

SAGAI



DISTRIBUTION
OF
**RIGHTS
RULES**
Res IGJ 186



TITLE I

General provisions.

ARTICLE 1: The present rules regulate the process of distribution of the amounts of money collected due to the public communication right, in different users of the repertory administered by the society according to the provisions in Decree 1914/06.

ARTICLE 2: The Distribution Commission shall ensure the compliance of the system of distribution and shall be empowered to adopt any number of agreements and provisions considered necessary to guarantee the practical application of the system of distribution, as well as to suggest any modifications considered convenient to the Board of Directors.
It shall also settle the administrative claims made by the members related to the distribution of rights.

ARTICLE 3: At the Distribution Commission's proposal, the Board of Directors shall be empowered to regulate the system of distribution in order to guarantee a proper and fair application of the generic determinations provided in Decree 1914/06. To this end, it should be taken into account the nature of the performer right and the peculiarities and complexities inherent to its collection, control, processing and distribution, seeking the most equitable criteria.
The Board of Directors shall also be empowered to regulate any situation related to the distribution of rights unforeseen in these rules.

ARTICLE 4: In order to determine the net amount to be distributed in the period of distribution, the following items, in the order presented, will be deducted:

- a) The Administration fee aimed to afford management costs as provided by the by-laws.
- b) The fund for social and cultural purposes administered by the SAGAI Foundation, as provided by the by -laws.
- c) A provision as General Reserve in order to face possible claims as provided by the by-laws.

The resulting net amount shall be distributed among audiovisual works and later to the right holders or their heirs, as provided by the present rules.

ARTICLE 5: The distribution of rights shall be done at least once a year, being the Board of Directors able to establish a different periodicity for each type of users.

ARTICLE 6: In relation with the distribution to members of foreign societies with which SAGAI has signed bilateral agreements, the procedures established in those agreements shall be followed, as provided by Decree 1914/06



TITLE II

Distribution procedure.

ARTICLE 7: In order to determine individual rights, the distribution procedure consists of two stages: "Primary Distribution" through which the corresponding value of each of the works broadcasted is determined; and "Secondary Distribution" through which the previous amount is distributed among the corresponding right holders or heirs.

ARTICLE 8: To distribute the rights collected from any of the users the following information may be used:

- a) Information delivered by Argentores,
- b) Sworn statements presented by users,
- c) The visual inspection used by SAGAI,
- d) The information obtained from specialized companies
- e) Members' statements
- f) Any other source of information which allows the identification of the works, broadcasts or performers

CHAPTER I - PRIMARY DISTRIBUTION (WORK AMOUNT)

SECTION A - Cinemas

ARTICLE 9: The rights originated in cinemas shall be distributed among the works which were exhibited in the period of distribution and for which rights were collected.

The primary distribution will result from the addition of the collected amounts for each work in all the cinemas which paid rights in the referred period, according to the box office income declared by each user.

The money without documentation will increase proportionally to the distributed works in the period.

SECTION B - Television

ARTICLE 10: Primary distribution of the rights collected from television broadcasters shall be carried out through a scoring system, among the works broadcasted by each television station in the period of distribution.

The collected money from television stations which retransmit programs will increase the amount to be distributed of the retransmitted stations.

Money without documentation will proportionally increase the amount to be distributed from the rest of the television broadcasters



ARTICLE 11: To calculate primary distribution it will be necessary to obtain two reference values: "The point value" and the score of each work.

11.1. The score of the work will result from the following:

a) Works will be classified within the items shown below and they will be assigned their corresponding points:

ID	CONCEPT	POINTS
300	Theater plays	90
312	Film	90
311	Medium-length film	45
310	Short film	15
322	Animated films	9
321	Original voice (+ 16)	3
320	Original voice (- 15)	1,5
323	Literary story	1,5
332	Series (60)/Miniseries/scketchs comedy	60
331	Series (+ 16)/Miniseries/scketchs comedy	30
330	Series (- 15)/Miniseries/scketchs comedy	15
344	Docufiction (60)	18
343	Education programs/ Docufiction (- 30)	6
347	Stand Up	6
342	Childrens programs	6
346	Puppetry	4
340	Miscellaneous	0,6
345	Ballet/Opera	9

The Board of Directors may revise and modify the preceding items and scoring in order to guarantee the correct development of the principles provided in Decree 1914/06

b) The number of broadcasts that the work had in the distribution period will be taken into account.

c) The rating that each broadcast had divided by the addition of the rating of the total of broadcasts to distribute will be taken into consideration as well.

Weighted rating of the broadcast =	RATING OF EACH BROADCAST

	ADDITION OF THE RATING OF ALL BROADCASTS



d) The scores with which each work will participate in the primary distribution are the consequence of the mathematical operations referred to in the preceding items and which may be summarized in the following formula:

Work points = Points per item x number of broadcast x weighted rating of the broadcast

11.2. The calculation of “point value” results from the quotient between the amount to distribute each period and the total of points of the works broadcasted in the same period.

$$\text{Point value} = \frac{\text{AMOUNT TO DISTRIBUTE}}{\text{TOTAL OF POINTS}}$$

11.3. The amount of the Primary Distribution corresponding to each work results from the multiplication of the point value by the points of the work.

SECTION C - Cable operators / Satellite

ARTICLE 12: Primary distribution of collected rights due to cable or satellite transmission or retransmission will be carried out among the works broadcasted by the signals which make up the grid of the main cable operators of the country, only when these ones pay the corresponding rights, and enough information is available, through a system of points.

ARTICLE 13: To calculate the primary distribution it will be necessary to obtain two reference values: “point value” and the points of each work.

13.1 The points of the work will result from the following:

a) The works will be classified within the groups shown in article 9.1 (a) and the corresponding points will be assigned.

b) The number of broadcasts that the work had during the period of settlement will be taken into account. As an exception of the preceding it is established that all the groups will charge due to one release every day, regardless of the fact that they are repeated several times on the same day.

c) In turn, the works will receive points according to the signal in which they were broadcasted. The determination of the points by signal is done according to the type of programming and the use of audiovisual repertory, according to the following values:

SIGNAL	POINTS
Films and series	10
Air	6
Documentaries/ premium signal/ Children’s Programs	5
Varieties	2
News/ Cooking/ Musical/ religious/ sports/non determined	1



he Board of Directors may check and modify the preceding points in order to warrant the correct development of the principles provided in Decree 1914/06.

d) The average rating of each signal corresponding to the period of settlement, divided by the addition of the rating of all the settled signals in the same period will be taken into account.

$$\text{Weighted signal rating} = \frac{\text{PERIOD AVERAGE SIGNAL RATING}}{\text{ADDITION OF THE PERIOD RATING AVERAGE OF ALL THE SIGNALS}}$$

e) The multiplication of all the factors referred to will determine the quantity of points with which each work will participate in the Primary Distribution.

Work points= Points per group x number of broadcasts x signal points x signal average rating

13.2. The calculation of “point value” will result from the quotient between the amount to be distributed in each period and the total of points of the works broadcasted in the same period.

$$\text{Point value} = \frac{\text{AMOUNT TO BE DISTRIBUTED}}{\text{TOTAL OF POINTS}}$$

13.3. The amount of Primary Distribution corresponding to each work will be consequence of multiplying “point value” by “work points”.

SECTION D – Other users

ARTICLE 14: The rights collected from users different from the referred, such as hotels, transport companies, etc, will be distributed according to the principles in Section C of Chapter I (cable operators).

CHAPTER II- SECONDARY DISTRIBUTION (ARTIST'S AMOUNT)

ARTICLE 15: Once the Primary Distribution has been carried out, the value assigned to each work will be distributed among the right holders who have performed artistic protected performances or among their heirs, based on a system of points.

ARTICLE 16: To calculate secondary Distribution it will be necessary to obtain two referential values: “Score value” and the scoring of each right holder.

16.1. In those works in which the society has a material device which permits its transcription the criteria of “Scores by sequence” will be used to determine the corresponding value for each right holder, assigning a point for each sequence. The Distribution Commission will be competent to determine the sequence criteria in the different performers’ interpretations (image or voice)



16.2. In those works which do not have a material device or its transcription turns out inconvenient from a practical viewpoint (for example: series without chapters) , it will be used, if possible the criteria of “scores per cachet” according to the information provided by the Argentine Association of Actors and which will be considered as valid. A point will be granted per each peso in the cachet.

16.3. The calculation of “point amount” results from the quotient between the amount to distribute in each period of each work and the total of points (sequence or cachet) of all the intervening in the work.

$$\text{Score amount} = \frac{\text{AMOUNT OF THE WORK TO DISTRIBUTE}}{\text{TOTAL OF SEQUENCES/ CACHE}}$$

16.4. The amount of the Secondary Distribution (Artist amount) results from multiplying the “score amount” by the number of the right holder’s scores (sequence or cachet).

ARTICLE 17: In those works where it is not possible to apply the preceding criteria, because of lack of device, lack of information about the cachet, difficulties to identify the artists or any other justified reason, the Distribution Commission may apply a subsidiary system.

This system may be based in statistical information which takes into account the particular circumstances of the case, and may establish a special reserve on the “work value” in order to afford future claims. In the case that the referred is not possible, it may be distributed in equal parts.

17.1. In order to determine the individual value of each right holder in the item theatre or items alike, the proportional participation of the each artist in the work will be taken into account.

17.2. In television series or similar items where it’s impossible to determine the individual participation of each artist in each of the chapters or episodes that makes up a season the criterion of "participation by chapter " can be apply, providing a point for each episode or chapter in intervening. The visual inspection, the rolling credits, the information available in specialized databases or any other reliable information, can be used. Notwithstanding the foregoing, as residual, the cooperative scoring system established by the Argentina Actors Association in the ratio of 3 to 1 could be applied.

17.3. The determination of the Secondary Distribution in those works which have voice performance or dubbing will be carried out once the complete artistic fiche is presented in the society. The presentation will have the effect of affidavit and shall be done by the director or person responsible for the work.

The fiche shall have the individual identification of all the participant performers, with their degree of participation in relation to the criteria used in the activity and which allows a proportional distribution.



TITLE III

Claims.

ARTICLE 18: . The right holders or their heirs may start an administrative claim in case of mistakes or omissions in the process of settlement of their rights.

18.1. To start the claim, it shall:

- * be filed by the right holder, heir or legal representative.*
- * have the parameters of value which they ask to be revised, according to the kind of claim.*
- * attach documentation which gives ground to the claim or proves the extremes required.*

The content of the request will work as affidavit. False data may be liable of disciplinary sanctions, according to by-laws.

18.2. The procedure of the claim will be in charge of the Distribution department of the Society. In order to evaluate the required extremes, the claimant may be required all the necessary information or documents which are considered necessary for the settlement of the claim.

18.3. In case the claim refers the non inclusion of an artist in a work, in order to analyze it, the claimant shall declare all the circumstances which permit his /her individualization, such as name of the character, dressing, dialogues, description of the sequence/s in which they appear and attach photographs or audiovisual devices.

18.4. In case the claim is due to the fact that broadcasted works were not considered in the primary distribution, the claimant shall prove the broadcasting of the work without any doubts and the different extents required according to the item of distribution in question.

18.5. The Distribution Commission will be competent to settle any claim. In case of disagreement with the settlement, the claimant may request its revision to the Board of Directors.



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