cable radio
 - (i) Basic points

Per work per use

One point × Sum of shares for interested parties subject to distribution

Sum of shares for all interested parties

(ii) Grading points

One point for a usage of a work not exceeding 5 minutes; in case the usage exceeds 5 minutes, one point is added for each additional 5 minutes or part thereof

- (b) Distribution fund for BGM recording tapes
 - (i) Basic points

Per work per use

One point × Sum of shares for interested parties subject to distribution

Sum of shares for all interested parties

(6) The calculation *en bloc* under the preceding item is to calculate the amount of fees distributed to each work subject to distribution based on the following formula for each distribution fund:

Amount of fees
distributed to each
work subject to
distribution

Sum of distribution points of all works
distribution

Sum of distributions

Distribution
points of each
work subject to
distribution

- 3. The validation date of the interested parties of each work subject to distribution of BGM fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for BGM fees shall be as provided in Articles 11 and 12.

Section 3 Pachinko and Pachislot machines

Article 28 Pachinko and Pachislot machines

- 1. Regarding per-work fees collected for exhibitions and performances at amusement halls by means of Pachinko and Pachislot machines (hereinafter referred to as "Pachinko and Pachislot fees"), the amount of fees to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of paragraph 2 and distributed to interested parties as of the rights validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution for Pachinko and Pachislot fees shall be calculated in accordance with the provisions in each of the following items:
 - (1) Distribution periods and fees subject to distribution shall be as shown on the following table:

| Distribution period | Fees subject to distribution | |
|---------------------|--|--|
| June | Fees collected from January through March | |
| September | Fees collected from April through June | |
| December | Fees collected from July through September | |
| March | Fees collected from October through December | |

- (2) Works subject to distribution shall be works for which the fees subject to distribution have been collected.
- (3) The amount to be distributed to each work subject to distribution shall be the amount of fees collected.
- 3. The validation date of the interested parties of each work subject to distribution of Pachinko and Pachislot fees shall be the day the collected fee was invoiced.
- 4. The shares of interested parties for Pachinko and Pachislot fees shall be as provided in Articles 11 and 12.

Section 4 Broadcasting, etc.

Article 29 Definition of usage forms

In this Section and the next Section, the following usage forms shall have the meaning assigned to them respectively:

(1) Main

Music used primarily for the purpose of having the musical work itself, which is played or sung, viewed or listened to.

(2) Theme music

Opening and ending themes specified below:

(a) Opening theme

Music which is unique to and identifies the program, used generally from the start of the program with the program title, etc. in the background. This includes music used in a sequence from the start of the program, continuing to and ending during the main part of the program.

(b) Ending theme

Music which is unique to the program and ends at the same timing as the program (including music used in a sequence, starting as a background to the program).

(3) Background music

Music used between the start and the end of the main part of the program in the background as effects (excluding those falling under theme music in the preceding item).

(4) Other usage forms

Other usage forms are music in the following forms:

- (a) Test patterns
- (b) Guidance on start or end of broadcast
- (c) Information on broadcasters' own business
- (d) Fillers
- (e) Jingles
- (f) Bridges
- (g) Traffic information
- (h) Commercials produced by broadcasters

(i) Other usages equivalent to the foregoing

Article 30 NHK fees

- 1. For Japan Broadcasting Corporation (hereinafter referred to as "NHK"), among the fees collected for broadcasts and fees collected for reproduction for broadcasts and usages other than public transmission accompanying broadcasts (hereinafter referred to as "fees for broadcasting, etc."), blanket fees collected from NHK (hereinafter referred to as "NHK fees") to be distributed to each work subject to distribution shall be calculated for distribution in accordance with the provisions of paragraph 2 and distributed to the interested parties as of the validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution of NHK fees shall be calculated in accordance with the provisions in each of the following items:
 - (1) Fees subject to distribution shall be NHK fees and shall be classified into the fund for distribution of broadcasts (hereinafter referred to as "broadcasting distribution fund"), the fund for distribution for broadcast mechanicals (hereinafter referred to as "broadcast mechanicals distribution fund"), and the distribution compensation fund.
 - (2) Fees subject to distribution in the preceding item shall be distributed by dividing the amount of yearly fees collected equally among the distribution periods during a year.
 - (3) The allocation ratio between the distribution fund and the distribution compensation fund shall be as shown on the following table:

| Allocation ratio | | | |
|-------------------------------|-------------------------------|--------------------------|--|
| Broadcasting | Broadcast mechanicals | Distribution | |
| distribution fund | distribution fund | compensation fund | |
| 90% of the amount obtained | 10% of the amount obtained | 0.5% of the fees subject | |
| by deducting the distribution | by deducting the distribution | to distribution | |
| compensation fund from the | compensation fund from the | | |
| fees subject to distribution | fees subject to distribution | | |

(4) The broadcasting distribution fund may be classified into the following: for regular broadcasts, the distribution fund for regular broadcasts (hereinafter referred to as "regular broadcasting distribution fund"), and for broadcasts of films and television films produced abroad (hereinafter referred to as "film broadcasting"), the distribution fund for their broadcasts (hereinafter referred to as "film broadcasting distribution fund"). Regular broadcasting distribution fund and film broadcasting distribution fund shall be classified based on the ratio of broadcast duration between regular broadcast programs and film broadcast programs during the fiscal year previous to the period subject to distribution for works subject to distribution.

(5) Distribution periods and works subject to distribution shall be as shown on the following table:

| Distribution period | Works subject to distribution |
|---------------------|--|
| December | Works used from April through June |
| March | Works used from July through September |
| June | Works used from October through December |
| September | Works used from January through March |

(6) Notwithstanding the preceding item, for broadcasts of recordings (broadcasts of commercial recordings; the same shall apply hereinafter) and works used therein (excluding works used in FM radio programs consisting of serious music only), works subject to distribution shall be determined for the time being based on works which are used in the week designated by Trustee in each quarter. The number of weeks designated by Trustee shall not be less than the number of weeks provided for each broadcast type in the table below. For FM radio programs consisting only of serious music, all administered works used shall be subject to distribution.

| Broadcast type | | Number of weeks extracted |
|----------------|----|---------------------------|
| Radio | FM | 3 weeks |
| Kaulo | AM | 2 weeks |
| Television | | 2 weeks |

- (7) Notwithstanding item (5), regarding the broadcast mechanicals distribution fund, works used in film broadcasting in television broadcasts shall be excluded from the works subject to distribution.
- (8) Notwithstanding item (5), in case works are used in the following broadcasts, they shall be excluded from the works subject to distribution:
 - (a) Program preview or guide
 - (b) Introduction or commercials of theatrical films
 - (c) Introduction or commercials of new recordings
 - (d) Relay broadcasts of sports and other events, in which works are used without the intentions of the broadcaster or the event organizer
 - (e) Other broadcasts equivalent to the foregoing
- (9) The amount of fees distributed to each work subject to distribution shall be calculated based on the following formula for each distribution fund:

Amount of fees distributed to each work subject to distribution

Distribution points of each work subject to distribution

- (10) For each work subject to distribution, the distribution points in the preceding item shall be the product obtained by allocating the points specified below and then multiplying them together:
 - (a) Basic points

In case works are used in the following broadcasts, the basic points shall be as follows:

(i) Regular broadcasts

Per work per use

One point ×

Sum of shares for interested parties subject to distribution

Sum of shares for all interested parties

(ii) Film broadcasts

Per work per film

One point × Sum of shares for interested parties subject to distribution

Sum of shares for all interested parties

(b) Evaluation points

In case works are used in the following broadcasts, the evaluation points shall be as follows:

- (i) Regular broadcasts
 - a) Evaluation points based on duration

The evaluation points based on duration shall be one point per second per work per use. However, theme music or background music shall be deemed as one use regardless of the number of uses in one program (for a serial or a series program, one broadcast), and the evaluation points based on duration shall stand on the total duration. In case the duration of the work used is unknown, the duration may be deemed as one second regardless of the usage form.

b) Evaluation points based on usage form

The evaluation points for the "main" usage form shall be one point. In case a work is used as theme music or background music, the evaluation points shall be one-third (1/3) of a point. For other usage forms, the evaluation points shall be one-twelfth (1/12) of a point.

c) Other evaluation points

For works subject to distribution which have been determined based on the provisions of item (6), the evaluation points shall be the quotient obtained by dividing the number of weeks in a quarter by the number of weeks in which distribution documentation was collected. In this case, the number of weeks in a quarter shall be 13.

(ii) Film broadcasts

The evaluation points allocated to works used by film broadcasts shall be one point per second for a duration of a work based on the cue-sheets for the relevant film. In case the duration of a work used in a film is unknown, for the following works, the points provided therein may be deemed as their evaluation points:

a) Works created especially for the relevant film

Points calculated based on a duration equivalent to thirty-hundredths (30/100) of the duration of the film (if unknown, the duration of the broadcast)

b) Works other than a)

10 points

(c) Broadcaster grading points

The broadcaster grading points shall be provided for each classification based on the number of broadcast subscription contracts, etc., and the classification and the calculation method shall be as follows:

(i) The following classifications shall be provided based on the number of broadcast subscription contracts made public, excluding satellite broadcasts and international broadcasts:

| Number of broadcast subscription contracts | Classification |
|---|----------------|
| 20 million or more | I |
| 10 million or more but less than 20 million | II |
| 3 million or more but less than 10 million | III |
| 1 million or more but less than 3 million | IV |
| Less than 1 million | V |

(ii) Nationwide relay broadcasts, relay broadcasts in each block, and broadcasts in each prefecture shall be classified as provided in (i) above based on the number of broadcast subscription contracts. However, broadcasts for regions other than those for the broadcast types specified in the NHK broadcaster grading point table separately provided may be allotted to the

- classifications provided in (i) above based on the number of broadcast subscription contracts in the relevant regions.
- (iii) The average number of subscription contracts for each broadcast type in each classification allotted in (ii) above shall be deemed as the number of subscription contracts for each classification. The broadcaster grading points shall be determined based on the ratio of each classification calculated based on the number of subscription contracts for Classification V.
- (iv) The grading points for satellite broadcasts shall be determined pursuant to (i) through (iii).
- (v) The grading points for international broadcasts shall be determined pursuant to (i) through (iv).
- (vi) The broadcaster grating points for each classification shall be determined in accordance with the NHK broadcaster grading point table separately provided. Classification and grading points shall be reviewed every year following the disclosure of the number of broadcast subscription contracts as of the end of March.
- (vii) In case grading points are revised in accordance with the provisions of (vi), the revised grading points shall be applied to works used in the third quarter (October to December) onwards.
- (viii) The allocation ratio of the grading points between radio broadcasts and television broadcasts determined in accordance with (iii) and (v) shall be 1 to 3.
- (11) Distributions by the distribution compensation fund shall be made in accordance with the following:
 - (a) Distributions to the interested parties of works missing from the works subject to distribution due to lack of distribution documentation or for other reasons shall be made based on requests for distribution by expediting the amount calculated in accordance with the provisions of the preceding two items from the distribution compensation fund.
 - (b) Distributions from the distribution compensation fund shall be made when distribution is requested along with documentation on the relevant broadcast for distributions within 3 years of the date of request and when such broadcast has actually been confirmed. The same shall apply to broadcasts which took place in weeks other than those designated by Trustee for each quarter in item (6).
 - (c) Any remaining amount in the distribution compensation fund shall be included in the fees subject to distribution for the following distribution period.

- 3. The validation date of the interested parties of each work subject to distribution of NHK fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for NHK fees shall be as provided in Articles 11 and 12 for the broadcasting distribution fund and as provided in Articles 13 and 14 for the broadcast mechanicals distribution fund.

Article 31 Commercial terrestrial radio

- 1. For general broadcasters (hereinafter referred to as "commercial broadcasters"), among the fees for broadcasting, etc., blanket fees collected from commercial broadcasters for terrestrial radio broadcasts (hereinafter referred to as "commercial terrestrial radio fees") to be distributed to each work subject to distribution shall be calculated for distribution in accordance with the provisions of paragraph 2 and distributed to the interested parties as of the validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution of commercial terrestrial radio fees shall be calculated in accordance with the provisions in each of the following items:
 - (1) Fees subject to distribution shall be commercial terrestrial radio fees and shall be classified into the broadcasting distribution fund, the broadcast mechanicals distribution fund, and the distribution compensation fund.
 - (2) Fees subject to distribution in the preceding item shall be distributed by dividing the amount of yearly fees collected equally among the distribution periods during a year.
 - (3) The allocation ratio between the distribution fund and the distribution compensation fund shall be as shown on the following table:

| Allocation ratio | | | |
|-------------------------------|------------------------------|--------------------------|--|
| Broadcasting | Broadcast mechanicals | Distribution | |
| distribution fund | distribution fund | compensation fund | |
| 95% of the amount obtained | 5% of the amount obtained by | 0.5% of the fees subject | |
| by deducting the distribution | deducting the distribution | to distribution | |
| compensation fund from the | compensation fund from the | | |
| fees subject to distribution | fees subject to distribution | | |

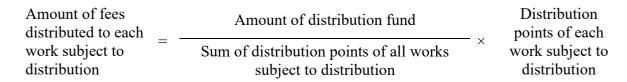
- (4) Distribution calculation for the broadcasting distribution fund and the broadcast mechanicals distribution fund shall be conducted by classifying each into funds for AM stations and FM stations.
- (5) Distribution periods and works subject to distribution shall be as shown on the following table:

| Distribution period | Works subject to distribution |
|---------------------|--|
| December | Works used from April through June |
| March | Works used from July through September |
| June | Works used from October through December |
| September | Works used from January through March |

(6) Notwithstanding the preceding item, for broadcasts of recordings and works used therein (excluding works used in FM radio programs consisting of serious music only), works subject to distribution shall be determined for the time being based on works which are used in the week designated by Trustee in each quarter. The number of weeks designated by Trustee shall not be less than the number of weeks provided for each broadcast type in the table below. For FM radio programs consisting only of serious music, all administered works used shall be subject to distribution.

| | Broadcast type | Number of weeks extracted |
|----------|---|---------------------------|
| FM | FM radio stations in Tokyo, Yokohama, Nagoya, and Osaka | 3 weeks |
| 1 1/1 | Other FM radio stations | 1 week |
| AM, etc. | | 1 week |

- (7) Notwithstanding item (5), in case works are used in the following broadcasts, they shall be excluded from the works subject to distribution:
 - (a) Program preview or guide
 - (b) Introduction or commercials of theatrical films
 - (c) Introduction or commercials of new recordings
 - (d) Relay broadcasts of sports and other events, in which works are used without the intentions of the broadcaster or the event organizer
 - (e) Other broadcasts equivalent to the foregoing
- (8) The amount of fees distributed to each work subject to distribution shall be calculated based on the following formula for each distribution fund:



(9) For each work subject to distribution, the distribution points in the preceding item shall be the product obtained by allocating the points specified below and then multiplying them together:

(a) Basic points

The basic points shall be as follows:

Per work per use

(b) Evaluation points

The evaluation points shall be as follows:

(i) Evaluation points based on duration

The evaluation points based on duration shall be as shown on the following table. However, theme music or background music shall be deemed as one use regardless of the number of uses in one program (for a serial or a series program, one broadcast), and the evaluation points based on duration shall stand on the total duration. In case the duration of the work used is unknown, the duration may be deemed as not exceeding one minute regardless of the usage form.

| Usage form | Number of points | |
|---|--|--|
| | In case the duration per work per use does not exceed 10 minutes: One point for a usage of a work not exceeding one minute; in case the usage exceeds one minute, one point is added for each additional minute or part thereof | |
| (1) Main | In case the duration per work per use exceeds 10 minutes: 22 points for a usage of a work not exceeding 11 minutes; in case the usage exceeds 11 minutes, two points are added for each additional minute or part thereof; moreover, 10 points are added for each additional 10 minutes or part thereof | |
| (2) Other than main (theme music, background music, etc.) | One point for a usage of a work not exceeding one minute; in case the usage exceeds one minute, one point is added for each additional minute or part thereof | |

(ii) Evaluation points based on usage form

The evaluation points for the "main" usage form shall be one point. In case a work is used as theme music or background music, the evaluation points shall be one-third (1/3) of a point. However, in case a work is used as background music, the evaluation points shall be two-ninth (2/9) of a point when the total duration in one program exceeds 20 seconds but does not exceed 40 seconds, and one-ninth (1/9) of a point when it does not exceed 20

seconds or is unknown. For other usage forms, the evaluation points shall be one-twelfth (1/12) of a point.

(iii) Other evaluation points

For works subject to distribution which have been determined based on the provisions of item (6), the evaluation points shall be the quotient obtained by dividing the number of weeks in a quarter by the number of weeks in which distribution documentation was collected. In this case, the number of weeks in a quarter shall be 13.

(c) Broadcaster grading points

The broadcaster grading points shall be the value of the annual fees for broadcasting, etc. for each commercial broadcaster (amounts less than 10,000 yen are rounded down). Grading points shall be reviewed every fiscal year in accordance with the annual fees for broadcasting, etc. for each commercial broadcaster, and the revised grading points shall be applied to works used in the third quarter (October to December) onwards.

- (10) Distributions by the distribution compensation fund shall be made in accordance with the following:
 - (a) Distributions to the interested parties of works missing from the works subject to distribution due to lack of distribution documentation or for other reasons shall be made based on requests for distribution by expediting the amount calculated in accordance with the provisions of the preceding two items from the distribution compensation fund.
 - (b) Distributions from the distribution compensation fund shall be made when distribution is requested along with documentation on the relevant broadcast for distributions within 3 years of the date of request and when such broadcast has actually been confirmed. The same shall apply to broadcasts which took place in weeks other than those designated by Trustee for each quarter in item (6).
 - (c) Any remaining amount in the distribution compensation fund shall be included in the fees subject to distribution for the following distribution period.
- 3. The validation date of the interested parties of each work subject to distribution of commercial terrestrial radio fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for commercial terrestrial radio fees shall be as provided in Articles 11 and 12 for the broadcasting distribution fund and as provided in Articles 13 and 14 for the broadcast mechanicals distribution fund.

Article 32 Commercial terrestrial television

- 1. Regarding fees for broadcasting, etc., blanket fees collected from commercial broadcasters for terrestrial television broadcasts (hereinafter referred to as "commercial terrestrial television fees") to be distributed to each work subject to distribution shall be calculated for distribution in accordance with the provisions of paragraph 2 and distributed to the interested parties as of the validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution of commercial terrestrial television fees shall be calculated in accordance with the provisions in each of the following items:
 - (1) Fees subject to distribution shall be commercial terrestrial television fees and shall be classified into the broadcasting distribution fund, the broadcast mechanicals distribution fund, and the distribution compensation fund.
 - (2) Fees subject to distribution in the preceding item shall be distributed by dividing the amount of annual fees collected equally among the distribution periods during a year.
 - (3) The allocation ratio between the distribution fund and the distribution compensation fund shall be as shown on the following table:

| Allocation ratio | | | |
|-------------------------------|-------------------------------|--------------------------|--|
| Broadcasting | Broadcast mechanicals | Distribution | |
| distribution fund | distribution fund | compensation fund | |
| 90% of the amount obtained | 10% of the amount obtained | 0.5% of the fees subject | |
| by deducting the distribution | by deducting the distribution | to distribution | |
| compensation fund from the | compensation fund from the | | |
| fees subject to distribution | fees subject to distribution | | |

- (4) The broadcasting distribution fund may be classified into the regular broadcasting distribution fund and the film broadcasting distribution fund. Regular broadcasting distribution fund and film broadcasting distribution fund shall be classified based on the ratio of broadcast duration between regular broadcast programs and film broadcast programs during the fiscal year previous to the period subject to distribution for works subject to distribution.
- (5) Distribution periods and works subject to distribution shall be as shown on the following table:

| Distribution period | Works subject to distribution |
|---------------------|--|
| December | Works used from April through June |
| March | Works used from July through September |
| June | Works used from October through December |
| September | Works used from January through March |

- (6) Notwithstanding the preceding item, for broadcasts of recordings and works used therein, works subject to distribution shall be determined for the time being based on works which are used in the week designated by Trustee in each quarter. The number of weeks designated by Trustee shall not be less than one week.
- (7) Notwithstanding item (5), regarding the broadcast mechanicals distribution fund, works used in film broadcasting in television broadcasts shall be excluded from the works subject to distribution.
- (8) Notwithstanding item (5), in case works are used in the following broadcasts, they shall be excluded from the works subject to distribution:
 - (a) Program preview or guide
 - (b) Introduction or commercials of theatrical films
 - (c) Introduction or commercials of new recordings
 - (d) Relay broadcasts of sports and other events, in which works are used without the intentions of the broadcaster or the event organizer
 - (e) Other broadcasts equivalent to the foregoing
- (9) The amount of fees distributed to each work subject to distribution shall be calculated based on the following formula for each distribution fund:

- (10) For each work subject to distribution, the distribution points in the preceding item shall be the product obtained by allocating the points specified below and then multiplying them together:
 - (a) Basic points

In case works are used in the following broadcasts, the basic points shall be as follows:

(i) Regular broadcasts

Per work per use

Sum of shares for interested parties subject to distribution

Sum of shares for all interested parties

(ii) Film broadcasts

Per work per film

One point × Sum of shares for interested parties subject to distribution

Sum of shares for all interested parties

(b) Evaluation points

In case works are used in the following broadcasts, the evaluation points shall be as follows:

(i) Regular broadcasts

a) Evaluation points based on duration

The evaluation points based on duration shall be one point per second per work per use. However, theme music or background music shall be deemed as one use regardless of the number of uses in one program (for a serial or a series program, one broadcast), and the evaluation points based on duration shall stand on the total duration. In case the duration of the work used is unknown, the duration may be deemed as one second regardless of the usage form.

b) Evaluation points based on usage form

The evaluation points for the "main" usage form shall be one point. In case a work is used as theme music or background music, the evaluation points shall be one-third (1/3) of a point. For other usage forms, the evaluation points shall be one-twelfth (1/12) of a point.

c) Other evaluation points

For works subject to distribution which have been determined based on the provisions of item (6), the evaluation points shall be the quotient obtained by dividing the number of weeks in a quarter by the number of weeks in which distribution documentation was collected. In this case, the number of weeks in a quarter shall be 13.

(ii) Film broadcasts

The evaluation points allocated to works used by film broadcasts shall be one point per second for a duration of a work based on the cue-sheets for the relevant film. In case the duration of a work used in a film is unknown, for the following works, the points provided therein may be deemed as their evaluation points:

a) Works created especially for the relevant film

Points calculated based on a duration equivalent to thirty-hundredths (30/100) of the duration of the film (if unknown, the duration of the broadcast)

b) Works other than a)

10 points

(c) Broadcaster grading points

The broadcaster grading points shall be the value of the annual fees for broadcasting, etc. for each commercial broadcaster (amounts less than 10,000 yen are rounded down). Grading points shall be reviewed every fiscal year in accordance with the annual fees for broadcasting, etc. for each commercial broadcaster, and the revised grading points shall be applied to works used in the third quarter (October to December) onwards.

- (11) Distributions by the distribution compensation fund shall be made in accordance with the following:
 - (a) Distributions to the interested parties of works missing from the works subject to distribution due to lack of distribution documentation or for other reasons shall be made based on requests for distribution by expediting the amount calculated in accordance with the provisions of the preceding two items from the distribution compensation fund.
 - (b) Distributions from the distribution compensation fund shall be made when distribution is requested along with documentation on the relevant broadcast for distributions within 3 years of the date of request and when such broadcast has actually been confirmed. The same shall apply to broadcasts which took place in weeks other than those designated by Trustee for each quarter in item (6).
 - (c) Any remaining amount in the distribution compensation fund shall be included in the fees subject to distribution for the following distribution period.
- 3. The validation date of the interested parties of each work subject to distribution of commercial terrestrial television fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for commercial terrestrial television fees shall be as provided in Articles 11 and 12 for the broadcasting distribution fund and as provided in Articles 13 and 14 for the broadcast mechanicals distribution fund.

Article 33 Commercial satellite radio

- 1. Regarding fees for broadcasting, etc., blanket fees collected from commercial broadcasters for satellite radio broadcasts (hereinafter referred to as "commercial satellite radio fees") to be distributed to each work subject to distribution shall be calculated for distribution in accordance with the provisions of paragraph 2 and distributed to the interested parties as of the validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution of commercial satellite radio fees shall be calculated in accordance with the provisions in each of the following items:

- (1) Fees subject to distribution shall be commercial satellite radio fees and shall be classified into the broadcasting distribution fund, the broadcast mechanicals distribution fund, and the distribution compensation fund.
- (2) The allocation ratio between the distribution fund and the distribution compensation fund shall be as shown on the following table:

| Allocation ratio | | |
|-------------------------------|------------------------------|--------------------------|
| Broadcasting | Broadcast mechanicals | Distribution |
| distribution fund | distribution fund | compensation fund |
| 95% of the amount obtained | 5% of the amount obtained by | 0.5% of the fees subject |
| by deducting the distribution | deducting the distribution | to distribution |
| compensation fund from the | compensation fund from the | |
| fees subject to distribution | fees subject to distribution | |

(3) Distribution period and works subject to distribution shall be as shown on the following table:

| Distribution period | Works subject to distribution |
|---------------------|--|
| March | Works used in the previous fiscal year |

- (4) Notwithstanding the preceding item, for broadcasts of recordings and works used therein, works subject to distribution shall be determined for the time being based on works which are used in the week designated by Trustee in each quarter. The number of weeks designated by Trustee shall not be less than one week.
- (5) Notwithstanding item (3), in case works are used in the following broadcasts, they shall be excluded from the works subject to distribution:
 - (a) Program preview or guide
 - (b) Introduction or commercials of theatrical films
 - (c) Introduction or commercials of new recordings
 - (d) Relay broadcasts of sports and other events, in which works are used without the intentions of the broadcaster or the event organizer
 - (e) Other broadcasts equivalent to the foregoing
- (6) The amount of fees distributed to each work subject to distribution shall be calculated based on the following formula for each distribution fund:

(7) For each work subject to distribution, the distribution points in the preceding item shall be the product obtained by allocating the points specified below and then multiplying them together:

(a) Basic points

The basic points shall be as follows:

Per work per use

One point ×

Sum of shares for interested parties subject to distribution

Sum of shares for all interested parties

(b) Evaluation points

The evaluation points shall be as follows:

(i) Evaluation points based on duration

The evaluation points based on duration shall be as shown on the following table. However, theme music or background music shall be deemed as one use regardless of the number of uses in one program (for a serial or a series program, one broadcast), and the evaluation points based on duration shall stand on the total duration. In case the duration of the work used is unknown, the duration may be deemed as not exceeding one minute regardless of the usage form.

| Usage form | Number of points |
|---|--|
| | In case the duration per work per use does not exceed 10 minutes: One point for a usage of a work not exceeding one minute; in case the usage exceeds one minute, one point is added for each additional minute or part thereof |
| (1) Main | In case the duration per work per use exceeds 10 minutes: 22 points for a usage of a work not exceeding 11 minutes; in case the usage exceeds 11 minutes, two points are added for each additional minute or part thereof; moreover, 10 points are added for each additional 10 minutes or part thereof |
| (2) Other than main (theme music, background music, etc.) | One point for a usage of a work not exceeding one minute; in case the usage exceeds one minute, one point is added for each additional minute or part thereof |

(ii) Evaluation points based on usage form

The evaluation points for the "main" usage form shall be one point. In case a work is used as theme music or background music, the evaluation points shall be one-third (1/3) of a point. However, in case a work is used as

background music, the evaluation points shall be two-ninth (2/9) of a point when the total duration in one program exceeds 20 seconds but does not exceed 40 seconds, and one-ninth (1/9) of a point when it does not exceed 20 seconds or is unknown. For other usage forms, the evaluation points shall be one-twelfth (1/12) of a point.

(iii) Other evaluation points

For works subject to distribution which have been determined based on the provisions of item (4), the evaluation points shall be the quotient obtained by dividing the number of weeks in a quarter by the number of weeks in which distribution documentation was collected. In this case, the number of weeks in a quarter shall be 13.

(c) Broadcaster grading points

The broadcaster grading points shall be the value of the annual fees for broadcasting, etc. for each commercial broadcaster (amounts less than 10,000 yen are rounded down). Grading points shall be reviewed every fiscal year in accordance with the annual fees for broadcasting, etc. for each commercial broadcaster.

- (8) Distributions by the distribution compensation fund shall be made in accordance with the following:
 - (a) Distributions to the interested parties of works missing from the works subject to distribution due to lack of distribution documentation or for other reasons shall be made based on requests for distribution by expediting the amount calculated in accordance with the provisions of the preceding two items from the distribution compensation fund.
 - (b) Distributions from the distribution compensation fund shall be made when distribution is requested along with documentation on the relevant broadcast for distributions within 3 years of the date of request and when such broadcast has actually been confirmed. The same shall apply to broadcasts which took place in weeks other than those designated by Trustee for each quarter in item (4).
 - (c) Any remaining amount in the distribution compensation fund shall be included in the fees subject to distribution for the following distribution period.
- 3. The validation date of the interested parties of each work subject to distribution of commercial satellite radio fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for commercial satellite radio fees shall be as provided in Articles 11 and 12 for the broadcasting distribution fund and as provided in Articles 13 and 14 for the broadcast mechanicals distribution fund.

Article 34 Commercial satellite TV

- 1. Regarding fees for broadcasting, etc., blanket fees collected from commercial broadcasters for satellite television broadcasts (hereinafter referred to as "commercial satellite television fees") to be distributed to each work subject to distribution shall be calculated for distribution in accordance with the provisions of paragraph 2 and distributed to the interested parties as of the validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution of commercial satellite television fees shall be calculated in accordance with the provisions in each of the following items:
 - (1) Fees subject to distribution shall be commercial satellite television fees and shall be classified into the broadcasting distribution fund, the broadcast mechanicals distribution fund, and the distribution compensation fund.
 - (2) The allocation ratio between the distribution fund and the distribution compensation fund shall be as shown on the following table:

| Allocation ratio | | |
|-------------------------------|------------------------------|--------------------------|
| Broadcasting | Broadcast mechanicals | Distribution |
| distribution fund | distribution fund | compensation fund |
| 95% of the amount obtained | 5% of the amount obtained by | 0.5% of the fees subject |
| by deducting the distribution | deducting the distribution | to distribution |
| compensation fund from the | compensation fund from the | |
| fees subject to distribution | fees subject to distribution | |

- (3) The broadcasting distribution fund may be classified into the regular broadcasting distribution fund and the film broadcasting distribution fund. Regular broadcasting distribution fund and film broadcasting distribution fund shall be classified based on the fees subject to distribution for regular broadcast program channels and the fees subject to distribution for film broadcast program channels.
- (4) Distribution periods and works subject to distribution shall be as shown on the following table:

| Distribution period | Works subject to distribution |
|---------------------|---|
| December | Works used in BS broadcasts in the previous fiscal year |
| March | Works used in CS broadcasts in the previous fiscal year |

(5) Notwithstanding the preceding item, for broadcasts of recordings and works used therein, works subject to distribution shall be determined for the time being based on works which are used in the week designated by Trustee in each quarter. The number of weeks designated by Trustee shall not be less than one week.

- (6) Notwithstanding item (4), regarding the broadcast mechanicals distribution fund, works used in film broadcasting in television broadcasts shall be excluded from the works subject to distribution.
- (7) Notwithstanding item (4), in case works are used in the following broadcasts, they shall be excluded from the works subject to distribution:
 - (a) Program preview or guide
 - (b) Introduction or commercials of theatrical films
 - (c) Introduction or commercials of new recordings
 - (d) Relay broadcasts of sports and other events, in which works are used without the intentions of the broadcaster or the event organizer
 - (e) Other broadcasts equivalent to the foregoing
- (8) The amount of fees distributed to each work subject to distribution shall be calculated based on the following formula for each distribution fund:

Amount of fees
distributed to each
work subject to
distribution

Sum of distribution points of all works
distribution

Sum of distribution

Sum of distribution

Subject to distribution

Distribution

work subject to
distribution

- (9) For each work subject to distribution, the distribution points in the preceding item shall be the product obtained by allocating the points specified below and then multiplying them together:
 - (a) Basic points

In case works are used in the following broadcasts, the basic points shall be as follows:

(i) Regular broadcasts

Per work per use

One point ×

Sum of shares for interested parties subject to distribution

Sum of shares for all interested parties

(ii) Film broadcasts

Per work per film

One point × Sum of shares for interested parties subject to distribution

Sum of shares for all interested parties

(b) Evaluation points

In case works are used in the following broadcasts, the evaluation points shall be as follows:

(i) Regular broadcasts

a) Evaluation points based on duration

The evaluation points based on duration shall be as shown on the following table. However, theme music or background music shall be deemed as one use regardless of the number of uses in one program (for a serial or a series program, one broadcast), and the evaluation points based on duration shall stand on the total duration. In case the duration of the work used is unknown, the duration may be deemed as not exceeding one minute regardless of the usage form.

| Usage form | Number of points |
|---|--|
| | In case the duration per work per use does not exceed 10 minutes: One point for a usage of a work not exceeding one minute; in case the usage exceeds one minute, one point is added for each additional minute or part thereof |
| (1) Main | In case the duration per work per use exceeds 10 minutes: 22 points for a usage of a work not exceeding 11 minutes; in case the usage exceeds 11 minutes, two points are added for each additional minute or part thereof; moreover, 10 points are added for each additional 10 minutes or part thereof |
| (2) Other than main (theme music, background music, etc.) | One point for a usage of a work not exceeding one minute; in case the usage exceeds one minute, one point is added for each additional minute or part thereof |

b) Evaluation points based on usage form

The evaluation points for the "main" usage form shall be one point. In case a work is used as theme music or background music, the evaluation points shall be one-third (1/3) of a point. However, in case a work is used as background music, the evaluation points shall be two-ninth (2/9) of a point when the total duration in one program exceeds 20 seconds but does not exceed 40 seconds, and one-ninth (1/9) of a point when it does not exceed 20 seconds or is unknown. For other usage forms, the evaluation points shall be one-twelfth (1/12) of a point.

c) Other evaluation points

For works subject to distribution which have been determined based on the provisions of item (5), the evaluation points shall be the quotient obtained by dividing the number of weeks in a quarter by the number of weeks in which distribution documentation was collected. In this case, the number of weeks in a quarter shall be 13.

(ii) Film broadcasts

The evaluation points allocated to works used by film broadcasts shall be one point per second for a duration of a work based on the cue-sheets for the relevant film. In case the duration of a work used in a film is unknown, for the following works, the points provided therein may be deemed as their evaluation points:

a) Works created especially for the relevant film

Points calculated based on a duration equivalent to thirty-hundredths (30/100) of the duration of the film (if unknown, the duration of the broadcast)

b) Works other than a)

10 points

(c) Broadcaster grading points

The broadcaster grading points shall be the value of the annual fees for broadcasting, etc. for each commercial broadcaster (amounts less than 10,000 yen are rounded down). Grading points shall be reviewed every fiscal year in accordance with the annual fees for broadcasting, etc. for each commercial broadcaster.

- (10) Distributions by the distribution compensation fund shall be made in accordance with the following:
 - (a) Distributions to the interested parties of works missing from the works subject to distribution due to lack of distribution documentation or for other reasons shall be made based on requests for distribution by expediting the amount calculated in accordance with the provisions of the preceding two items from the distribution compensation fund.
 - (b) Distributions from the distribution compensation fund shall be made when distribution is requested along with documentation on the relevant broadcast for distributions within 3 years of the date of request and when such broadcast has actually been confirmed. The same shall apply to broadcasts which took place in weeks other than those designated by Trustee for each quarter in item (5).
 - (c) Any remaining amount in the distribution compensation fund shall be included in the fees subject to distribution for the following distribution period.
- 3. The validation date of the interested parties of each work subject to distribution of commercial satellite television fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.

4. The shares of interested parties for commercial satellite television fees shall be as provided in Articles 11 and 12 for the broadcasting distribution fund and as provided in Articles 13 and 14 for the broadcast mechanicals distribution fund.

Article 35 Open University of Japan Foundation

- 1. Regarding fees for broadcasting, etc., blanket fees collected from the Open University of Japan Foundation (hereinafter referred to as "Open University of Japan Foundation fees") to be distributed to each work subject to distribution shall be calculated for distribution in accordance with the provisions of paragraph 2 and distributed to the interested parties as of the validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution of Open University of Japan Foundation fees shall be calculated in accordance with the provisions in each of the following items:
 - (1) Fees subject to distribution shall be Open University of Japan Foundation fees and shall be classified into the broadcasting distribution fund, the broadcast mechanicals distribution fund, and the distribution compensation fund.
 - (2) The allocation ratio between the distribution fund and the distribution compensation fund shall be as shown on the following table:

| Allocation ratio | | |
|-------------------------------|------------------------------|--------------------------|
| Broadcasting | Broadcast mechanicals | Distribution |
| distribution fund | distribution fund | compensation fund |
| 95% of the amount obtained | 5% of the amount obtained by | 0.5% of the fees subject |
| by deducting the distribution | deducting the distribution | to distribution |
| compensation fund from the | compensation fund from the | |
| fees subject to distribution | fees subject to distribution | |

(3) Distribution period and works subject to distribution shall be as shown on the following table:

| Distribution period | Works subject to distribution |
|---------------------|--|
| December | Works used in the previous fiscal year |

- (4) Notwithstanding the preceding item, in case works are used in the following broadcasts, they shall be excluded from the works subject to distribution:
 - (a) Program preview or guide
 - (b) Introduction or commercials of theatrical films
 - (c) Introduction or commercials of new recordings

- (d) Relay broadcasts of sports and other events, in which works are used without the intentions of the broadcaster or the event organizer
- (e) Other broadcasts equivalent to the foregoing
- (5) The amount of fees distributed to each work subject to distribution shall be calculated based on the following formula for each distribution fund:

Amount of fees distributed to each work subject to distribution

Sum of distribution points of all works subject to distribution

Sum of distribution

Sum of distribution points of all works work subject to distribution

- (6) For each work subject to distribution, the distribution points in the preceding item shall be the product obtained by allocating the points specified below and then multiplying them together:
 - (a) Basic points

The basic points shall be as follows:

Per work per use

One point ×

Sum of shares for interested parties subject
to distribution

Sum of shares for all interested parties

(b) Evaluation points

The evaluation points shall be as follows:

(i) Evaluation points based on duration

The evaluation points based on duration shall be as shown on the following table. However, theme music or background music shall be deemed as one use regardless of the number of uses in one program (for a serial or a series program, one broadcast), and the evaluation points based on duration shall stand on the total duration. In case the duration of the work used is unknown, the duration may be deemed as not exceeding one minute regardless of the usage form.

| Usage form | Number of points |
|------------|--|
| (1) Main | In case the duration per work per use does not exceed 10 minutes: One point for a usage of a work not exceeding one minute; in case the usage exceeds one minute, one point is added for each additional minute or part thereof |

| | In case the duration per work per use exceeds 10 minutes: 22 points for a usage of a work not exceeding 11 minutes; in case the usage exceeds 11 minutes, two points are added for each additional minute or part thereof; moreover, 10 points are added for each additional 10 minutes or part thereof |
|---|--|
| (2) Other than main (theme music, background music, etc.) | One point for a usage of a work not exceeding one minute; in case the usage exceeds one minute, one point is added for each additional minute or part thereof |

(ii) Evaluation points based on usage form

The evaluation points for the "main" usage form shall be one point. In case a work is used as theme music or background music, the evaluation points shall be one-third (1/3) of a point. However, in case a work is used as background music, the evaluation points shall be two-ninth (2/9) of a point when the total duration in one program exceeds 20 seconds but does not exceed 40 seconds, and one-ninth (1/9) of a point when it does not exceed 20 seconds or is unknown. For other usage forms, the evaluation points shall be one-twelfth (1/12) of a point.

(c) Broadcaster grading points

The broadcaster grading points shall be based on media category as shown on the following table:

| Media category | Number of points |
|-----------------------|------------------|
| Radio broadcasts | 1 |
| Television broadcasts | 2 |

- (7) Distributions by the distribution compensation fund shall be made in accordance with the following:
 - (a) Distributions to the interested parties of works missing from the works subject to distribution due to lack of distribution documentation or for other reasons shall be made based on requests for distribution by expediting the amount calculated in accordance with the provisions of the preceding two items from the distribution compensation fund.
 - (b) Distributions from the distribution compensation fund shall be made when distribution is requested along with documentation on the relevant broadcast for distributions within 3 years of the date of request and when such broadcast has actually been confirmed.
 - (c) Any remaining amount in the distribution compensation fund shall be included in the fees subject to distribution for the following distribution period.

- 3. The validation date of the interested parties of each work subject to distribution of Open University of Japan Foundation fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for Open University of Japan Foundation fees shall be as provided in Articles 11 and 12 for the broadcasting distribution fund and as provided in Articles 13 and 14 for the broadcast mechanicals distribution fund.

Article 36 Community broadcasting

- 1. Regarding fees for broadcasting, etc., blanket fees collected from commercial broadcasters for community broadcasting (hereinafter referred to as "community broadcasting fees") to be distributed to each work subject to distribution shall be calculated for distribution in accordance with the provisions of paragraph 2 and distributed to the interested parties as of the validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution of community broadcasting fees shall be calculated in accordance with the provisions in each of the following items:
 - (1) Fees subject to distribution shall be community broadcasting fees and shall be distributed by allocating them to the distribution fund and the distribution compensation fund for commercial terrestrial radio fees provided in Article 31.
 - (2) Distribution period and works subject to distribution shall be as shown on the following table:

| Distribution period | Works subject to distribution |
|---------------------|--|
| March | Works used in the previous fiscal year |

- (3) Notwithstanding the preceding item, for broadcasts of recordings and works used therein (excluding works used in FM radio programs consisting of serious music only), works subject to distribution shall be determined for the time being based on works which are used in the week designated by Trustee in each quarter. The number of weeks designated by Trustee shall not be less than one week. For FM radio programs consisting only of serious music, all administered works used shall be subject to distribution.
- (4) Notwithstanding item (2), in case works are used in the following broadcasts, they shall be excluded from the works subject to distribution:
 - (a) Program preview or guide
 - (b) Introduction or commercials of theatrical films

- (c) Introduction or commercials of new recordings
- (d) Relay broadcasts of sports and other events, in which works are used without the intentions of the broadcaster or the event organizer
- (e) Other broadcasts equivalent to the foregoing
- (5) The amount of fees distributed to each work subject to distribution shall be calculated based on the following formula for each distribution fund:

- (6) For each work subject to distribution, the distribution points in the preceding item shall be the product obtained by allocating the points specified below and then multiplying them together:
 - (a) Basic points

The basic points shall be as follows:

Per work per use

(b) Evaluation points

The evaluation points shall be as follows:

(a) Evaluation points based on duration

The evaluation points based on duration shall be as shown on the following table. However, theme music or background music shall be deemed as one use regardless of the number of uses in one program (for a serial or a series program, one broadcast), and the evaluation points based on duration shall stand on the total duration. In case the duration of the work used is unknown, the duration may be deemed as not exceeding one minute regardless of the usage form.

| Usage form | Number of points |
|------------|--|
| (1) Main | In case the duration per work per use does not exceed 10 minutes: One point for a usage of a work not exceeding one minute; in case the usage exceeds one minute, one point is added for each additional minute or part thereof |

| | In case the duration per work per use exceeds 10 minutes: 22 points for a usage of a work not exceeding 11 minutes; in case the usage exceeds 11 minutes, two points are added for each additional minute or part thereof; moreover, 10 points are added for each additional 10 minutes or part thereof |
|---|---|
| (2) Other than main (theme music, background music, etc.) | One point for a usage of a work not exceeding one minute; in case the usage exceeds one minute, one point is added for each additional minute or part thereof |

(b) Evaluation points based on usage form

The evaluation points for the "main" usage form shall be one point. In case a work is used as theme music or background music, the evaluation points shall be one-third (1/3) of a point. However, in case a work is used as background music, the evaluation points shall be two-ninth (2/9) of a point when the total duration in one program exceeds 20 seconds but does not exceed 40 seconds, and one-ninth (1/9) of a point when it does not exceed 20 seconds or is unknown. For other usage forms, the evaluation points shall be one-twelfth (1/12) of a point.

(c) Other evaluation points

For works subject to distribution which have been determined based on the provisions of item (3), the evaluation points shall be the quotient obtained by dividing the number of weeks in a quarter by the number of weeks in which distribution documentation was collected. In this case, the number of weeks in a quarter shall be 13.

(c) Broadcaster grading points

The broadcaster grading points shall be the value of the annual fees for broadcasting, etc. for each commercial broadcaster (amounts less than 10,000 yen are rounded down). Grading points shall be reviewed every fiscal year in accordance with the annual fees for broadcasting, etc. for each commercial broadcaster.

- 3. The validation date of the interested parties of each work subject to distribution of community broadcasting fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for community broadcasting fees shall be as provided in Articles 11 and 12 for the broadcasting distribution fund and as provided in Articles 13 and 14 for the broadcast mechanicals distribution fund.

Article 37 Other blanket fees

- 1. Regarding fees for broadcasting, etc., blanket fees other than those provided in Article 30 to Article 36 (hereinafter referred to as "other blanket fees") to be distributed to each work subject to distribution shall be calculated for distribution in accordance with the provisions of paragraph 2 and distributed to the interested parties as of the validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. For the calculation of the amount to be distributed to each work subject to distribution of other blanket fees, distribution periods and works subject to distribution shall be provided separately by taking into consideration the amount of fees collected and the number of works used, and with the approval of the Board of Directors. Calculation shall be conducted by applying the formula specified in Article 30, paragraph 2, item (9), and the distribution points in the relevant formula shall be those considered appropriate in light of the manner of usage subject to fees among those provided in: Article 30, paragraph 2, item (10); Article 31, paragraph 2, item (9); Article 32, paragraph 2, item (10); Article 33, paragraph 2, item (7); Article 34, paragraph 2, item (9); Article 35, paragraph 2, item (6).
- 3. The validation date of the interested parties of each work subject to distribution of other blanket fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for other blanket fees shall be as provided in Articles 11 and 12 for distributions for broadcasting and as provided in Articles 13 and 14 for distributions for broadcast mechanicals.

Article 38 Per work fees

- 1. Regarding fees for broadcasting, etc., per work fees to be distributed to each work subject to distribution shall be calculated for distribution in accordance with the provisions of paragraph 2 and distributed to the interested parties as of the validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution of per work fees shall be calculated in accordance with the provisions in each of the following items:
 - (1) Distribution periods and fees subject to distribution shall be as shown on the following table:

| Distribution period | Fees subject to distribution |
|---------------------|--|
| June | Fees collected from October through December |
| September | Fees collected from January through March |
| December | Fees collected from April through June |
| March | Fees collected from July through September |

- (2) Works subject to distribution shall be works for which the fees subject to distribution have been collected.
- (3) The amount to be distributed to each work subject to distribution shall be the amount of fees collected.
- 3. The validation date of the interested parties of each work subject to distribution of per work fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for per work fees shall be as provided in Articles 11 and 12 for distributions of fees collected as broadcasting fees and as provided in Articles 13 and 14 for distributions of fees collected as broadcast mechanical fees.

Section 5 Cable broadcasting

Article 39 Cable radio

- 1. Among the fees collected for cable broadcasts, and fees collected for reproduction for cable broadcasts and other usages excluding public communications associated with cable broadcasts (hereinafter referred to as "fees for cable broadcasting, etc."), for cable radio broadcasts, etc. (hereinafter referred to as "cable radio broadcasts"), fees collected from commercial broadcasters (hereinafter referred to as "cable radio broadcasting fees") to be distributed to each work subject to distribution shall be calculated for distribution in accordance with the provisions of paragraph 2 and distributed to the interested parties as of the validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution of cable radio broadcasting fees shall be calculated in accordance with the provisions in each of the following items:
 - (1) Fees subject to distribution shall be cable radio broadcasting fees and shall be distributed by equally dividing the yearly fees collected in the previous fiscal year among the distribution periods in a year provided in the following item:
 - (2) Distribution periods and works subject to distribution shall be as shown on the following table.

| Distribution period | Works subject to distribution | |
|---------------------|--|--|
| September | Works used from April through September of the preceding fiscal year | |
| March | Works used from October through March of the preceding fiscal year | |

(3) The amount of fees distributed to each work subject to distribution shall be calculated based on the following formula:

Amount of fees distributed to each work subject to distribution = Total amount of fees subject to distribution
Sum of distribution points of all works work subject to distribution
Subject to distribution
Distribution
work subject to distribution

- (4) For each work subject to distribution, the distribution points in the preceding item shall be the product obtained by allocating the points specified below and then multiplying them together:
 - (a) Basic points

Per work per use

One point × ______ to distribution ______ Sum of shares for all interested parties

(b) Grading points

Duration of a work not exceeding 5 minutes shall be one point, and for a duration of 5 minutes or more, one point shall be added for each additional 5 minutes or part thereof

- 3. The validation date of the interested parties of each work subject to distribution of cable radio fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for cable radio fees shall be as provided in Articles 11 and 12.

Article 40 Cable television (CS rebroadcasting and independent broadcasting fees)

- 1. Among the fees for cable broadcasting, etc., for fees collected from commercial broadcasters for cable television broadcasts, etc. (hereinafter referred to as "cable television broadcasts") and which are fees for rebroadcasts of CS broadcasting and independent broadcasting (hereinafter referred to as "CS rebroadcasting and independent broadcasting fees"), the fee to be distributed to each work subject to distribution shall be calculated for distribution in accordance with the provisions of paragraph 2 and distributed to the interested parties as of the validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution of CS rebroadcasting and independent broadcasting fees shall be calculated in accordance with the provisions in each of the following items:
 - (1) Fees subject to distribution shall be fees collected for CS rebroadcasting and independent broadcasting in the previous fiscal year and shall be classified into the broadcasting distribution fund and the broadcast mechanicals distribution fund.
 - (2) The allocation ratio between the distribution funds shall be as shown on the following table:

| Allocation ratio | | |
|--------------------------------|---|--|
| Broadcasting distribution fund | Broadcast mechanicals distribution fund | |
| 99% of the fees subject to | 1% of the fees subject to | |
| distribution | distribution | |

(3) Distribution period and works subject to distribution shall be as shown on the following table:

| Distribution period | Works subject to distribution |
|---------------------|--|
| March | Works used in the previous fiscal year |

- (4) Works used in CS rebroadcasting shall be excluded from works subject to distribution for the broadcast mechanicals distribution fund.
- (5) The amount of fees distributed to each work subject to distribution shall be calculated based on the following formula for each distribution fund:

- (6) For each work subject to distribution, the distribution points in the preceding item shall be the product obtained by allocating the points specified below and then multiplying them together:
 - (a) Basic points

In case works are used in the following broadcasts, the basic points shall be as follows:

(i) Regular broadcasts

Per work per use

One point ×

Sum of shares for interested parties subject to distribution

Sum of shares for all interested parties

(ii) Film broadcasts

Per work per film

One point × Sum of shares for interested parties subject to distribution

Sum of shares for all interested parties

(b) Evaluation points

In case works are used in the following broadcasts, the evaluation points shall be as follows:

- (i) Regular broadcasts
 - a) Evaluation points based on duration

The evaluation points based on duration shall be as shown on the following table. However, theme music or background music shall be deemed as one use regardless of the number of uses in one program (for a serial or a series program, one broadcast), and the evaluation points based on duration shall stand on the total duration. In case the duration of the work used is unknown, the duration may be deemed as not exceeding one minute regardless of the usage form.

| Usage form | Number of points |
|---|--|
| (1) Main | In case the duration per work per use does not exceed 10 minutes: One point for a usage of a work not exceeding one minute; in case the usage exceeds one minute, one point is added for each additional minute or part thereof In case the duration per work per use exceeds 10 minutes: 22 points for a usage of a work not exceeding 11 minutes; in case the usage exceeds 11 minutes, two points are added for each additional minute or part thereof; moreover, 10 points are added for each additional 10 minutes or part thereof |
| (2) Other than main (theme music, background music, etc.) | One point for a usage of a work not exceeding one minute; in case the usage exceeds one minute, one point is added for each additional minute or part thereof |

b) Evaluation points based on usage form

The evaluation points for the "main" usage form shall be one point. In case a work is used as theme music or background music, the evaluation points shall be one-third (1/3) of a point. However, in case a work is used as background music, the evaluation points shall be two-ninth (2/9) of a point when the total duration in one program exceeds 20 seconds but does not exceed 40 seconds, and one-ninth (1/9) of a point when it does not exceed 20 seconds or is unknown. For other usage forms, the evaluation points shall be one-twelfth (1/12) of a point.

(ii) Film broadcasts

The evaluation points allocated to works used by film broadcasts shall be one point per second for a duration of a work based on the cue-sheets for the relevant film. In case the duration of a work used in a film is unknown, for the following works, the points provided therein may be deemed as their evaluation points:

a) Works created especially for the relevant film

Points calculated based on a duration equivalent to thirty-hundredths (30/100) of the duration of the film (if unknown, the duration of the broadcast)

b) Works other than a)

10 points

(c) Broadcaster grading points

The broadcaster grading points shall be the value of the annual fees for broadcasting, etc. for each commercial broadcaster (amounts less than 10,000 yen are rounded down). Grading points shall be reviewed every fiscal year in accordance with the annual fees for broadcasting, etc. for each commercial broadcaster.

- 3. The validation date of the interested parties of each work subject to distribution of CS rebroadcasting and independent broadcasting fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for CS rebroadcasting and independent broadcasting fees shall be as provided in Articles 11 and 12 for the broadcasting distribution fund and as provided in Articles 13 and 14 for the broadcast mechanicals distribution fund.

Article 41 Cable television (Terrestrial and BS rebroadcasting fees)

Among the fees for cable broadcasting, etc., for fees collected from commercial broadcasters for cable television broadcasts and which are fees for rebroadcasts of terrestrial and BS broadcasting (hereinafter referred to as "terrestrial and BS rebroadcasting fees"), the fees subject to distribution shall be fees for terrestrial and BS rebroadcasting, and the fees collected for usages in the previous fiscal year may be distributed by dividing them equally among the distribution periods during a year, adding them to the broadcasting distribution fund for commercial terrestrial television fees provided in Article 32, and under the provisions of the same Article.

Article 42 Telephone services

Regarding fees collected for telephone services (hereinafter referred to as "telephone service fees"), the fees subject to distribution shall be telephone service fees, and the fees collected for usages in the previous fiscal year may be distributed by dividing them equally among the distribution periods during a year provided in Article 39, paragraph 2, item (2), adding them to the cable radio broadcasting fees provided in the same Article, and under the provisions of the same Article.

Article 43 Off-talk communication

Regarding fees collected for off-talk communication (hereinafter referred to as "off-talk communication fees"), the fees subject to distribution shall be off-talk communication fees, and the fees collected for usages in the previous fiscal year may be distributed by dividing them equally among the distribution periods during a year provided in Article 39, paragraph 2, item (2), adding them to the cable radio broadcasting fees provided in the same Article, and under the provisions of the same Article.

Section 6 Showing of films

Article 44 Showing of films

- 1. Regarding fees collected for showing of films (excluding fees collected as Pachinko and Pachislot fees provided in Article 28; hereinafter referred to as "film-showing fees"), the amount of fees to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of paragraph 2 and distributed to interested parties as of the rights validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution of film-showing fees shall be calculated in accordance with the provisions in each of the following items:
 - (1) For film-showing fees, categories, distribution periods, and fees subject to distribution shall be as shown on the following table:

| Category | Film-showing fees | Distribution period | Fees subject to distribution |
|----------|--|---------------------|--|
| 1 | Per work fees for showing | June | Fees collected from January through March |
| | films | September | Fees collected from April through June |
| | | December | Fees collected from July through September |
| | | March | Fees collected from October through December |
| 2 | Blanket fees for showing films and videograms | September | Fees collected from October through March |
| | (excluding fees corresponding to Category 3) | March | Fees collected from April through September |
| 3 | Blanket fees for showing videograms in aircrafts | September | Fees collected in the preceding fiscal year |

- (2) Works subject to distribution shall be works for which the fees subject to distribution have been collected.
- (3) The amount to be distributed to each work subject to distribution of per work fees in Category 1 shall be the amount of fees collected.
- (4) The amount of fees distributed to each work subject to distribution of blanket fees in Categories 2 and 3 shall be calculated *en bloc* by allocating the points specified below to each work subject to distribution based on the cue-sheets of the film or videogram shown (hereinafter referred to as "films, etc."), information on the works included in the films, etc. (hereinafter referred to as "production information"), or on reports on the works used, and then multiplying them together to obtain the product as the distribution points of the relevant work:
 - (a) Basic points

Per work

| | Sum of shares for interested parties subject |
|-------------|--|
| One point × | to distribution |
| F | Sum of shares for all interested parties |

(b) Grading points

The grading point shall be one point per second. In case the duration of a work used is unknown, for the following works, the points provided therein may be deemed as their grading points:

(i) Works created especially for the relevant film, etc.

Points calculated based on a duration equivalent to thirty-hundredths (30/100) of the duration of the film, etc.

(ii) Works other than (i)

10 points

(5) The calculation *en bloc* under the preceding item is to calculate the amount of fees distributed to each work subject to distribution based on the following formula:

Amount of fees distributed to each work subject to distribution

Sum of distribution points of all works subject to distribution

Sum of distribution

Sum

- 3. The validation date of the interested parties of each work subject to distribution of film-showing fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for film-showing fees shall be as provided in Articles 11 and 12.

Section 7 Audio recordings, etc.

Article 45 Audio recordings, etc.

- 1. Regarding fees for audio recordings, etc. (fees corresponding to each category provided in item (1) of the following paragraph; the same shall apply hereinafter) and the fees collected (hereinafter referred to as "audio recording fees, etc."), the amount of fees to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of paragraph 2 and distributed to interested parties as of the rights validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution of audio recording fees, etc. shall be calculated in accordance with the provisions in each of the following items:
 - (1) For audio recording fees, etc., categories, distribution periods, and fees subject to distribution shall be as shown on the following table:

| Category | Audio recording fees, etc. | Distribution period | Fees subject to distribution | |
|----------|--|---|---|---|
| 1 | Audio recording fees collected from users | June | Fees for works used in audio recordings from January through March | |
| | concluding yearly agreements with Trustee for audio recording usages of works (excluding fees corresponding to Category 3) | September | Fees for works used in audio recordings from April through June | |
| | | recording usages of | December | Fees for works used in audio recordings from July through September |
| | | March | Fees for works used in audio recordings from October through December | |
| 2 | Audio recording fees | June | Fees collected from January through March | |
| | collected from other users (excluding fees corresponding to Category 3) | September | Fees collected from April through June | |
| | | December | Fees collected from July through September | |
| | | March | Fees collected from October through December | |
| 3 | Fees for BGM service rental tapes | March | Fees collected in the preceding fiscal year | |
| 4 | Fees for music boxes | Same as Category 1 or 2 based on agreement with user | | |
| 5 | Other audio recording fees | To be provided separately by taking into consideration the amount of fees collected and the number of works used, and with the approval of the Board of Directors | | |

- (2) Works subject to distribution shall be works for which the fees subject to distribution have been collected.
- (3) The amount to be distributed to each work subject to distribution shall be the amount of fees collected.

- 3. The validation date of the interested parties of each work subject to distribution of audio recording fees, etc. shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period. However, for fees corresponding to Category 2 in item (1) of the preceding paragraph (including those of Category 4 for which the fees subject to distribution are regarded the same as Category 2), the validation date may be the day when the fees subject to distribution are invoiced.
- 4. The shares of interested parties for audio recording fees, etc. shall be as provided in Articles 13 and 14.

Section 8 Film recordings

Article 46 Film recordings

- 1. Regarding fees collected for film recordings (hereinafter referred to as "film recording fees"), the amount of fees to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of paragraph 2 and distributed to interested parties as of the rights validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution of film recording fees shall be calculated in accordance with the provisions in each of the following items:
 - (1) Distribution periods and fees subject to distribution shall be as shown on the following table:

| Distribution period | Fees subject to distribution | |
|---------------------|--|--|
| June | Fees collected from January through March | |
| September | Fees collected from April through June | |
| December | Fees collected from July through September | |
| March | Fees collected from October through December | |

- (2) Works subject to distribution shall be works for which the fees subject to distribution have been collected.
- (3) The amount to be distributed to each work subject to distribution shall be the amount of fees collected.
- 3. The validation date of the interested parties of each work subject to distribution of film recording fees shall be the day when the fees subject to distribution are invoiced.
- 4. The shares of interested parties for film recording fees shall be as provided in Articles 13 and 14.

Section 9 Videogram recordings

Article 47 Videogram recordings

- 1. Regarding fees collected for videogram recordings (hereinafter referred to as "videogram recording fees"), the amount of fees to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of paragraph 2 and distributed to interested parties as of the rights validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution of videogram recording fees shall be calculated in accordance with the provisions in each of the following items:
 - (1) Distribution periods and fees subject to distribution shall be as shown on the following table:

| Category | Videogram recording fees | Distribution period | Fees subject to distribution | |
|----------|--|---|---|--|
| 1 | Videogram recording fees collected from users | June | Fees for works used in videogram recordings from October through December | |
| | concluding yearly agreements with Trustee for videogram recording | September | Fees for works used in videogram recordings from January through March | |
| | usages of works (excluding fees | December | Fees for works used in videogram recordings from April through June | |
| | corresponding to Category 3) | March | Fees for works used in videogram recordings from July through September | |
| 2 | Videogram recording fees | June | Fees collected from January through March | |
| | collected from other users (excluding fees | September | Fees collected from April through June | |
| | corresponding to | December | Fees collected from July through September | |
| | Category 3) | March | Fees collected from October through December | |
| 3 | Videogram recording fees for television broadcast programs produced for the purpose of being viewed by Japanese people in diplomatic facilities abroad or overseas offices, etc. | Each distribution from December to September | Fees collected in the preceding fiscal year | |
| 4 | Other videogram recording fees | To be provided separately by taking into consideration the amount of fees collected and the number of works used, and with the approval of the Board of Directors | | |

(2) The fees subject to distribution classified into Category 3 in the preceding item shall be distributed by dividing them equally among the distribution periods during a year, prorated based on the amount of the broadcast mechanicals distribution fund for NHK fees provided in Article 30 and the broadcast mechanicals distribution fund

for commercial terrestrial television fees provided in Article 32, added to each distribution fund, and in accordance with the provisions of Articles 30 and 32.

- (3) Works subject to distribution shall be works for which the fees subject to distribution have been collected.
- (4) The amount to be distributed to each work subject to distribution shall be calculated as follows:
 - (a) The amount to be distributed to each work subject to distribution of per work fees shall be the amount of fees collected.
 - (b) The amount of fees distributed to each work subject to distribution of blanket fees (fees other than per work fees) shall be calculated *en bloc* by allocating the points specified below to each work subject to distribution based on the cuesheets of the films, etc., and then multiplying them together to obtain the product as the distribution points of the relevant work:
 - (i) Basic points

Per work

(ii) Grading points

The grading point shall be one point per second. In case the duration of a work used is unknown, for the following works, the points provided therein may be deemed as their grading points:

- a) Works created especially for the relevant films, etc.
 - Points calculated based on a duration equivalent to thirty-hundredths (30/100) of the duration of the films, etc.
- b) Works other than a)

10 points

(5) The calculation *en bloc* under the preceding item is to calculate the amount of fees distributed to each work subject to distribution based on the following formula:

3. The validation date of the interested parties of each work subject to distribution of videogram recording fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period. However, for fees corresponding

- to Category 2 in item (1) of the preceding paragraph, the validation date may be the day when the fees subject to distribution are invoiced.
- 4. The shares of interested parties for videogram recording fees shall be as provided in Articles 13 and 14.

Section 10 Publications, etc.

Article 48 Publications, etc.

- 1. Regarding fees collected for publications and remuneration received for school textbooks, etc. (hereinafter referred to as "publication fees, etc."), the amount of fees to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of paragraph 2 and distributed to interested parties as of the rights validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution of publication fees, etc. shall be calculated in accordance with the provisions in each of the following items:
 - (1) Distribution periods and fees subject to distribution shall be as shown on the following table:

| Category | Publication fees, etc. | Distribution period | Fees subject to distribution | |
|----------|---|---|---|--|
| 1 | Publication fees | June | Fees collected from January through March | |
| | | September | Fees collected from April through June | |
| | | December Fees collected from July through September | | |
| | | March | Fees collected from October through December | |
| 2 | Remuneration for school textbooks, etc. | September | Remuneration received for the preceding fiscal year | |

- (2) Works subject to distribution shall be works for which the fees subject to distribution have been collected or received.
- (3) The amount to be distributed to each work subject to distribution shall be the amount of fees collected or the amount of remuneration received.
- 2. The validation date of the interested parties of each work subject to distribution of fees corresponding to Category 1 provided in item (1) of the preceding paragraph shall be the day when the fees subject to distribution are invoiced.
 - The validation date of the interested parties of each work subject to distribution of fees corresponding to Category 2 provided in item (1) of the preceding paragraph shall be April 1 of the preceding fiscal year. However, in case a work which was not an administered work as of April 1 of the preceding fiscal year became an administered work during the preceding fiscal year, the validation date shall be the day on which the relevant work became an administered work.
- 4. The shares of interested parties for publication fees, etc. shall be as provided in Articles 13 and 14.

Section 11 Reproduction for specific purposes

Article 49 Reproduction for advertisements

Regarding fees collected for reproduction for advertisements, the amount of fees to be distributed to each work subject to distribution shall be calculated by applying mutatis mutandis the provisions of Articles 45 to 48 (in case exceptions concerning persons subject to distribution in Article 4 are applied, excluding provisions on the shares) depending on the form of reproduction. However, regarding reproduction fees for transmission of commercials, the provisions of Article 46 shall apply mutatis mutandis regardless of the form of reproduction.

Article 50 Reproduction for games

Regarding fees collected for reproduction for games, the amount of fees to be distributed to each work subject to distribution shall be calculated by applying mutatis mutandis the provisions of Articles 45 or 47 (in case exceptions concerning persons subject to distribution in Article 4 are applied, excluding provisions on the shares).

Section 12 Lending

Article 51 Lending

- 1. Regarding fees collected for lending (hereinafter referred to as "lending fees"), the amount of fees to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of paragraph 2 and distributed to interested parties as of the rights validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution of lending fees shall be calculated in accordance with the provisions in each of the following items:
 - (1) For lending fees, categories, distribution periods, and fees subject to distribution shall be as shown on the following table:

| Category | Lending fees | Distribution period | Fees subject to distribution |
|----------|--|---------------------|--|
| 1 | Fees for lending commercial phonograms | June | Fees collected from January through March |
| | (hereinafter referred to as "record lending fees") | September | Fees collected from April through June |
| | receive remaining receive | December | Fees collected from July through September |
| | | March | Fees collected from October through December |
| 2 | Fees for lending films and videograms (hereinafter | June | Fees collected from July through December |
| | referred to as "video lending fees") | December | Fees collected from January through June |

(2) Works subject to distribution shall be as shown on the following table:

| Category | Lending fees | Distribution period | Works subject to distribution | |
|----------|---------------------|---|---|--|
| 1 | Record lending fees | June | Works used from January through March | |
| | | September Works used from April through June | | |
| | | December Works used from July through September | | |
| | | March Works used from October through December | | |
| 2 | Video lending fees | June | Works used from April through September | |
| | | December | Works used from October through March | |

- (3) The amount to be distributed to each work subject to distribution shall be calculated in accordance with the following:
 - (a) Record lending fees

The amount shall be calculated *en bloc* by allocating the points specified below to each work subject to distribution and then multiplying them together to obtain the product as the distribution points of the relevant work:

(i) Basic points

Per work per use

One point × Sum of shares for interested parties subject to distribution

Sum of shares for all interested parties

(ii) Grading points

Duration of a work not exceeding 5 minutes shall be one point, and for a duration of 5 minutes or more, one point shall be added for each additional 5 minutes or part thereof

(b) Video lending fees

The amount shall be calculated *en bloc* by allocating per film, etc. the points specified below to each work subject to distribution based on its cue-sheets or the production information depending on the contents of the films, etc., and then multiplying them together to obtain the product as the distribution points of the relevant work:

(i) Basic points

Per work

One point ×

Sum of shares for interested parties subject
to distribution

Sum of shares for all interested parties

(ii) Grading points

The grading point shall be one point per second for works distributed based on cue-sheets, and one point per minute for works distributed based on production information. In case the duration of a work used is unknown, for the following works, the points provided therein may be deemed as their grading points:

- a) Works created especially for the relevant films, etc.
 - Points calculated based on a duration equivalent to thirty-hundredths (30/100) of the duration of the films, etc.
- b) Works other than a)

10 points

(4) The calculation *en bloc* under the preceding item is to calculate the amount of fees distributed to each work subject to distribution based on the following formula:

Amount of fees distributed to each work subject to distribution points of all works

Sum of distribution points of all works work subject to distribution

Sum of distribution points of all works work subject to distribution

- 3. The validation date of the interested parties of each work subject to distribution of lending fees shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for lending fees shall be as provided in Articles 13 and 14.

Section 13 Online karaoke for commercial use

Article 52 Online karaoke for commercial use

- 1. Regarding fees collected for online karaoke for commercial use (hereinafter referred to as "online karaoke fees"), the amount of fees to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of paragraph 2 and distributed to interested parties as of the rights validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution of online karaoke fees shall be calculated in accordance with the provisions in each of the following items:
 - (1) Distribution periods and fees subject to distribution shall be as shown on the following table:

| Distribution period | Fees subject to distribution |
|---------------------|--|
| June | Fees collected from January through March |
| September | Fees collected from April through June |
| December | Fees collected from July through September |
| March | Fees collected from October through December |

- (2) Fees subject to distribution shall be classified into funds for evaluation of fees amounting to reproduction (hereinafter referred to as "distribution fund for reproduction"), funds for evaluation of fees amounting to public transmission (hereinafter referred to as "distribution fund for transmission," and the distribution compensation fund.
- (3) The allocation ratio among the funds shall be as shown on the following table:

| Category of funds | Allocation ratio |
|--------------------------------|--|
| Distribution fund for | 20% of the amount obtained by deducting the distribution |
| reproduction | compensation fund from the fees subject to distribution |
| Distribution fund for | 80% of the amount obtained by deducting the distribution |
| transmission | compensation fund from the fees subject to distribution |
| Distribution compensation fund | 0.5% of the fees subject to distribution |

(4) The distribution fund for reproduction and the distribution fund for transmission shall be categorized according to the distribution fund classifications shown on the following table and shall be classified by their allocation ratio:

| Category of distribution fund | Distribution fund classification | Allocation ratio |
|-------------------------------|---|------------------|
| Distribution fund for | Distribution fund for number of reproductions | 10% |
| reproduction | Distribution fund for number of terminals | 10% |
| | Distribution fund for number of usages | 72% |

| Distribution fund for | Distribution fund for number of terminals | 8% |
|-----------------------|---|-----|
| transmission | Distribution fund for number of terminars | 0/0 |

(5) Works subject to distribution shall be as shown on the following table:

| Distribution period | Works subject to distribution |
|---------------------|--|
| June | Works used from October through December |
| September | Works used from January through March |
| December | Works used from April through June |
| March | Works used from July through September |

(6) The amount of fees distributed to each work subject to distribution shall be calculated based on the following formula for each distribution fund and shall be distributed in aggregate for each category of distribution fund:

Amount of fees
distributed to each
work subject to
distribution

Sum of distribution points of all works
distribution

Sum of distribution

Sum of distribution

Subject to distribution

Subject to distribution

Distribution

work subject to
distribution

- (7) For each work subject to distribution, the distribution points in the preceding item shall be the product obtained by allocating the points specified below and then multiplying them together:
 - (a) Basic points

Per work

(b) Work grading points

One point in case one work is used in one access code, and 0.5 points for each work in case multiple works are used in one access code

(c) Evaluation points per distribution fund classification

The following points shall be allocated per distribution fund classification provided in item (4):

- (i) Allocation of points to the distribution fund for reproduction
 - a) Distribution fund for the number of reproductions

Regarding works newly reproduced to database of users during the period subject to distribution for the works subject to distribution, the total number of terminals in which those works are made available on the last day of the period subject to distribution for the relevant works subject to distribution shall be the points. Regarding works reproduced to database of users prior to the period subject to distribution for the works subject to distribution, the total number of terminals increased during the period subject to distribution for the relevant works subject to distribution shall be the points.

b) Distribution fund for the number of terminals

The total number of terminals in which each work is made available shall be the points.

- (ii) Allocation of points to the distribution fund for transmission
 - a) Distribution fund for the number of usages

The number of usages for each work based on reports on the number of usages per access code from users shall be the points.

b) Distribution fund for the number of terminals

The total number of terminals in which each work is made available shall be the points.

- (8) Distributions by the distribution compensation fund shall be made in accordance with the following:
 - (a) Distributions to the interested parties of works missing from the works subject to distribution due to lack of distribution documentation or for other reasons shall be made based on requests for distribution by expediting the amount calculated in accordance with the provisions of the preceding two items from the distribution compensation fund.
 - (b) Distributions from the distribution compensation fund shall be made when distribution is requested along with documentation on the relevant use for distributions within 3 years of the date of request and when such use has actually been confirmed.
 - (c) Any remaining amount in the distribution compensation fund shall be included in the fees subject to distribution for the following distribution period.
- 3. The validation date of the interested parties of each work subject to distribution of online karaoke fees shall be the last day of the period subject to distribution for the works to be distributed in each distribution period.
- 4. The shares of interested parties for online karaoke fees shall be as provided in Articles 11 and 12 for the distribution fund for transmission, and as provided in Articles 13 and 14 for the distribution fund for reproduction.

Section 14 Interactive transmissions

Article 53 Interactive transmissions

- 1. Regarding fees collected for interactive transmissions (hereinafter referred to as "interactive transmission fees"), the amount of fees to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of paragraph 2 and distributed to the interested parties as of the validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution for interactive transmissions shall be calculated in accordance with the provisions in each of the following items:
 - (1) For interactive transmission fees, categories, distribution periods, and fees subject to distribution shall be as shown on the following table:

| Category | Category of interactive transmission fees | Distribution period | Fees subject to distribution |
|----------|---|---------------------|---|
| 1 | Fees excluding those falling under Category 2 | June | Fees collected from January through March |
| | | September | Fees collected from April through June |
| | | December | Fees collected from July through September |
| | | March | Fees collected from October through December |
| 2 | Blanket fees for non- commercial transmissions, etc. | March | Fees collected in the previous year |

(2) Notwithstanding the preceding item, regarding the fees for Category 1 provided in the preceding item collected in the collection month on the following table, in case the works subject to distribution for the service menu for which the fees were collected are determined before the calculation under the provisions of item (7) for the distribution period provided on the same table, such fees may be regarded as the fees subject to distribution in the relevant distribution period.

| Collection month | Distribution period |
|-----------------------------|---------------------------------------|
| April of each fiscal year | June of the relevant fiscal year |
| July of each fiscal year | September of the relevant fiscal year |
| October of each fiscal year | December of the relevant fiscal year |
| January of each fiscal year | March of the relevant fiscal year |

(3) The fees subject to distribution shall be classified into the distribution fund for reproduction, the distribution fund for transmission, and the distribution compensation fund.

(4) Each fund shall be classified into download format and streaming format, and the allocation ratio shall be as follows:

(a) Download format

| Category of funds | Allocation ratio |
|------------------------------------|--|
| Distribution fund for reproduction | 65% of the amount obtained by deducting the distribution compensation fund from the fees subject to distribution |
| Distribution fund for | 35% of the amount obtained by deducting the distribution |
| transmission | compensation fund from the fees subject to distribution |
| Distribution compensation fund | 0.5% of the fees subject to distribution |

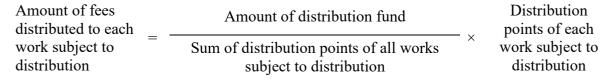
(b) Streaming format

| Category of funds | Allocation ratio |
|------------------------------------|--|
| Distribution fund for reproduction | 15% of the amount obtained by deducting the distribution compensation fund from the fees subject to distribution |
| Distribution fund for transmission | 85% of the amount obtained by deducting the distribution compensation fund from the fees subject to distribution |
| Distribution compensation fund | 0.5% of the fees subject to distribution |

- (5) Works subject to distribution shall be works for which the fees subject to distribution have been collected. However, works subject to distribution of the fees provided as Category 2 under item (1) shall be works used in the period in which the fees subject to distribution were collected.
- (6) Notwithstanding item (1) and the preceding item, regarding fees for IP multicast broadcasting, distribution periods and fees subject to distribution shall be as shown on the following table. Works subject to distribution shall be works subject to distribution of CS broadcasting fees among the commercial satellite television fees provided in Article 34 in the preceding fiscal year.

| Distribution period | Fees subject to distribution |
|---------------------|---|
| June | Fees collected for the second preceding fiscal year |

(7) The amount of fees distributed to each work subject to distribution shall be calculated based on the following formula for each distribution fund and shall be distributed for each category of distribution fund:



(8) For each work subject to distribution, the distribution points in the preceding item shall be the product obtained by allocating the points specified below and then multiplying them together:

(a) Basic points

The basic points shall be as follows for a use of one work:

(i) Works which fees were collected on a per work basis (regardless of download format or streaming format, works which the amount to be invoiced per work is calculated and collected by multiplying the unit fee per work per request by the total number of requests, and works which the amount to be invoiced per work is calculated and collected by multiplying the unit fee per work by the period of usage

One point

(ii) Works other than (i)

One point ×

Sum of shares for interested parties subject to distribution

Sum of shares for all interested parties

(b) Evaluation points

The following points shall be allocated for each category of the distribution fund for reproduction and the distribution fund for transmission:

(i) Works which fees were collected on a per work basis

The value of the amount invoiced for the relevant work in one service menu shall be the points assigned.

(ii) Works other than (i)

The value obtained by multiplying the fee invoiced for one service menu by the percentage of the number of requests for the relevant work against the total number of requests shall be the points assigned. However, in case the number of requests is not reported, the value obtained by dividing the fee invoiced for one service menu by the total number of administered works used in the relevant service menu shall be the points allocated. Notwithstanding the above, among interactive transmission fees of multiple event contents (contents such as concerts and other events; the same shall apply hereinafter) in one service menu, for works subject to blanket fees collected on a per service menu basis, the value obtained by dividing the fee invoiced per event content, which is calculated based on the fee invoiced per service menu, by the total number of administered works used in the relevant event content may be regarded as the evaluation points.

(9) Notwithstanding the preceding item, regarding blanket fees for transmission of video contents (films, videograms, etc.; the same shall apply hereinafter) primarily for the purpose of using works other than music, the distribution points of a work shall be obtained by allocating the following points in each item to each work subject to distribution based on cue-sheets, etc. (cue-sheets, production

information, information on works included in broadcast programs, and reports on the works used) and then multiplying them together:

(a) Basic points

Per work

One point ×

Sum of shares for interested parties subject to distribution

Sum of shares for all interested parties

(b) Evaluation points for number of requests

The value obtained by multiplying the fee invoiced for one service menu by the percentage of the number of requests for the relevant video contents against the total number of requests shall be the points assigned. However, in case the number of requests is not reported, the value obtained by dividing the fee invoiced for one service menu by the total number of video contents used in the relevant service menu shall be the points assigned.

(c) Evaluation points for duration on cue-sheets, etc.

The percentage of the duration of the relevant work against the total duration of administered works listed on the relevant cue-sheets, etc. shall be the points assigned. However, in case the duration is unknown, the value obtained by dividing one (1) by the number of administered works listed on the relevant cue-sheets, etc. shall be the points assigned.

- (10) Distributions by the distribution compensation fund shall be made in accordance with the following:
 - (a) Distributions to the interested parties of works missing from the works subject to distribution due to lack of distribution documentation or for other reasons shall be made based on requests for distribution by expediting the amount calculated in accordance with the provisions of the preceding three items from the distribution compensation fund.
 - (b) Distributions from the distribution compensation fund shall be made when distribution is requested along with documentation on the relevant use for distributions within 3 years of the date of request and when such use has actually been confirmed.
 - (c) Any remaining amount in the distribution compensation fund shall be included in the fees subject to distribution for the following distribution period.
- 3. Regarding works subject to distribution of interactive transmissions fees, the validation date of the interested parties of each work subject to distribution of fees for Category 1 provided in item (1) of the preceding paragraph shall be the last day of the quarter to which the usage month of the work subject to distribution belongs, and for each work

- subject to distribution of fees for Category 2, the validation date shall be the last day of the quarter to which the final month of the blanket licensing agreement belongs.
- 4. The shares of interested parties for interactive transmission fees shall be as provided in Articles 11 and 12 for the distribution fund for transmission, and as provided in Articles 13 and 14 for the distribution fund for reproduction.

Section 15 Fees received from foreign societies

Article 54 Fees received from foreign trustor organizations

- 1. Regarding fees received from foreign trustor organizations, the amount of fees to be distributed to each work subject to distribution shall be calculated in accordance with the provisions of paragraph 2 and distributed to interested parties as of the rights validation date provided in paragraph 3 in accordance with the shares provided in paragraph 4.
- 2. The amount to be distributed to each work subject to distribution for fees received from foreign trustor organizations shall be calculated in accordance with the provisions in each of the following items:
 - (1) Distribution periods and fees subject to distribution shall be as shown on the following table:

| Distribution period | Fees subject to distribution |
|---------------------|---|
| June | Fees received from October through December |
| September | Fees received from January through March |
| December | Fees received from April through June |
| March | Fees received from July through September |

(2) Notwithstanding the preceding item, among satellite and cable TV fees received from foreign trustor organizations, the distribution periods and the fees subject to distribution for retransmission of Japanese broadcasting program channels for which no distribution statements are available shall be as shown on the following table:

| Distribution period | Fees subject to distribution |
|---------------------|------------------------------------|
| March | Fees received in the previous year |

- (3) The fees subject to distribution provided in the preceding item shall be prorated based on the amount of the broadcasting distribution fund for NHK fees provided in Article 30 and the amount of the broadcasting distribution fund for commercial terrestrial television broadcasting fees provided in Article 32 for the March distribution period, added to each distribution fund, and distributed in accordance with the provisions of Articles 30 and 32.
- (4) Works subject to distribution shall be works which fees subject to distribution were received.

- (5) The amount of fees distributed to each work subject to distribution shall be the amount of fees received.
- 3. The validation date of the interested parties of each work subject to distribution of fees received from foreign societies shall be the last day of the period subject to distribution for the fees to be distributed in each distribution period.
- 4. The shares of interested parties for fees received from foreign trustor organizations shall be as provided in Articles 11 and 12 for distribution of performing rights fees, and in Articles 13 and 14 for distribution of mechanical rights fees.

Section 16 Other fees

Article 55 Other fees

- 1. Regarding fees collected under the provisions of "Others" in the Tariffs for Use of Musical Works, the amount of fees to be distributed to each work subject to distribution shall be provided separately with the approval of the Board of Directors, taking into consideration the calculation method of the relevant fees, the amount of fees collected, and the number of works used.
- 2. The validation date of the interested parties of each work subject to distribution of other fees shall be provided separately with the approval of the Board of Directors.
- 3. The shares of interested parties for other fees shall be as provided in Articles 11 and 12 for distribution of performing rights fees, and in Articles 13 and 14 for distribution of mechanical rights fees.

Section 17 Implementation bylaws

Article 56 Implementation bylaws

Matters necessary for the implementation of these Rules other than those provided in the Rules shall be separately provided with the approval of the Board of Directors.

SUPPLEMENTARY PROVISIONS

Article 1 Date of effectuation

These Rules shall come into effect on January 17, 2024.

Article 2 Repeal of bylaws

The following bylaws shall be repealed on January 17, 2024.

- (1) Validation method of works subject to distribution for fees for places of entertainment, etc. (enacted at the Board of Directors meeting on October 23, 1985)
- (2) Allocation ratio for distribution fund and distribution compensation fund of performance fees (enacted at the Board of Directors meeting on September 7, 2016)
- (3) Distribution method of fees for exhibitions, etc. at amusement halls by means of Pachinko and Pachislot machines (enacted at the Board of Directors meeting on March 7, 2018)
- (4) Distribution method for fees for performances at "culture centers (enacted at the Board of Directors meeting on February 6, 2019)
- (5) Validation method of works subject to distribution for concert-style live music club fees and hall-style live music club fees (enacted at the Board of Directors meeting on May 8, 2019)
- (6) Distribution method for fees for performances at music lessons, etc. (enacted at the Board of Directors meeting on November 6, 2019)
- (7) Validation method of works subject to distribution for broadcasts of recordings (enacted at the Board of Directors meeting on September 4, 2002)
- (8) Allocation ratio for distribution fund and distribution compensation fund of broadcasting fees, etc. (enacted at the Board of Directors meeting on September 4, 2002)
- (9) Classification method of distribution fund for television broadcasting (enacted at the Board of Directors meeting on April 4, 2012)
- (10) Evaluation points based on usage form, etc. (enacted at the Board of Directors meeting on September 4, 2002)
- (11) Broadcaster grading points (enacted at the Board of Directors meeting on September 4, 2002)
- (12) Implementation bylaws on distribution of broadcasting fees for broadcasts by the Open University of Japan Foundation (enacted at the Board of Directors meeting on April 24, 1996)

- (13) Distribution method for community broadcasting fees (enacted at the Board of Directors meeting on December 15, 2004)
- (14) Implementation bylaws on distribution of fees for cable television broadcasts (CATV), etc. (enacted at the Board of Directors meeting on January 12, 2011)
- (15) Distribution method for telephone service fees (enacted at the Board of Directors meeting on August 4, 2004)
- (16) Distribution method for off-talk communication fees (enacted at the Board of Directors meeting on August 4, 2004)
- (17) Distribution method of fees for commercial karaoke software containing multiple works (enacted at the Board of Directors meeting on September 1, 2004)
- (18) Allocation ratio for category of distribution fund and distribution fund classification of online karaoke fees (enacted at the Board of Directors meeting on September 5, 2001)
- (19) Allocation ratio for category of distribution fund and distribution fund classification of interactive transmission fees (enacted at the Board of Directors meeting on September 5, 2001)
- (20) Distribution method of blanket fees for interactive transmissions (enacted at the Board of Directors meeting on August 4, 2004)
- (21) Distribution periods and fees subject to distribution for interactive transmission fees (enacted at the Board of Directors meeting on December 11, 2019)
- (22) Distribution method for interactive transmission fees when multiple event contents are transmitted in one service menu (enacted at the Board of Directors meeting on November 4, 2020)
- (23) Distribution method for interested parties of sub-published works, etc. (enacted at the Board of Directors meeting on March 6, 1996)
- (24) Method of processing fees pending distributions for unidentified foreign works (enacted at the Board of Directors meeting on May 6, 1998)
- (25) Implementation bylaws on distribution adjustments (enacted at the Board of Directors meeting on May 10, 2006)
- (26) Distribution method for satellite and cable television broadcasting fees received from foreign societies (enacted at the Board of Directors meeting on February 7, 2007)

(Date of enforcement)

These provisions (provisions partially amending the Distribution Rules) shall come into effect on September 1, 2024, and shall be applied from the September 2024 distribution period.

History of revisions

1. January 17, 2024 First edition

2. May 8, 2024 Second edition