



RECORDED MUSIC NEW ZEALAND LIMITED

(Recorded Music NZ)

Distribution Policy –Transitional Schedule
to apply for the 2025 Distribution

Effective from 1st May 2025

CONTENTS

1.	Background and Purpose of this Transitional Schedule.....	2
2.	The Changes/Differences from the Current Distribution Policy	2
3.	my.RecordedMusic and Obligations of Master Rights Holders	3
4.	my.RecordedMusic and the Aotearoa Registered Artist Scheme.....	4
5.	Registration of Repertoire and Rights	5
6.	Repertoire Conflicts	7
7.	Copyright Term and Data Updates	7
8.	Invoicing, Payments and Payment Information.....	8
9.	Timing of 2025 Distribution Payments	8
10.	Minimum Payments.....	9
11.	Holding Allocated Balances from Prior Years	9
12.	Updated Privacy Policy	9
13.	Handling Complaints, Disputes and Issues	10

RECORDED MUSIC NZ
DISTRIBUTION POLICY - TRANSITIONAL SCHEDULE
TO APPLY FOR THE 2025 DISTRIBUTION

1. Background and Purpose of this Transitional Schedule

In 2024 Recorded Music NZ announced that it would be upgrading to a new IT system to process data and distributions. The system has been developed for us by PPL, our equivalent collective management organisation in the UK, and is adapted from their own widely used technology.

The new system –

- includes modules and tools for the Recorded Music NZ team to use behind-the-scenes;
- will offer a new portal for Master Rights Holders and Registered Artists to use to manage their registrations. This new portal is called “my.RecordedMusic”;
- connects to a global repertoire database maintained by PPL; and
- is supported by services provided by PPL staff.

The updated system will improve the efficiency and accuracy of data collection, processing and distribution. The new portal, once activated, will give Master Rights Holders and Registered Artists greater visibility and more control over managing repertoire.

At the time of publishing this Transitional_Schedule to the Distribution Policy in May 2025, the system development and migration of data is well underway, however due to the size of the project and the ongoing nature of our work, Recorded Music NZ’s systems and processes will be in a state of transition for a large part of 2025.

As a result, for the 2025 distribution of 2024 funds and until further notice, we will be operating according to the provisions of this Transitional Schedule which has been approved by the Recorded Music NZ Board. This Transitional Schedule forms part of the Distribution Policy and where there is any conflict between the Distribution Policy and this Transitional Schedule, this Schedule will apply.

Our current focus is to ensure that 2024 funds are distributed efficiently and fairly to Master Rights Holders and Registered Artists, and later in 2025 we will review and re-issue the full updated Distribution Policy that will apply going forward.

In this Transitional Schedule:

- the terms “we” and “our” refer to Recorded Music NZ; and
- the term “Registered Artist” or “Registered Recording Artist” refers to a recording artist registered in the Direct to Recording Artist Scheme as described in the Distribution Policy – and to be renamed the Aotearoa Registered Artist Scheme.

2. The Changes/Differences from the Current Distribution Policy

What *IS* changing:

The changes in 2025 as compared to previous years are related to the mechanics and timing of the distribution, including:

- How Master Rights Holders advise us of their rights and repertoire, including the repertoire sources that we rely on;
- How Registered Artists claim their share of repertoire that has been registered with us;
- The systems we use to store and process data relating to Master Rights Holders, Registered Artists, repertoire and usage data and to allocate distributions;
- The way we manage repertoire conflicts, i.e. situations where two parties claim they are entitled to be paid for the same track;
- The deadlines and timeframes for registering repertoire, and making payments;
- The way we make payments to Master Rights Holders and Registered Artists; and
- How we handle situations where we cannot pay a Master Rights Holder or Registered Artist as we don't have sufficient information.

What is *NOT* changing:

There is no change in 2025 to the core functions of Recorded Music NZ or the way we allocate distributions, including–

- No change to how we grant licences to music users;
- No change to who is eligible to register as a Master Rights Holder or claim as a Registered Artist;
- No change to the type of rights that we license – although we are also in the process of updating our Master Rights Agreements to take effect in the future – more information is available on our website;
- No change to the nature of the data that we use to allocate distributions; and
- No change to the way we apply the data or the weightings that we use.

3. my.RecordedMusic and Obligations of Master Rights Holders

In order for Recorded Music NZ to allocate payments for distribution, we require confirmation from Master Rights Holders of a minimum set of information. Previously Master Rights Holders advised these details either directly to Recorded Music NZ's Member Services team or via the previous artist portal.

Going forward, my.RecordedMusic will be the portal for Master Rights Holders and Registered Artists to manage their repertoire registrations, update their details (including financial information), add other people to the account as contacts and define the permissions those other people have, receive distribution statements and contact Recorded Music NZ with any queries or requests.

At the time of publishing this Transitional Schedule, the my.RecordedMusic portal is in the final stages of its development, and we are in the process of migrating data from our current system to the new system. We will make the portal available to Master Rights Holders and Registered Artists as soon as it is ready in 2025.

Users will be able to register repertoire via the portal, however since the cutoff for 2025 registration has

already passed, any repertoire registered by that method will be eligible only for the next distribution in 2026. See section 5 below for more information about repertoire in the 2025 distribution.

Section 8 of the Distribution Policy, and each Master Rights Agreement, sets out the obligations of Master Rights Holders to provide to Recorded Music NZ, and update on a regular basis, information about their repertoire and associated information. These obligations remain in place and the my.RecordedMusic portal will become the main way in which Master Rights Holders fulfil their obligations to keep Recorded Music NZ informed of:

- any changes to the sound recording rights that they **own or control**, including any entities that are discontinued, new entities that are introduced and catalogue acquisitions and transfers;
- new recordings that are released;
- Any **errors or** overpayments of which they become aware from their annual statements;
- Any changes to their **addresses, contact details or key personnel**;
- Any change to their **tax status** (including GST or offshore applicable Non-Resident Withholding Tax);
- **Bank account details**, including **account numbers**, and **GST number (if any)**; and
- Company or other entity **ownership details/changes**.

Recorded Music NZ relies on the license granted by Master Rights Holders, and the information provided by them, to grant licenses to third parties and to collect and distribute funds.

As per the Master Rights Agreement and section 8 of the Distribution Policy, and regardless of the way Master Rights Holders have advised their repertoire information (i.e. whether the information is provided via my.RecordedMusic or another method) it remains the case that Master Rights Holders are responsible for the information provided and for ensuring it is accurate and up to date. Most importantly, in the Master Rights Agreement each Master Rights Holder:

- (a) warrants to Recorded Music NZ, both when the Master Rights Agreement is entered into and on an ongoing basis, that it is the owner or licensee of copyright in the relevant sound recordings, and that it has, and will continue to have, the rights in that sound recording necessary to grant the required license to Recorded Music NZ; and
- (b) agrees to indemnify Recorded Music NZ in respect of any breaches of this warranty.

All information provided via my.RecordedMusic is within the scope of this warranty and indemnity.

4. my.RecordedMusic and the Aotearoa Registered Artist Scheme

Recorded Music NZ will continue to operate the Direct to Recording Artist Scheme on the same terms as before as set out in Section 9 and Schedule 4 of the Distribution Policy except that it will be renamed the “Aotearoa Registered Artist Scheme”.

While we are not changing the terms of this Scheme, in 2025 there will be changes to the forms and processes

we use when an Artist first joins the Aotearoa Registered Artist Scheme, and the way that Registered Artists advise us of repertoire they are making a claim on. There may also be different processes for a self releasing Artist versus an Artist that has an exclusive recording contract with a Master Rights Holder.

We will advise details of these processes via our website and email newsletter when they become available.

Until the new processes are in place, recording artists wishing to register with Recorded Music NZ can continue to refer to the forms and guidance on our website.

Recorded Music NZ relies on the information provided by Registered Artists in order to make payments accurately. As per Section 9 of the Distribution Policy, and regardless of the way that Registered Artists have advised Recorded Music NZ of the information (i.e. whether the information is provided via my.RecordedMusic or another method) it remains the case that Registered Artists are responsible for the information provided and for ensuring it is accurate and up to date.

As per our current terms for Registered Artists, the Registered Artist represents and warrants to Recorded Music NZ on an ongoing basis that:

- (a) the information provided by them (including via the my.RecordedMusic portal) is true and correct;
- (b) they are the eligible Registered Artist in respect of each of the tracks that they have claimed a share of; and
- (c) they are not infringing the copyright or other rights of any other person.

Registered Artists also indemnify Recorded Music NZ in respect of any breaches of these warranties.

5. Registration of Repertoire and Rights

(a) How to advise us of rights, repertoire and artist claims

Previously Master Rights Holders and Registered Artists could register their repertoire or claim an artist share directly with the Member Services team, or using the previous artist portal. As at 14th February 2025, the artist portal is no longer able to accept repertoire registrations.

Going forward, my.RecordedMusic will become the primary way in which Master Rights Holders advise us of their repertoire. Master Rights Holders may also use different additional methods as follows:

- RDx: where a Master Rights Holder is using RDx, Recorded Music NZ will source that Master Rights Holder's repertoire information directly from RDx, via the system and services provided by PPL. RDx is the data exchange hub developed jointly by IFPI and WIN, the global record industry body and global independent labels body respectively, to facilitate efficient and accurate exchange of recorded music repertoire ownership data.
- PPL repertoire database: with appropriate permissions, Recorded Music NZ can source certain repertoire information directly from PPL.
- Directly to the Member Services team: in the period before my.RecordedMusic is live, repertoire may be provided directly to the Member Services team using a template which will be published on our website.

At the time of publishing this Transitional Schedule, the functionality to register repertoire via my.RecordedMusic was not yet active and as a result for the 2025 distribution we will rely on repertoire

information as follows:

- provided via RDx;
- sourced from the PPL repertoire database, where appropriate permissions and confirmations have been obtained;
- migrated from our existing system; and
- advised to us separately by Master Rights Holders including via the existing artist portal.

(b) Repertoire registration cutoff dates

Master Rights Holders and Registered Artists are encouraged to register repertoire and update other details on a regular and ongoing basis and can do this at any time.

We will set a cutoff date each year by which repertoire must be registered in order to be included in the current year's distribution. If repertoire is registered after the deadline, we cannot guarantee that it will be included for that year's distribution.

The cutoff date for the 2025 distribution is 30th April 2025.

Under the new system, which will be fully operational ahead of the 2026 distribution, the cutoff dates will be stricter and earlier, and we will confirm and publish the date later in 2025.

(c) Minimum repertoire requirements

Under the new system, repertoire cannot be registered unless it is accompanied by a minimum standard of related information. This related information is required in order to ascertain that copyright subsists in the recording, match it to usage data and generally ensure it is managed correctly.

This minimum information includes:

- ISRC
- Recording Title
- Band / Main Artist Name
- Content Type
- (P) Date (The year in which this version of the recording was first released)
- (P) Name (The name of the original copyright owner)
- Country or recording
- Country of commissioning
- Rightsholder name
- Ownership type (the types of rights owned, e.g. all use types or public performance and broadcast)
- Rights country (the countries where the rights are held)
- Rightsholder Type
- Rights Percentage

- Rights Begin Date

Further guidance will be published on our website.

Recorded Music NZ does not accept any responsibility or liability for any payments that are made or not made or not attributed to a Master Rights Holder where the Master Rights Holder has not provided all relevant and up-to-date information to us.

6. Repertoire Conflicts

A repertoire conflict can arise where two parties claim that they are legally entitled to be paid in respect of the same recording. Conflicts can arise for a variety of reasons including errors in the data provided, changes in the ownership or control of a catalogue that has not been advised, or a disagreement about ownership.

If Recorded Music NZ receives a claim from a Master Rights Holder or Registered Artist on repertoire that according to our records already has a registered Master Rights Holder or artist claim, we will attempt to resolve the conflict. We will aim to address conflicts on a regular basis and each person claiming rights will be requested to confirm their claim and supply evidence of their claim. Recorded Music NZ may set deadlines for the submission of evidence, after which we will make a decision based on the information provided.

Our policy for addressing repertoire conflicts is under development and will be published later in 2025.

If we cannot resolve a repertoire conflict prior to the cutoff date for a distribution, we will hold an amount attributable to the value of that recording/usage until the conflict or dispute is resolved. This is a change from our existing Distribution Policy.

We will hold the amount in conflict until the conflict is resolved according to our policy. When we publish our repertoire conflict policy later in 2025, we will indicate the maximum period of time for which we will hold amounts in conflict, which period may be amended at the discretion of the Recorded Music NZ Board.

During the holding period, we will pay out amounts as soon as we can, i.e. as soon as the conflict or dispute is resolved. At the end of this holding period, if we are still unable to resolve the conflict or dispute, we will roll over the amount of the payment into the coming year's overall distributable amount and it will be allocated to all Master Rights Holders and Registered Artists according to our usual practice as set out in the Distribution Policy.

7. Copyright Term and Data Updates

Under New Zealand law currently, sound recordings are protected by copyright for 50 years from the end of the calendar year in which the sound recording was first released. Going forward when our data is fully migrated to the new system, we will be using the (P) date provided by the relevant Master Rights Holder to determine the year of release. As part of the process of migrating our data to the new system; ingesting authoritative repertoire data from RDx; and updating repertoire information generally, in 2025 we are updating the (P) dates applicable to a number of sound recordings. This will mean that certain recordings that received a distribution in the past will stop receiving distributions going forward.

After the primary 2025 distribution is completed, we will continue updating our data, publish further information about copyright term, and give Master Rights Holders an opportunity to update their data and repertoire claims ahead of 2026.

8. Invoicing, Payments and Payment Information

Under our previous system, Master Rights Holders and Registered Artists were required to issue an invoice to Recorded Music NZ before being paid.

Under the new system, there will generally be no need for invoicing. If Master Rights Holders and Registered Artists have provided updated payment details and/or verified their details ahead of the distribution, the payment will be made automatically. The payment details that will need to be provided and/or verified include the following and we will advise how these details are to be provided/confirmed for 2025:

- Bank account information;
- Information/permissions regarding the payee - where the person receiving payment is not the Master Rights Holder or Registered Artist;
- Information about the tax status of the payee; and
- Where applicable, the GST number and GST-registered name of the payee.

As per Section 11 of this Transitional Schedule, if we are unable to make a payment due to insufficient information we will hold the payment until that information is provided or verified, subject to a maximum time limit.

Around the time of making the payment, Recorded Music NZ will issue to Master Rights Holders and Recording Artists a statement summarising the details of the payment to be made, and a remittance advice.

For the purposes of the Goods and Services Tax Act 1985, Recorded Music NZ is more practically placed than Master Rights Holders and Registered Artists to determine the value of the supply. Master Rights Holders and Registered Artists that are registered for GST acknowledge and agree, by accepting payment, that:

- Recorded Music NZ will issue Buyer Created Taxable Supply Information (BCTSI) on their behalf;
- They will not issue a separate tax invoice for the same supply; and
- They are GST registered at the time of supply/payment and will notify Recorded Music NZ if this changes.

9. Timing of 2025 Distribution Payments

The Recorded Music NZ team is focused on our core priority to deliver distribution payments to Master Rights Holders and Registered Recording Artists. Our usual policy and practice is to advise distribution payments within 6 months of the end of the relevant financial year, i.e. on or before 30th June, at which point recipients may issue invoices.

However as we are currently in a transitional phase between our old and new systems; working with PPL as a new partner; and undertaking data migration and updates, this has meant a delay to the usual processes required to deliver a fair and complete distribution.

Therefore in 2025 we will not be advising distribution payments on 30th June. Instead we intend to make payments in July following confirmation of payment and bank details as outlined above.

As per Section 12 of the Distribution Policy, we intend to make a secondary distribution encompassing the revenue collected from overseas CMOs under reciprocal agreements. The details and timing of the secondary distribution will be published at a later date.

10. Minimum Payments

Starting from the 2025 distribution, there will be no minimum amount for a distribution paid to a NZ bank account and our intention is to pay out whatever amount is allocated.

Due to the cost of transferring funds overseas, we reserve the right to apply a minimum to payments made to overseas banks. If we do impose a minimum threshold for these payments, any amounts below that minimum will accrue and be carried forward to the next distribution.

11. Holding Allocated Balances from Prior Years

Sometimes we are unable to make a payment to a Master Rights Holder or Registered Artist that is entitled to the payment. This could be because the Master Rights Holder or Registered Artist has –

- changed their contact details and not advised us of the new details;
- not invoiced the relevant amount; or
- not advised us of, or confirmed, their current bank account details.

In these circumstances we will hold the relevant amount as a separate provision and we will pay out the amount as soon as we are able to do so (for example, when the Master Rights Holder or Registered Artist provides updated payment details). During the holding period we will use reasonable efforts to contact the relevant Master Rights Holder or Registered Artist and/or otherwise to resolve the issue that is preventing us from making payment.

In 2025 we are introducing a limit for the period of time we will hold balances from prior years while we are seeking details/confirmation from the Master Rights Holder or Registered Artist. The limit is 5 years from the end of the calendar year in which the payment was due to be made, and this timeframe may be changed (including extended) at the discretion of the Recorded Music NZ Board. This timeframe is the same as our equivalent organisation, PPCA, applies in Australia, and is longer than the global recommendation from IFPI, which is 3 years.

At the end of this holding period if we are still unable to make the payment to the person entitled to receive it despite our reasonable efforts, we will roll over the amount of the payment into the coming year's overall distributable amount and allocate it to Master Rights Holders and Registered Artists in accordance with our usual policies.

The 5 year limit means that held funds relating to any year up to and including 2019 will be released into the distribution in 2026, if we are still unable to obtain the details we need to make the payment.

12. Updated Privacy Policy

Our Privacy Policy has been updated to reflect how we collect and share personal information when using the new system. The new Privacy Policy is available on our website.

13. Handling Complaints, Disputes and Issues

If you have a concern, issue or complaint with an aspect of your distribution, please contact Recorded Music NZ's Member Services team in the first instance. If the concern or complaint cannot be resolved informally by the Member Services team, you may wish to refer to our Complaints Policy, available on our website.

In respect of a dispute that is a repertoire conflict, we will follow the repertoire conflict policy to be published later in 2025 to address and attempt to resolve the conflict.