

# **CHANNEL 4 LICENCE**

### ATTACHMENT TO NOTICE OF RENEWAL DATED 11 DECEMBER 2024

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# **SCHEDULE**

# Part 1: DEFINITIONS AND INTERPRETATIONS RELATING TO THE LICENCE

## 1. Definitions and Interpretations

(1) In this Licence unless the context otherwise requires:

references to any "accounting period" of the Corporation shall be interpreted in accordance with Section 19(9) of the 1990 Act;

"the 1990 Act" means the Broadcasting Act 1990;

"the 1996 Act" means the Broadcasting Act 1996;

references to "all relevant codes and guidance" means all codes and guidance referred to in this Licence, the 1990 Act, the 1996 Act or the Communications Act;

"Appropriate Network" shall be interpreted in accordance with section 272(7) of the Communications Act for the purpose of interpreting Conditions 2(1A) to 2(1D) of this licence.

"Audiovisual Media Services Directive" means Directive 2010/13/EU, as amended by Directive 2018/1808/EU);

"C3/C4 multiplex licence" means the licence granted by the Independent Television Commission to Digital 3 and 4 Limited under Part 1 of the 1996 Act on 19 December 1997 and renewed by Ofcom on 19 December 2022;

"C4 Area" means the geographic area in which a broadcast made in accordance with Condition 2(2)(a) of this Licence is available for reception by members of the public;

"Channel 4 Service" means the television broadcasting service known as Channel 4 provided with a view to it being broadcast in digital form in the C4 Area in accordance with the Conditions of this Licence;

"Code on Sports and other Listed and Designated Events" means the code giving guidance as to the broadcasting of sports and other listed events as drawn up and from time to time revised by Ofcom in accordance with Section 104 of the 1996 Act;

"Code on Subtitling, Signing and Audio-Description" means the code giving guidance as to:

- (a) the extent to which the Channel 4 Service but not electronic programme guides should promote the understanding and enjoyment by persons who are deaf or hard of hearing and by persons who are blind or partially sighted and by persons with a dual sensory impairment of the programmes to be included in those services; and
- (b) the means by which such understanding and enjoyment should be promoted;

as drawn up and from time to time revised by Ofcom in accordance with Section 303 of the Communications Act;

"Commencement Date" means the date referred to in Clause 2 of the Licence;

the "Communications Act" means the Communications Act 2003;

"Distribution" means the conveyance of the Channel 4 Service (by whatever means and whether directly or indirectly) to the broadcasting stations from which it is broadcast so as to be available for reception by members of the public;

"ECTT Party" means a state that has signed and ratified the European Convention on Transfrontier Television;

"electronic programme guide" and "EPG" mean a service which:

- (a) is or is included in the Channel 4 Service; and
- (b) consists of:
  - (i) the listing or promotion, or both the listing and the promotion, of some or all
    of the programmes included in any one or more programme services the
    providers of which are or include persons other than the provider of the guide;
    and
  - (ii) a facility for obtaining access, in whole or in part, to the programme service or services listed or promoted in the guide;

the "European Convention on Transfrontier Television" means the Council of Europe Convention on Transfrontier Television which was opened for signature at Strasbourg on 5th May 1989, as amended by the Protocol which was opened for signature at Strasbourg on 1st October 1998;

"Fairness Code" means the code giving guidance as to principles to be observed and practices to be followed in connection with the avoidance of unjust or unfair treatment and unwarranted infringement of privacy in the provision of television and radio services as drawn up and from time to time revised by Ofcom in accordance with Section 107 of the 1996 Act and paragraph 53 of Schedule 18 to the Communications Act;

"Fairness Complaint" shall be interpreted in accordance with Section 110(4) of the 1996 Act;

"Independent Productions" means programmes of such description as the Secretary of State shall pursuant to Section 277(2) of the Communications Act from time to time by order specify;

"Initial Expiry Date" means, in accordance with Section 231(6) of the Communications Act, 31 December 2014;

"Initial Licensing Period" means the period from the Commencement Date to the Initial Expiry Date;

"Intended Audience" shall be interpreted in accordance with Sections 272(7) and 273(7) of the Communications Act for the purpose of interpreting Conditions 2(1B) to 2(1F) of this Licence;

"International Obligation of the United Kingdom" has the meaning given to it in Section 405 of the Communications Act;

"Licensing Period" means the Initial Licensing Period or any Subsequent Licensing Period, as the context shall require;

"Listed Event" means a sporting or other event of national interest which is for the time being included in the list drawn up and published by the Secretary of State for the purposes of Part IV of the 1996 Act and a "Group A event" is a listed event that is for the time being allocated to Group A of that list and a "Group B event" is a listed event that is for the time being allocated to Group B of that list;

the "M25 area" shall be interpreted in accordance with Section 362 of the Communications Act;

"Nominated Archive Body" means the body for the time being nominated by Ofcom for the purposes of Section 185(2) of the 1990 Act;

"Ofcom" means the Office of Communications as established by the Office of Communications Act 2002;

"Peak Viewing Times" means 6pm until 10.30pm each day or such other times as may be determined by Ofcom;

"Programme" unless otherwise stated includes an advertisement and anything included in the Channel 4 Service;

"Qualifying Programmes" means programmes of such description as the Secretary of State shall pursuant to Section 277(2) of the Communications Act from time to time by order specify;

"Qualifying Revenue" has the same meaning as in Section 19(2) to (6) of the 1990 Act and shall be ascertained in accordance with that Section and the Ofcom Statement of Charging Principles as from time to time revised by Ofcom in consultation with the Secretary of State and the Treasury pursuant to Part I of Schedule 7 thereto;

"Relevant International Obligations" means International Obligations of the United Kingdom that are notified to Ofcom by the Secretary of State for the purposes of securing compliance under Condition 25;

"Satellite Television Service" shall be interpreted in accordance with Section 273(7) of the Communications Act for the purpose of interpreting Conditions 2(1E) to 2(1H) of this licence.

"Standards Code" means the code or codes governing standards for the content of programmes, including standards and practice in advertising and in the sponsoring of programmes included in television and radio services as drawn up and from time to time revised by Ofcom in accordance with Section 319, 322 and/or 335 of the Communications Act;

"Standards Complaint" means a complaint about the observance of standards set under the Standards Code; "Subsequent Licensing Period" means any period for which the Licence is renewed in accordance with Section 231(7) of the Communications Act;

"Table of Digital Terrestrial Broadcasting Stations for Multiplex Licences" means the table which sets out details of the digital terrestrial broadcasting stations for Multiplex 2 as published in Version 20 dated 5 February 2020 and revised from time to time by Ofcom, or any replacement to this table as may be published by Ofcom;

"Television Technical Performance Code" means the code governing technical standards and practice in:

- (a) programme production and acquisition; and
- (b) broadcasting available for reception by members of the public,

in the provision of Channel 3, Channel 4 and Channel 5 services as drawn up and from time to time revised by Ofcom;

- (2) The Interpretation Act 1978 shall apply for the purpose of interpreting this Licence as if it was an Act of Parliament.
- (3) Any word or expression used in this Licence shall unless otherwise defined herein and/or the context otherwise requires has the same meaning as it has in the 1990 Act, the 1996 Act or the Communications Act, as the case may be.
- (4) For the purposes of interpreting this Licence headings and titles shall be disregarded.
- (5) The statutory references immediately preceding the Conditions in this Licence for purposes purely of convenience and shall not affect the interpretation or construction of the Licence or limit the statutory basis for the inclusion of the relevant Condition in the Licence.
- (6) Where an order is made under the Deregulation and Contracting Out Act 1994 which authorises a person to exercise any functions of Ofcom, the relevant references in the Licence to Ofcom shall include a reference to that person.
- (7) This Licence shall be governed by English law.

#### PART 2: GENERAL CONDITIONS

#### 2. Provision of the Channel 4 Service by the Corporation

Section 231 of the Communications Act (see also paragraph 47 of Schedule 18 to the Communications Act)

(1) The Corporation shall supply the Channel 4 Service to the holder of the C3/C4 multiplex licence for broadcast.

#### Sections 272-273 of the Communications Act

(1A) The Corporation shall ensure that the Channel 4 Service is at all times offered as available (subject to the need to agree terms) to be broadcast or distributed by means of every Appropriate Network.

#### Section 272 of the Communications Act and Section 24 of the 1990 Act

- (1B) The Corporation shall do its best to secure that arrangements are entered into and kept in force that ensure:
  - (a) that the Channel 4 Service is broadcast or distributed on Appropriate Networks; and
  - (b) that the broadcasting and Distribution of the Channel 4 Service, in accordance with those arrangements, result in its being available for reception, by means of Appropriate Networks, by as many members of its Intended Audience as practicable.
- (1C) The Corporation shall ensure that the arrangements entered into and kept in force pursuant to Condition 2(1B), above, prohibit the imposition, for or in connection with the provision of an Appropriate Network, of any charge that is attributable (whether directly or indirectly) to the conferring of an entitlement to receive the Channel 4 Service in an intelligible form by means of that network.
- (1D) The Conditions 2(1A), (1B) and (1C), above, shall only apply in relation to times when the Channel 4 Service is included in the list of must-carry services in Section 64 of the Communications Act.
- (1E) The Corporation shall ensure that the Channel 4 Service is at all times offered as available (subject to the need to agree terms) to be broadcast by means of every Satellite Television Service that is available for reception by members of the public in the whole or a part of the United Kingdom.

- (1F) The Corporation shall do its best to secure that arrangements are entered into, and kept in force that ensure:
  - (a) that the Channel 4 Service is broadcast by means of Satellite Television Services that are broadcast so as to be available for reception by members of the public in the United Kingdom; and
  - (b) that the broadcasting, in accordance with those arrangements, of the Channel 4
    Service by means of those Satellite Television Services results in its being
    available for reception in an intelligible form and by means of those services by
    as many members of its Intended Audience as practicable.
- (1G) The Corporation shall ensure that the arrangements entered into and kept in force pursuant to Condition 2(1F), above, prohibit the imposition, for or in connection with the provision of a Satellite Television Service, of any charge that is attributable (whether directly or indirectly) to the conferring of an entitlement to receive the Channel 4 Service in an intelligible form by means of that service.
- (1H) The Conditions 2(1E), (1F) and (1G), above, shall only apply in relation to a time when the Channel 4 Service is included in the list of services that are must-provide services for the purposes of Section 274 of the Communications Act.
- (2) The Corporation shall, for the Licensing Period and in the C4 Area procure that:
  - the Channel 4 Service is broadcast from the stations specified in, and otherwise in accordance with, all the requirements set out in the Table of Digital Terrestrial Broadcasting Stations for Multiplex Licences;
  - (b) the Programmes to be included in the Channel 4 Service are broadcast in the C4 Area on each day of the week and for up to 24 hours a day;
- (3) Nothing in this Licence shall constitute or imply any warranty, representation or obligation on the part of Ofcom as to the size or location of the areas actually capable of receiving the Programmes provided by the Corporation pursuant to the Licence or that Programme services provided by the holder of any other licence shall not be capable of reception in the whole or any part of the C4 Area.
- (4) The Corporation shall not be authorised by or under the Licence to broadcast or procure the broadcasting of anything other than the Channel 4 Service, subtitling in connection with Programmes on the Channel 4 Service and services (other than subtitling) which are ancillary to Programmes included in the Channel 4 Service and directly related to their content or related to the promotion or listing of such Programmes.
- (5) In providing the Channel 4 Service, the Licensee shall publish or provide recipients of the service with, supply the following information upon request:

- (a) the name of the Licensee;
- (b) the address of the Licensee;
- (c) the Licensee's electronic address;
- (d) confirmation that the service falls under the UK's jurisdiction;
- (e) the name, address and electronic address of Ofcom as well as the name, address and electronic address of any appropriate co-regulator of Ofcom for any purpose in relation to the Licensee or the Licensed Service, as appropriate; and
- (f) Only if the Licensed Service is a programme service that is receivable in an ECTT Party other than the United Kingdom:
  - (i) composition of the Licensee's capital; and
  - (ii) the nature, purpose and mode of financing of the programming service the broadcaster is providing or intends to provide.

# 3. Prohibition on the imposition of charges

#### Sections 231(9) and (10) of the Communications Act

The Corporation shall not impose any charges, whether directly or indirectly, on persons in respect of their reception in the United Kingdom of:

- (a) the Channel 4 Service;
- (b) any service consisting in the provision of assistance for disabled people in relation to Programmes included in the Channel 4 Service; or
- (c) any service (other than one mentioned in Condition 3(b) above) which is an ancillary service (as defined in Section 24(2) of the 1996 Act) in relation to the Channel 4 Service.

#### 4. Fees

#### Section 4(1)(b), (3) and (4) of the 1990 Act

- (1) The Corporation shall pay to Ofcom such fees as Ofcom may determine in accordance with the tariff fixed by it and for the time being in force under Section 4(3) of the 1990 Act, details of which, and of any revision thereof, Ofcom shall from time to time publish in such manner as it considers appropriate.
- (2) Payment of the fees referred to in Condition 4(1) shall be made in such manner and at such times as Ofcom shall specify.

#### Section 4(1)(c) of the 1990 Act

(3) The Corporation shall within 28 days of a request therefor provide Ofcom with such information as it may require for the purposes of determining or revising the tariff referred to in Condition 4(1) above.

#### 5. Contributions to the national television archive

#### Section 185 of the 1990 Act

- (1) The Corporation shall pay to Ofcom on each anniversary of the Commencement Date throughout the Licensing Period or on such other date in each year of the Licensing Period as Ofcom may specify such amount as Ofcom shall notify to the Corporation, being the Corporation's contribution towards the expenses incurred by the Nominated Archive Body in connection with the maintenance by it of a national television archive.
- (2) Payments under this Condition 5 shall be made in such manner as Ofcom may from time to time specify.

#### 6. V.A.T.

#### Section 4(1)(b) and (d) of the 1990 Act

- (1) The Corporation shall pay any V.A.T. on any supply for V.A.T. purposes by Ofcom under this Licence on presentation of a valid VAT invoice.
- (2) Without limitation to Condition 6(1) above, all sums payable by the Corporation are exclusive of V.A.T. which shall be paid by the Corporation in addition to such sums.
- (3) In this Condition 6 "V.A.T." means value added tax chargeable under or pursuant to the Value Added Tax Act 1994, including any amendment to or replacement of that Act, and/or any similar tax.

# 7. Public Service Remit and Programme Policy

#### Section 265 of the Communications Act

- (1) The Corporation shall ensure that it fulfils the public service remit, in the provision of the Channel 4 Service, to provide a broad range of high quality and diverse programming (or such remit as may from time to time be modified by the Secretary of State pursuant to Section 271(1) of the Communications Act) which, in particular:
  - (a) demonstrates innovation, experiment and creativity in the form and content of Programmes;
  - (b) appeals to the tastes and interests of a culturally diverse society;

- (c) makes a significant contribution to meeting the need for the licensed public service channels to include Programmes of an educational nature and other Programmes of educative value; and
- (d) exhibits a distinctive character.

#### Section 266 of the Communications Act

- (2) The Corporation shall prepare a statement of Programme policy (in accordance with the requirements of Condition 7(4) below) at annual intervals:
  - (a) setting out its proposals for securing that, during the following year,
    - (i) the public service remit for the Channel 4 Service will be fulfilled; and
    - (ii) the duties imposed on it under Conditions 8 to 11 and Condition 13 below and by virtue of Sections 277 to 289A of the Communications Act (as applicable to the Channel 4 Service) will be performed; and
  - (b) containing a report on its performance in carrying out, during the period since the previous statement, the proposals contained in that statement.
- (3) The Corporation shall monitor its own performance in the carrying out of the proposals contained in the statements made in pursuance of Condition 7(2) above.
- (4) Each statement of Programme policy must be:
  - (a) prepared having regard to guidance drawn up and from time to time revised by Ofcom in accordance with Section 266(5) and (6) of the Communications Act;
  - (b) prepared taking account of the reports previously published by Ofcom under Sections 264 and 358 of the Communications Act and in particular take special account of the most recent such reports;
  - (c) published by the Corporation as soon as practicable after its preparation is complete; and
  - (d) published in such manner as the Corporation considers appropriate having regard to the guidance referred to in Condition 7(4)(a) above.

#### Section 267 of the Communications Act

(5) If the Corporation's statement of Programme policy contains proposals for a significant change (which shall be determined in accordance with Section 267(4) and Section 267(5) of the Communications Act, including any guidance issued and from time to time revised by

Ofcom) as a result of which the Channel 4 Service would in any year be materially different in character from in previous years, the Corporation shall:

- (a) consult Ofcom before preparing the statement; and
- (b) take account, in the preparation of the statement, of any opinions expressed to it by Ofcom.
- (6) If it appears to Ofcom that a statement of Programme policy has been prepared by the Corporation in contravention of Condition 7(5) above, the Corporation shall, in accordance with any directions given to it by Ofcom:
  - (a) revise such statement; and
  - (b) publish a revision of such statement after it has been approved by Ofcom.

# 8. Regional Programme-Making

#### Section 288(1), (4) and (5) of the Communications Act

- (1) The Corporation shall include in the Channel 4 Service Programmes made in the United Kingdom outside the M25 area:
  - (a) in the proportions specified in paragraph 5 of Part 1 of the Annex; and
  - (b) which, taken together, constitute a suitable range of such Programmes.
- (2) The Corporation shall ensure that the proportion of expenditure specified in paragraph 5 of Part 1 of the Annex (determined by reference to the expenditure of the Corporation on Programmes made in the United Kingdom for viewing in the Channel 4 Service) is referable to Programme production at different production centres outside the M25 area which, taken together, constitute a suitable range of such production centres.
- (3) In complying with this Condition 8, the Corporation shall have regard to any guidance that may be issued by Ofcom.
- (4) In this Condition 8, "**Programme**" does not include an advertisement, and "**expenditure**", in relation to a Programme, has the meaning given to it in Section 288(5) of the Communications Act.

### 9. Commissioning of Independent Productions

#### Section 285 of the Communications Act

- (1) The Corporation shall draw up and from time to time revise a code of practice setting out the principles that it will apply when agreeing terms for the commissioning of Independent Productions, such code in particular to secure in the manner described in guidance issued by Ofcom that:
  - (a) a reasonable timetable is applied to negotiations for the commissioning of an Independent Production and for the conclusion of a binding agreement;
  - (b) there is what appears to Ofcom to be sufficient clarity, when an Independent Production is commissioned, about the different categories of rights to broadcast or otherwise to make use of or exploit the commissioned production, that are being disposed of;
  - (c) there is what appears to Ofcom to be sufficient transparency about the amounts to be paid in respect of each category of rights;
  - (d) what appears to Ofcom to be satisfactory arrangements are made about the duration and exclusivity of those rights;
  - (e) procedures exist for reviewing the arrangements adopted in accordance with the code and for demonstrating compliance with it, such procedures to include requirements for the monitoring of the application of the code and for the making of reports to Ofcom; and
  - (f) provision is made for resolving disputes arising in respect of the provisions of the code (by independent arbitration or otherwise) in a manner that appears to Ofcom to be appropriate.
- (2) The Corporation shall ensure that the drawing up or revision of a code made pursuant Condition 9(1) above is in accordance with guidance issued by Ofcom as to:
  - (a) the times when it is to be drawn up or reviewed with a view to revision;
  - (b) the consultation to be undertaken before it is drawn up or revised; and
  - (c) its publication and publication of any revision or replacement of it,

and such code and any revision to it shall be submitted to Ofcom for approval and have effect subject to that approval and such modifications as Ofcom may require.

- (3) The Corporation shall from time to time make any revisions that are necessary to take account of revisions of the guidance issued by Ofcom referred to in Condition 9(2) above.
- (4) The Corporation shall ensure that it complies at all times with any code drawn up and for the time being in force pursuant to this Condition 9.

### 10. Broadcasting of Independent Productions

#### Section 277 of the Communications Act

- (1) The Corporation shall ensure that in each calendar year of the Licensing Period not less than the percentage amount specified in paragraph 6 of Part 1 of the Annex (or such other percentage that the Secretary of State may from time to time by order specify pursuant to Section 277(3) of the Communications Act) of the total amount of time allocated to the broadcasting of Qualifying Programmes in the Channel 4 Service is allocated to the broadcasting of a range and diversity of Independent Productions.
- (2) For the purposes of Condition 10(1) above, the reference to a range of Independent Productions is a reference to a range of such productions in terms of cost of acquisition and the types of Programmes involved.
- (3) The Corporation shall comply with any further requirements that Ofcom may from time to time impose pursuant to Section 277(4) of the Communications Act in relation to the percentage of programming budget that is applied in the acquisition (which includes commissioning and acquisition of a right to include a Programme in the Channel 4 Service or to have it broadcast) of Independent Productions (determined in accordance with an order made under Section 277(9) of the Communications Act).
- (4) The Corporation shall comply with any direction of Ofcom for the purpose of carrying forward to one or more subsequent years any shortfall for any year in its compliance with the requirements of Condition 10(1) and (3) above and thereby increasing the percentage applicable for the purposes of those Conditions to the subsequent year or years.
- (5) In complying with this Condition 10, the Corporation shall have regard to any guidance that may be issued by Ofcom.
- (6) In this Condition 10 "**Programme**" does not include an advertisement.

# 11. Original Productions

#### Section 278 of the Communications Act

(1) The Corporation shall ensure that in each calendar year of the Licensing Period:

- (a) not less than the percentage amount specified in paragraph 4 of Part 1 of the Annex by time of the Programmes included in the Channel 4 Service are original productions or commissions for the Channel 4 Service; and
- (b) the time allocated to the broadcasting of original productions is split between Peak Viewing Times and other times in the manner specified in paragraph 4 of Part 1 of the Annex.
- (2) For the purposes of this Condition 11 "**Programme**" does not include an advertisement; and "**original productions**" shall be determined in accordance with an order made under Section 278(6) of the Communications Act.

#### 12. General Standards and Requirements

#### Section 319, 320 and 325(1) of the Communications Act

The Corporation shall ensure that the provisions of the Standards Code are observed in the provision of the Channel 4 Service.

# 12A. Requirements for the handling of communication from viewers

(1) The Corporation shall be responsible for all arrangements for the management of communication, including telephony, between members of the public and the Corporation or the Corporation's contractors or agents (together here described as "the Corporation") where such communication is publicised in Programmes. "Communication" includes, but is not limited to, methods of communication in which consideration is passed between a member of the public and the Corporation directly or indirectly and methods of communication intended to allow members of the public to register with the Corporation indications of preference or intended to allow entry to any competition, game or scheme operated by the Corporation.

(2)

- (a) Arrangements for the management of methods of communication publicised in Programmes and intended to allow communication between members of the public and the Corporation must ensure, in particular, that:
  - reasonable skill and care is exercised by the Corporation in the selection of the means of communication and in the handling of communications received:
  - voting, competitions, games or similar schemes are conducted in such ways as to provide fair and consistent treatment of all eligible votes and entries; and

- (iii) publicity in Programmes for voting, competitions, games or similar schemes is not materially misleading.
- (b) In addition to the requirements in Condition 12A(2)(a), see Condition 16(3).

(3)

- (a) The Corporation shall implement and maintain appropriate compliance procedures to ensure arrangements for the management of methods of communication publicised in Programmes and intended to allow communication between members of the public and the Corporation fulfil all the requirements set out in Condition 12A(2) above.
- (b) Where the Corporation uses a Controlled Premium Rate Service, as defined under the premium rate service Condition in force at the time made under Section 120 of the Communications Act, as the method of communication for voting or competitions publicised within Programme time, the Corporation shall ensure that its compliance procedures include a system of verification by an appropriate independent third party ("the third party"), in accordance with the following requirements:
  - (i) Verification shall include confirmation by the third party that an end-to-end analysis of the technical and administrative systems to be used for the receipt and processing of votes and competition entries from members of the public has been conducted and that such systems fulfil all the requirements set out in Condition 12A(2) above. All such systems and the analysis of such systems must be fully documented.
  - (ii) Verification shall include appropriately regular reviews by the third party of individual programmes. Such reviews must track all votes or competition entries through all stages from receipt, and the results of each review must be fully documented.
  - (iii) The Corporation shall ensure that a member of the Corporation ("the designated member") has specific responsibility for verification.
  - (iv) The Corporation shall ensure that the third party provides reports regarding analyses of processes (as specified under Condition 12A(3)(b)(i)) and reviews of individual Programmes (as specified under Condition 12A(3)(b)(ii)) to the designated member. If significant irregularities or other problems are discovered, the Corporation shall ensure that these are reported forthwith to Ofcom.
  - (v) The Corporation shall provide forthwith and in an appropriate form any information requested by Ofcom regarding verification.

- (vi) The Corporation shall retain for at least two years all relevant data regarding votes and competition entries from callers by means of Controlled Premium Rate Services and all documentation regarding the verification of its systems (as specified under Condition 12A(3)(b)(i)) and the reviews of individual Programmes (as specified under Condition 12A(3)(b)(ii)).
- (vii) The Corporation shall publish annually a statement signed by the designated member confirming that it is satisfied that the Corporation has in place suitable procedures to fulfil the requirements of Condition 12A(3)(b) and confirming the name of the third party engaged by the Corporation to fulfil the requirements of Condition 12A(3)(b).

#### Section 335 of the Communications Act

(4) If this Condition applies, the Corporation shall not broadcast advertising and teleshopping which are specifically and with some frequency directed to audiences in a single ECTT Party other than the UK, in a way that other ECTT Party has determined contravenes the rules of that ECTT Party.

#### 12B. ECTT Standards

- (1) This Condition applies if, and throughout the period during which, the Channel 4 Service:
  - (a) can be received by the general public in all parts of another ECTT Party using standard consumer equipment; and
  - (b) can be accessed in the relevant Party by means of an electronic programme guide which:
    - (i) is licensed or otherwise regulated under the law of the relevant Party, or
    - (ii) if the relevant Party is a Party other than the United Kingdom whose law does not regulate the provision of electronic programme guides, is provided by a person whose head office is in the relevant Party.
- (2) If this Condition 12B applies, the Corporation shall not broadcast advertising and teleshopping which are specifically and with some frequency directed to audiences in a single ECTT Party other than the UK, in a way which that other ECTT Party has determined contravenes the rules of that ECTT Party, unless the rules concerned establish a discrimination between advertising and teleshopping transmitted by broadcasters within and outside the jurisdiction of that ECTT Party.

#### 13. News and Current Affairs

#### Section 279 of the Communications Act

- (1) The Corporation shall include news Programmes and current affairs Programmes in the Channel 4 Service that are of high quality and deal with both national and international matters.
- (2) The Corporation shall ensure that the time allocated to news Programmes included in the Channel 4 Service and current affairs Programmes included in the Channel 4 Service:
  - (a) constitutes in each case no less than the total amount of time specified in paragraphs 2 and 3 of Part 1 of the Annex (such time being an appropriate proportion of the time allocated to the broadcasting of all the Programmes included in the channel); and
  - (b) is, in each case, split between Peak Viewing Times and other times in the manner specified in paragraphs 2 and 3 of Part 1 of the Annex.
- (3) In complying with this Condition 13, the Corporation shall have regard to any guidance that may be issued by Ofcom.

# 14. Party Political Broadcasts

#### Section 333 of the Communications Act

- (1) The Corporation shall include in the Channel 4 Service party political broadcasts and referendum campaign broadcasts (as defined in the Political Parties, Elections and Referendums Act 2000) in accordance with such rules as are referred to in paragraph 38 of Schedule 18 to the Communications Act or as from time to time may be made by Ofcom pursuant to Section 333(1)(b) of the Communications Act with respect to such matters.
- (2) Such rules may include, without limitation, provision with regard to: the political parties on whose behalf political broadcasts may be made, the length and frequency of such broadcasts, and the length and frequency of referendum campaign broadcasts that are required to be broadcast on behalf of each designated organisation (as defined in Section 333(6) of the Communications Act).

#### 15. Listed Events

#### Section 101(1) of the 1996 Act

- (1) The Corporation shall comply in all respects with the Listed Events provisions of the 1996 Act and, for the avoidance of doubt, provisions contained in this Condition 15 that derive from amendments made to the 1996 Act by the Communications Act shall apply only from such time as relevant Sections of that Act are commenced.
- (2) The Corporation shall not include within the Channel 4 Service (the "first service") live coverage of the whole or any part of a Listed Event unless:

(a)

- (i) another person who is providing a service falling within Section 98(1)(b) of the 1996 Act (the "second service") has acquired the right to include in the second service live coverage of the whole of the event or of that part of the event; and
- (ii) the area for which the second service is provided consists of or includes the whole, or substantially the whole, of the area for which the first service is provided; or
- (b) Ofcom has consented in advance to inclusion of that coverage in the first service; or
- (c) the event is a Group B event for which rights to provide coverage have been acquired by one or more other persons in addition to the Corporation; and
  - (i) that additional coverage constitutes adequate alternative additional coverage of the event; and

#### Section 104ZA of the 1996 Act

(ii) the person or persons who have acquired rights to provide the additional coverage satisfy the requirements in relation to that coverage of any regulations made by Ofcom in accordance with Section 104ZA of the 1996 Act.

#### Section 97(5)(a) of the 1996 Act

- (3) Condition 15(2) shall not apply where:
  - (a) the Corporation is exercising rights acquired before 1st October 1996; and

(b) the Corporation is exercising rights acquired in relation to an event listed after 1st October 1996 where such rights were acquired before the date referred to in Section 97(5)(a) of the 1996 Act.

# Section 97 (5A) and (5B) of the 1996 Act (see Section 299(4) of the Communications Act)

- (4) The allocation or transfer of an event to Group A:
  - (a) shall not affect the validity of rights acquired in relation to that event where such rights were acquired before the date referred to in Section 97(5A) of the 1996 Act; and
  - (b) where the Secretary of State makes a direction in accordance with Section 97(5B), will not affect the application of Condition 15(2)(c) which will continue to apply in relation to a Group B event that is transferred to Group A as if the event remained a Group B event.

#### Section 101(1)(b) of the 1996 Act

(5) Except where otherwise stated, this Condition 15 applies to the Channel 4 Service if and to the extent that the Channel 4 Service is made available (within the meaning of Part 3 of the Communications Act) for reception by members of the public in the United Kingdom or in any area of the United Kingdom.

#### Sections 101A and 101B(1) of the 1996 Act

- (6) The Corporation shall not, without the previous consent of Ofcom, exercise any rights to televise, for reception in another EEA State, the whole or part of an event:
  - (a) that has been designated by that other EEA State, and notified by it to the European Commission, in accordance with Article 14 of the Audiovisual Media Services Directive, as being of major importance to its society; and
  - (b) in such a way that a substantial proportion of the public in that State is deprived of the possibility of following that event by live or deferred coverage on free television as determined by that State in accordance with Article 14 of the Audiovisual Media Services Directive.

This Condition is without prejudice to the Corporation's right of access to events of high interest to the public for the purpose of short news reports pursuant to Article 15 of the Audiovisual Media Services Directive.

#### Section 101B(1A) of the 1996 Act

- (6A) The Corporation shall not, without the previous consent of Ofcom, exercise any rights to televise, for reception in another ECTT Party the whole or part of an event:
  - (a) that has been designated by that other ECTT Party, and published by the Standing Committee of the European Convention on Transfrontier Television, in accordance with Article 9bis of that treaty, as being of major importance to its society; and
  - (b) where a substantial proportion of the public in that Party is deprived of the possibility of following that event by live or deferred coverage on free television, as determined by that Party in accordance with any guidelines issued by the Standing Committee of the European Convention on Transfrontier Television.
  - (c) This Condition is without prejudice to the Corporation's right to broadcast short reports of events of high interest to the public pursuant to Article 9 of the European Convention on Transfrontier Television.

#### Section 104ZA of the 1996 Act

- (7) For the purposes of this Condition 15:
  - (a) the circumstances in which the televising of listed events generally, or of a particular listed event, is, or is not, to be treated as live for the purposes of Part IV of the 1996 Act shall be determined in accordance with the regulations referred to in Condition 15(2)(c)(ii) above;
  - (b) what is (whether generally or in relation to particular circumstances) to be taken to represent the provision of adequate alternative coverage shall be determined in accordance with the regulations referred to in Condition 15(2)(c)(ii) above;

#### Section 104(1) of the 1996 Act

- (c) guidance as to the matters which Ofcom will take into account in determining:
  - (i) whether to give or revoke their consent for the purposes of Condition 15(2) and 15(6); and
  - (ii) whether to take action pursuant to Condition 34(4)(a) or 34(4)(b) in circumstances where the Corporation fails to comply with Conditions 15(2) or 15(6),

shall be provided in the Code on Sports and Other Listed and Designated Events.

(8) The Corporation shall supply to Ofcom such information as Ofcom may reasonably require to determine the Corporation's compliance with this Condition 15 and for the purposes of determination made by it pursuant to Section 102 or Section 103 of the 1996 Act.

## 16. Advertising and Sponsorship Standards and Requirements

#### Section 322 of the Communications Act

- (1) The Corporation shall comply with all directions, whether general or specific and/or qualified or unqualified, given to it by Ofcom, with respect to:
  - the maximum amount of time to be given over to advertisements in any hour or other period;
  - (b) the minimum interval which must elapse between any two periods given over to advertisements;
  - (c) the number of such periods to be allowed in any Programme or in any hour or day; and
  - (d) the exclusion of advertisements from a specified part of the Channel 4 Service,

which directions may make different provision for different parts of the day, different parts of the week, different types of programmes or for other differing circumstances.

#### Sections 325(4) and (5) and 321(4) of the Communications Act

- (2) The Corporation shall comply with all directions given to it by Ofcom with regard to advertisements or methods of advertising or sponsorship, including without limitation directions with respect to:
  - (a) the exclusion from the Channel 4 Service of a particular advertisement, or its exclusion in particular circumstances;
  - (b) the descriptions of advertisements and methods of advertising to be excluded from the Channel 4 Service (whether generally or in particular circumstances); and
  - (c) the forms and methods of sponsorship to be excluded from the Channel 4
    Service (whether generally or in particular circumstances).

#### Sections 121 to 123 and 321(4) of the Communications Act

(3) The Corporation shall ensure that the provisions of the code approved by Ofcom for regulating the provision of premium rate services, or in the absence of such a code, the terms of any order made by Ofcom for such purposes, are observed in the provision of the Channel 4 Service.

#### Sections 321(1) and 321(4) of the Communications Act

(4) The Corporation shall ensure that the provisions of the Standards Code set to secure the objectives in Section 319(2)(a) and (fa) to (j) of the Communications Act and relating to standards and practice in advertising and sponsorship of Programmes and any prohibitions of advertisements and forms and methods of advertising or sponsorship of Programmes are observed in the provision of the Channel 4 Service.

#### Section 321(4) of the Communications Act

(5) The Corporation shall supply to Ofcom details, in whatever form and within such period as Ofcom may reasonably require, of any particular advertisement or any class of advertisement specified by Ofcom or any sponsored Programme which Ofcom shall from time to time request.

# 17. Subtitling, Signing and Audio-Description

#### Section 307(1) of the Communications Act

The Corporation shall ensure that the provisions of the Code on Subtitling, Signing and Audio-Description are observed in the provision of the Channel 4 Service and the Corporation shall provide subtitling, signing and audio-description in the amounts set out in paragraph 7 of Part 1 of the Annex.

# 18. Transmission arrangements and technical standards and requirements for the Channel 4 Service

#### Section 4(1)(d) of the 1990 Act

- (1) The Corporation shall:
  - (a) procure that the Channel 4 Service is broadcast so as to be available for reception by members of the public throughout so much of the C4 Area as is for the time being reasonably practicable by the holder of the C3/C4 multiplex licence in accordance with the Table of Digital Terrestrial Broadcasting Stations for Multiplex Licences;

- (b) contribute to the costs incurred by the holder of the C3/C4 multiplex licence in respect of the broadcasting for reception by members of the public of the Channel 4 Service in such manner as may be approved by Ofcom; and
- (c) do all that it can to ensure that the relevant provisions of the Television Technical Performance Code are observed in all the operations under its direct control, in the Distribution of the Programmes included in the Channel 4 Service, and by any third parties involved in the provision of Programmes included in the Channel 4 Service.
- (2) In this Condition 18 and within definitions that are used in this Condition, "available for reception by members of the public" shall be construed in accordance with Section 361 of the Communications Act.

# 19. Retention and Production of Recordings

#### Section 334(1) and (2) of the Communications Act

- (1) The Corporation shall adopt procedures acceptable to Ofcom for the retention and production of recordings in sound and vision of any Programme. If the Channel 4 Service is an EPG, it may instead adopt procedures acceptable to Ofcom for the retention and production of the information contained in the EPG in human-readable form. The EPG data should be clearly visible as well as the relevant channel, time, date and region.
- (2) In particular, the Corporation shall:

(a)

- (i) make and retain or arrange for the retention of a recording in sound and vision of every Programme included in the Channel 4 Service for a period of 90 days from the date of its inclusion therein. If the Channel 4 Service is an EPG, it may instead make and retain or arrange for the retention of the information contained in the EPG in human-readable form for the same period;
- (ii) retain or arrange for the retention of a recording in sound and vision of every Programme included in the Channel 4 Service where copies of such Programmes are not readily available to the Corporation from other sources for a period of 90 days from the date of first inclusion therein;
- (b) at the request of Ofcom forthwith produce to Ofcom any such recording or information for examination or reproduction; and

(c) at the request of Ofcom forthwith produce to Ofcom any script or transcript of a Programme included in the Channel 4 Service which the Corporation is able to produce to it.

### 20. General provision of information to Ofcom

#### Section 4(1)(c) of the 1990 Act

- (1) The Corporation shall furnish to Ofcom in such manner and at such times as Ofcom may reasonably require such documents, accounts, returns, estimates, reports, notices or other information as Ofcom may require for the purpose of exercising the functions assigned to it by or under the 1990 Act, the 1996 Act or the Communications Act and in particular (but without prejudice to the generality of the foregoing):
  - (a) a declaration as to its corporate structure (or the equivalent if the Corporation is not a body corporate) in such form and at such times as Ofcom shall specify;

#### Section 143(5) of the 1996 Act and Section 5(1)(a) of the 1990 Act

(b) such information as Ofcom may reasonably require from time to time for the purposes of determining whether the Corporation on any ground is a disqualified person by virtue of any of the provisions in Section 143(5) of the 1996 Act and/or Schedule 2 to the 1990 Act or contravenes requirements imposed by or under Schedule 14 to the Communications Act;

#### Section 4(1)(c) of the 1990 Act and Section 15 of the 1996 Act

(c) annual income and expenditure returns and supplementary annexes in such form and at such times as Ofcom shall require;

#### Section 4(1)(c) of the 1990 Act

- (d) annual statements of its Qualifying Revenue in respect of each entire accounting period of the Corporation in such form as Ofcom shall require; and
- (e) a copy of the Corporation's annual report and accounts as soon as possible after these have been transmitted to the Secretary of State pursuant to paragraph 13 of Schedule 3 to the 1990 Act.
- (2) Without prejudice to the generality of Condition 20(1) above, the Corporation shall notify Ofcom in writing:

- (a) of any change in the chief executive and other ex officio members of the Corporation holding office pursuant to Section 23(5) of the 1990 Act within 28 days of the occurrence of any such change; and
- (b) if the Corporation becomes aware that any member of the Corporation has a financial or other interest which is likely to affect prejudicially the discharge by it of its functions as a member of the Corporation, and it will procure that each member of the Corporation declares to the Corporation any such interest which it may have forthwith.

#### 21. Notifications to Ofcom

#### Section 5(5) of the 1990 Act

- (1) The Corporation shall inform Ofcom forthwith in writing if:
  - (a) the Corporation becomes aware that any order is made or any resolution is passed or other action is taken for the dissolution, termination of existence, liquidation (whether compulsory or voluntary), or winding up of the Corporation (otherwise than for the purpose of reconstruction or amalgamation made whilst the Corporation is solvent and previously approved in writing by Ofcom) or a liquidator, trustee, receiver, administrative receiver, administrator, manager or similar officer is appointed in respect of the Corporation, or in respect of all or any part of its assets; or
  - (b) the Corporation makes or proposes to enter into any scheme of compromise or arrangement with its creditors, save for the purposes of amalgamation or reconstruction whilst the Corporation is solvent; or
  - (c) the Corporation permits an execution to be levied against its assets and/or chattels and allows such execution to remain outstanding for more than 14 days; or
  - (d) anything analogous to or having a substantially similar effect to any of the events specified in Conditions 21(1)(a) to (c) above occurs under the laws of any applicable jurisdiction.

#### Sections 4(1)(c) of the 1990 Act

(2) The Corporation shall inform Ofcom when final judgment is awarded against it in any court proceedings brought against it in respect of the inclusion in the Channel 4 Service of any defamatory, seditious, blasphemous or obscene matter or any matter which constitutes an injurious falsehood or slander of title or any tort or an infringement of any copyright, moral right, right in a performance, design right, registered design, service mark trademark,

letters patent or other similar monopoly right or a contravention of the provisions of the Official Secret Acts or of any statutory enactment or regulation for the time being in force or a criminal offence or contempt of Court or breach of Parliamentary privilege.

#### Article 1(3)(b) of the Audiovisual Media Services Directive

(3) The Corporation shall notify Ofcom of any change that may affect the criteria under which the Channel 4 Service falls under the jurisdiction of the UK as soon as reasonably practicable.

#### 22. Renewal of the Licence

#### Section 231(7) of the Communications Act

Ofcom may renew the Licence on one or more occasions for such period as it may think fit in relation to the occasion in question.

## 23. Fair and Effective Competition

#### Section 316 of the Communications Act

- (1) The Corporation shall:
  - (a) not enter into or maintain any arrangement, or engage in any practice, which is prejudicial to fair and effective competition in the provision of licensed services or of connected services; and
  - (b) comply with any code or guidance for the time being approved by Ofcom for the purpose of ensuring fair and effective competition in the provision of licensed services or of connected services; and
  - (c) comply with any direction given by Ofcom to the Corporation for that purpose.
- (2) In this Condition 23 "connected services" and "licensed service" have the meanings given to them in Section 316(4) of the Communications Act.

# 24. Restrictions on the holding of licences

The Corporation shall ensure that it does not become a disqualified person in relation to the Licence and shall comply in all respects with the restrictions or requirements imposed on or in relation to it as the holder of the Licence by or under Schedule 2 to the 1990 Act.

### 25. Compliance

# Sections 4(1)(a) and 4(2) of the 1990 Act and Sections 335 and 336 of the Communications Act

(1) The Corporation shall comply with any direction given to it by Ofcom in respect of any matter, subject or thing which direction is in the opinion of Ofcom appropriate, having regard to any duties which are or may be imposed on it, or on the Corporation by or under the 1990 Act, the 1996 Act, the Communications Act or any Relevant International Obligations and all relevant codes and guidance. .

# Section 4(1)(a) and (d) of the 1990 Act and Sections 321(4), 325(1) and 335 of the Communications Act and Article 10 of the European Convention on Transfrontier Television

- (2) The Corporation shall adopt procedures and ensure that such procedures are observed by those involved in providing the Channel 4 Service for the purposes of ensuring that Programmes included in the Channel 4 Service comply in all respects with the provisions of this Licence, the 1990 Act, the 1996 Act, the Communications Act, Relevant International Obligations and all relevant codes and guidance. The Corporation shall, without prejudice to the generality of the foregoing, ensure that:
  - there are sufficient persons involved in providing the Channel 4 Service who are adequately versed in the requirements of this Licence, the 1990 Act, the 1996 Act, the Communications Act, Relevant International Obligations and all relevant codes and guidance and that such persons are able to ensure compliance with such requirements on a day to day basis;
  - (b) adequate arrangements exist for the immediate implementation of such general and specific directions as may from time to time be given to the Corporation by Ofcom;
  - (c) if Condition 12B applies, the requirements of the European Convention on Transfrontier Television are complied with where practicable, having regard to the provisions set out in Article 10 of the Treaty and any guidance issued and from time to time revised by Ofcom for the purpose of giving effect to those provisions;

# Articles 16, 17 and 18 of the Audiovisual Media Services Directive and Section 335 of the Communications Act

(d) the quotas set out in Articles 16(1) and (2), 17 and 18 of the Audiovisual Media Services Directive are complied with where practicable;

- (e) adequate arrangements exist for the advance clearance of advertisements of such types and for such products as Ofcom shall determine; and
- (f) that in each department of the Corporation where any of the procedures referred to in this Condition are to be implemented the member of staff responsible is of sufficient seniority to ensure immediate action and that issues relating to compliance may be brought where necessary directly before senior management for consideration.

#### Section 4(1)(c) of the 1990 Act

(3) The Corporation shall supply Ofcom with details of the procedures (and of any revision of such procedures) adopted by it and required to be observed by those involved in providing the Channel 4 Service for the purposes of Condition 25(2) above.

#### Section 335(4) of the Communications Act

(4) For the purposes of this Condition 25 and Section 335 of the Communications Act, all Conditions of this Licence that are included by virtue of Part 3, Chapter 4 (Regulatory provisions) of the Communications Act are in addition to, and have effect subject to, any Conditions included by virtue of Section 335 of the Communications Act (Conditions securing compliance with international obligations).

#### Section 4(1)(c) of the 1990 Act

- (5) The Corporation shall supply to Ofcom post-transmission data in relation to all Programmes included in the Channel 4 Service covering such information and in such form as Ofcom shall specify, to be delivered to Ofcom as soon after the transmission of the Programmes to which they relate as Ofcom may require.
- (6) The Corporation shall supply to Ofcom such technical performance data as Ofcom shall from time to time require, and at such intervals and in such form as Ofcom shall specify.

#### Section 4(1)(d) of the 1990 Act

(7) The Corporation if so requested by Ofcom shall at such intervals and at such times as Ofcom shall require attend meetings with Ofcom for the purpose of enabling Ofcom to conduct periodic reviews of the performance by the Corporation of its obligations under the Licence.

### 26. Government Directions and Representations

#### Sections 335 and 336 of the Communications Act

- (1) The Corporation shall if so directed by Ofcom:
  - (a) include in the Channel 4 Service, at such times as may be specified to Ofcom by the Secretary of State or any other Minister of the Crown, such announcement as may be specified by a notice given pursuant to Section 336(1) of the Communications Act; or
  - (b) refrain from including in the Programmes included in the Channel 4 Service any matter or description of matter specified to Ofcom by the Secretary of State by a notice given pursuant to Section 336(5) of the Communications Act.
- (2) The Corporation may when including an announcement in the Channel 4 Service in accordance with Condition 26(1)(a) above indicate that the announcement is made in pursuance of a direction by Ofcom.
- (3) The Corporation shall comply with all relevant Conditions of this Licence and any directions given to it by Ofcom pursuant to a notification to Ofcom by the Secretary of State for the purpose of enabling Her Majesty's Government in the United Kingdom to give effect to any International Obligations of the United Kingdom.
- (4) Where Ofcom:
  - (a) has given the Corporation a direction to the effect referred to in Condition 26(1)(b) above; or
  - (b) in consequence of the revocation by the Secretary of State of the notice giving rise to the issuing of such a direction, has revoked that direction or where such a notice has expired,

the Corporation may include in the Channel 4 Service an announcement of the giving or revocation of the direction or of the expiration of the notice, as the case may be.

# 27. Standards Complaints

#### Sections 325(1)(b) and 328(1) of the Communications Act

(1) The Corporation shall ensure that procedures acceptable to Ofcom for the handling and resolution of Standards Complaints in respect of Programmes included in the Channel 4 Service are established and maintained and shall ensure that such procedures are duly observed. (2) The Corporation shall for a period of at least 12 months keep a written record of any complaints referred to in Condition 25(1) above and a written record of any response given by the Corporation in relation to any such complaint and shall make such records available to Ofcom at such times as Ofcom may reasonably require.

### 28. Fairness and Privacy Complaints

# Sections 115 and 119 of the 1996 Act (see also Sections 326 and 327 of the Communications Act)

- (1) The Corporation shall comply with such directions and requests for information as may be given to it by Ofcom following receipt by it from Ofcom of a copy of a Fairness Complaint that relates to the provision of the Channel 4 Service, and in particular the Corporation shall, if so requested:
  - (a) provide Ofcom with a recording in sound and vision of the Programme, or any specified part of it, to which the complaint relates if and so far as such a recording is in its possession;
  - (b) make suitable arrangements for enabling the complainant to view any such recording, or any specified part of it, to which the complaint relates if and so far as such a recording is in its possession;
  - (c) provide Ofcom and the complainant with a transcript of so much of the Programme, or any specified part of it, to which the complaint relates, as consisted of speech, if and so far as the Corporation is able to do so;
  - (d) provide Ofcom and the complainant with copies of any documents in the possession of the Corporation that are originals or copies of any correspondence between the Corporation and the person affected or the complainant in connection with the complaint;
  - (e) provide Ofcom with such other things that Ofcom may specify or describe and that appear to Ofcom to be relevant to its consideration of the complaint and to be in the possession of the Corporation;
  - (f) furnish to Ofcom and the complainant a written statement in answer to the complainant;
  - (g) attend Ofcom and assist it in its consideration of the complaint;
  - (h) take such steps as the Corporation reasonably can to ensure compliance with any request made by Ofcom to any other person under Section 115(7) of the 1996 Act.

# Sections 119 and 120 of the 1996 Act (see also Sections 326 and 327 of the Communications Act)

- (2) The Corporation shall comply with such directions as may be given to it by Ofcom to publish, in such manner, and within such period as may be specified by Ofcom, in any direction given pursuant to Section 119(1) of the 1996 Act, a summary of any Fairness Complaint with regard to a Programme included in the Channel 4 Service, together with Ofcom's findings on the Fairness Complaint or a summary of such findings. The form and content of any such summary shall be such as may be approved by Ofcom.
- (3) References in Condition 28(2) to the publication of any matter shall be references to the publication of that matter without its being accompanied by any observations made by a person other than Ofcom and relating to the Fairness Complaint.
- (4) Where Ofcom has given a direction under Section 119(1) in relation to a Fairness Complaint and either the Corporation and/or any other person responsible for the making or the provision of the relevant Programme has or have taken any supplementary action (interpreted in accordance with Section 120(5) of the 1996 Act) the Corporation shall promptly send to Ofcom a report of that action.

#### Section 326 of the Communications Act

(5) The Corporation shall ensure that the provisions of the Fairness Code are observed in the provision of the Channel 4 Service and in relation to the Programmes included in the Channel 4 Service.

# 29. Publicising Ofcom's Functions

#### Section 328 of the Communications Act

The Corporation shall comply with such directions as may be given to it by Ofcom to secure that:

- the procedures which are established and maintained for handling and resolving complaints about the observance of standards as set out in Section 319 of the Communications Act; and
- (b) Ofcom's functions under Part V of the 1996 Act in relation to the Channel 4 Service.

are brought to the attention of the public (whether by means of broadcasts or otherwise).

# 30. Power of Ofcom to Vary Licence Conditions

#### Section 3(4) of the 1990 Act

Ofcom may by a notice served on the Corporation vary the Licence in any respect provided that the Corporation has been given a reasonable opportunity to make representations to Ofcom concerning the proposed variation.

#### 31. Notices and service

#### Section 394 of the Communications Act

- (1) Any notification or document (as defined in Section 394(9) of the Communications Act) to be served, given or sent under or in relation to this Licence may be delivered to the party to be served or sent by first class post to it at its proper address (as defined in Section 394(7) of the Communications Act) or left at that address.
- (2) Any such notification or document shall be deemed to have been served:
  - (a) if so delivered or left, at the time of delivery or leaving; or
  - (b) if so posted, at 10.00 a.m. on the second business day after it was put into the post.
- (3) In proving such service it shall be sufficient to prove that delivery was made or that the envelope containing such notification or document was properly addressed and posted as a prepaid first class letter or was left at the proper address, as the case may be.

#### Section 395 of the Communications Act

(4) Notices and documents may also be served or given by Ofcom on or to the Corporation and by the Corporation on or to Ofcom in electronic form subject to the requirements set out in Sections 395 and 396 of the Communications Act.

# 32. Equal Opportunities and Training

#### Section 337 of the Communications Act

- (1) The Corporation shall make and from time to time shall review arrangements for:
  - (a) promoting, in relation to employment with the Corporation:
    - (i) equality of opportunity between men and women and between persons of different racial groups; and

- (ii) the equalisation of opportunities for disabled persons; and
- (b) training and retraining persons whom it employs in or in connection with the provision of the Channel 4 Service or the making of Programmes for inclusion in the Channel 4 Service.
- (2) The Corporation shall take appropriate steps to make those affected by the arrangements to be made in accordance with Condition 32(1) aware of them including publishing the arrangements in such manner as Ofcom may require.
- (3) In particular (but without limiting the generality of the foregoing), the Corporation shall from time to time (and at least annually) publish, in such manner as it considers appropriate, its observations on the current operation and effectiveness of the arrangements required by virtue of this Condition.
- (4) The Corporation shall, in making and reviewing the arrangements made in accordance with Condition 32(1), have regard to any relevant guidance published by Ofcom as revised from time to time.
- (5) This Condition 32 shall apply if the requirements of Sections 337(7) and (8) of the Communications Act are satisfied in the case of the Channel 4 Service.
- (6) Of com will treat the Corporation's obligations under Conditions 32(1) to (5) above as discharged where a member of a group of companies to which the Corporation belongs has discharged those obligations in relation to employment with the Corporation.

# PART 3: EXCEPTIONS AND LIMITATIONS ON CORPORATION'S OBLIGATIONS

# 33. Force Majeure

#### Section 4(1)(d) of the 1990 Act

The Corporation shall not be in any way responsible for any failure to comply with any Conditions of this Licence directly or indirectly caused by or arising from any circumstances beyond the reasonable control of the Corporation including (without limitation) war, damage by the King's enemies, terrorism, riot, rebellion, civil commotion, interference by strike, lockout, sit-in, picket or other industrial dispute or action.

# PART 4: CONDITIONS RELATING TO ENFORCEMENT OF THE LICENCE

#### 34. Sanctions for Breach of Condition

#### Section 40 of the 1990 Act

(1)

- (a) If Ofcom is satisfied that the Corporation has failed to comply with any Condition of the Licence and that failure can be appropriately remedied by the inclusion in the Channel 4 Service of a correction or a statement of findings (or both) and Ofcom has given the Corporation a reasonable opportunity to make representations to it about the matters complained of, Ofcom may direct the Corporation to include in the Channel 4 Service a correction or statement of findings (or both) in such form, and at such time or times as Ofcom may determine.
- (b) The Corporation may, when including a correction or statement of findings (or both) in the Channel 4 Service in pursuance of a direction from Ofcom, announce that it is doing so in pursuance of such a direction.
- (2) The Corporation shall comply with any direction from Ofcom not to include in the Channel 4 Service on any future occasion any Programme whose inclusion in the Channel 4 Service Ofcom is satisfied has involved a failure by the Corporation to comply with any Condition of this Licence.

#### Section 41 of the 1990 Act

(3)

- (a) If Ofcom is satisfied that the Corporation has failed to comply with a Condition of the Licence or has failed to comply with any direction given by Ofcom under the Licence and it has given it a reasonable opportunity of making representations to it about the matters complained of, it may serve on the Corporation a notice requiring it to pay to Ofcom, within a specified period, a specified financial penalty.
- (b) The amount of any financial penalty imposed pursuant to Condition 34(3)(a) shall not exceed five per cent. of the Corporation's Qualifying Revenue for its last complete accounting period (as determined in accordance with Section 19(2) to (6) of the 1990 Act and Part 1 of Schedule 7 to that Act) falling within the period for which the Corporation's licence has been in force (the "relevant period").

#### Section 102 of the 1996 Act

- (4)
- (a) If Ofcom:
  - (i) is satisfied that the Corporation has failed to comply with Condition 15(2) or Condition 15(6); and
  - (ii) is not satisfied that in all the circumstances it would be unreasonable to expect the Corporation to have complied with that Condition,

it may serve on the Corporation a notice requiring it to pay to Ofcom, within a specified period, a specified financial penalty.

- (b) If Ofcom is satisfied that, in connection with an application for consent under Condition 15(2) or Condition 15(6), the Corporation:
  - (i) has provided Ofcom with information which is false in a material particular, or
  - (ii) has withheld any material information with the intention of causing Ofcom to be misled,

it may serve on the Corporation a notice requiring it to pay to Ofcom, within a specified period, a specified financial penalty.

- (c) The amount of any financial penalty imposed pursuant to Condition 34(4)(a) or Condition 34(4)(b) shall not exceed the amount produced by multiplying the relevant consideration by the prescribed multiplier.
- (d) For the purpose of Condition 34(4)(c):
  - (i) the "relevant consideration" means an amount determined by Ofcom as representing so much of any consideration paid by the Corporation as is attributable to the acquisition of the rights to televise the event in question; and
  - (ii) the "prescribed multiplier" means such number as the Secretary of State may from time to time by order prescribe under Section 102(4)(b) of the 1996 Act.
- (e) Where any such financial penalty is imposed pursuant to Condition 34(4), Ofcom shall not impose a further financial penalty under Condition 34(3) in respect of the same circumstances.

- (5) Any exercise by Ofcom of its powers under Condition 34(3) or 34(4) shall be without prejudice to Ofcom's powers pursuant to Condition 34(1) and 34(2).
- (6) Prior to exercising its powers under Condition 34(4) in respect of a failure to comply with Condition 15(6), Ofcom shall consult such persons (who may include competent authorities in other EEA States) as appear to Ofcom to be appropriate.

# **ANNEX:**

# Requirements for the provision and content of the Channel 4 Service

# **Definitions and Interpretation**

In the following paragraphs unless the context otherwise requires:

"hours/minutes" refers to the number of hours/minutes per calendar year or per week averaged over a calendar year that would be broadcast, measured in "slot times" (that is, including advertising breaks, Programme trailers and presentation material during and at the end of Programmes) except for material under 10 minutes in length which is measured in "running times" (that is, excluding advertising breaks, Programme trailers and presentation material).

#### News

- (a) News Programmes shall be provided at intervals throughout the period for which the Channel 4 Service is provided, with at least one Programme in the early evening each weekday and a Programme in the early evening at weekends on both Saturday and Sunday.
- (b) Not less than 208 hours in each calendar year of the Licensing Period of news Programmes in Peak Viewing Time shall be included in the Channel 4 Service. Such news Programmes shall be of high quality and deal with both national and international matters. Coverage shall be accurate, impartial, authoritative and comprehensive, in terms both of geography and subject matter. Live coverage of important, fast-moving events shall be provided, with news flashes outside regular bulletins as appropriate.

#### **Current Affairs**

The Corporation shall ensure that there are not less than 178 hours in each calendar year of the Licensing Period of current affairs Programmes included in the Channel 4 Service which are of high quality and deal with both national and international matters, of which 80 hours shall be in Peak Viewing Time.

# Original productions

At least 45 per cent of the hours of Programmes included in the Channel 4 Service in each calendar year shall be originally produced or commissioned for the Channel 4 Service and at least 70 per cent of the hours of Programmes in Peak Viewing Time shall be originally produced or commissioned for the service.

# Regional production

- (a) The Corporation shall ensure that in each calendar year at least 35 per cent of the hours of Programmes made in the UK for viewing on the Channel 4 Service shall be produced outside the M25.
- (b) The Corporation shall ensure that in each calendar year at least 35 per cent of its expenditure on Programmes made in the UK for viewing on the Channel 4 Service shall be allocated to the production of Programmes produced outside the M25 and must be referable to Programme production at a range of production centres.
- (c) Until 31 December 2029, the Corporation shall ensure that in each calendar year at least 9 per cent of the hours of Programmes made in the UK for viewing on the Channel 4 Service shall be produced outside England.
- (d) Until 31 December 2029, the Corporation shall ensure that in each calendar year at least 9 per cent of its expenditure on Programmes made in the UK for viewing on the Channel 4 Service shall be allocated to the production of Programmes outside England and must be referable to Programme production at production centres in Scotland, Wales and Northern Ireland.
- (e) With effect from 1 January 2030 the Corporation shall ensure that in each calendar year at least 12 per cent of the hours of Programmes made in the UK for viewing on the Channel 4 Service are produced outside England.
- (f) With effect from 1 January 2030 the Corporation shall ensure that in each calendar year at least 12 per cent of its expenditure on Programmes made in the UK for viewing on the Channel 4 Service is allocated to the production of Programmes outside England and must be referable to Programme production at production centres in Scotland, Wales and Northern Ireland.

# Independent production

In each calendar year not less than 25 per cent (or such other percentage which the Secretary of State may from time to time by order pursuant to Section 277(3) of the Communications Act specify) of the total amount of time allocated to the broadcasting of Qualifying Programmes in the Channel 4 Service shall be allocated to the broadcasting of a range and diversity of Independent Productions. For these purposes, the reference to a range of Independent Productions shall be interpreted in accordance with Section 277(2)(c) of the Communications Act and must be include a range in terms of the cost and types of Programme.

# Subtitling, Sign Language and Audio Description

In relation to programmes included in the Channel 4 Service that are not excluded programmes, in each calendar year at least 90 per cent of programme hours in the Channel 4 Service must be subtitled; at least 10 per cent of programme hours must be audio described; and at least 5 per cent of programme hours must have sign language. The Corporation must achieve such interim targets for subtitling, sign language and audio description as are notified to it in writing by Ofcom or set out in the Ofcom Code on Subtitling, Sign Language and Audio Description. In this paragraph "excluded programmes" shall be interpreted in accordance with Section 303(6) of the Communications Act; and "programme" does not include an advertisement and "programme hours" shall be interpreted accordingly.