

STATEMENT OF ROYALTIES TO BE COLLECTED BY ~~CMRRA-SODRAC INC. (2011-2013)~~ ~~AND SODRAC (2010-2013)~~ FOR THE REPRODUCTION, ~~IN CANADA,~~ ~~OF MUSICAL WORKS,~~ ~~AND BY SOGAN (2011-2013)~~ ~~FOR THE COMMUNICATION TO THE PUBLIC BY TELECOMMUNICATION OF MUSICAL OR DRAMATICO-MUSICAL WORKS, IN CANADA,~~ ~~BY ONLINE MUSIC SERVICES~~ OF MUSICAL WORKS EMBEDDED IN MUSICAL AUDIOVISUAL WORKS FOR THEIR TRANSMISSION BY A SERVICE, IN CANADA, IN 2018

*Short Title*

1. This tariff may be cited as ~~the Online Music Services Tariff (CSI: 2011-2013; SOGAN: 2011-2013; SODRAC:2010-2013)~~ SODRAC Tariff No. 6. Reproduction of Musical Works Embedded in Musical Audiovisual Works for Transmission by a Service, 2018.

*Definitions*

2. In this tariff,

“cue sheet” means a report containing the following information: the title of the musical audiovisual work, the title of each of the musical works embedded into the musical audiovisual work, the name of the author and composer of each of the musical works, the duration of each of the musical works, the duration of the musical audiovisual work; (« rapport de contenu musical »)

~~“audio track” means a sound recording of a musical work, and, for greater certainty, excludes a music video; (« piste sonore »)~~

~~“authorized distributor” means any person who has entered into an agreement with a licensee permitting that person to distribute the service; (« distributeur autorisé »)~~

~~“bundle” means two or more digital files offered as a single product; (« ensemble »)~~

~~“CMRRA” means Canadian Musical Reproduction Rights Agency Ltd.; (« CMRRA »)~~

~~“collectives” means CMRRA, CSI, SOGAN, and SODRAC; (« sociétés de gestion »)~~

~~“CSI” means CMRRA-SODRAC Inc.; (« CSI »)~~

~~“download” means the receipt by an end-user of a file from a download service and making a reproduction thereof onto a storage device; (« téléchargement »)~~

~~“download service” means a service that transmits to end users a file that is intended to be copied onto an end user’s local storage medium or device and results in a durable copy of that file; (« service de: (« téléchargement »)~~

~~“end-user” means a person who accesses an online music service, whether the person pays a fee or provides other consideration for the service or uses the service free of charge; (« utilisateur final »)~~

~~“file” means a digital file of either an audio track or a music video~~ a musical audiovisual work; (« fichier »)

“free on-demand stream” excludes an on-demand stream provided to a subscriber; (« transmission sur demande gratuite »)

“free subscription” means the provision of free access to limited downloads or on-demand streams to a subscriber; (« abonnement gratuit »)

~~“gross revenue” means, in relation to an online music service, all revenues received by a licensee whether in cash, in kind, in barter or contra, including revenues received for use of the service, and revenues received for promotional activities, such as advertising, that are attributed~~ the aggregate of (a) all revenues payable by or on behalf of end users for access to streams or downloads delivered by a service or its authorized distributors, including membership, subscription and other access fees; (b) all other revenues payable to a service or its authorized distributors in respect of the service, including amounts paid for advertising, product placement, promotion and sponsorship, and commissions on third-party transactions; and (c) amounts equal to the value of the consideration received by a service or its authorized distributors pursuant to any contra and barter agreements related to the operation of the service; (« *revenus bruts* »)

~~“hybrid webcast service” means a webcast service where the files transmitted to an end user may also be copied onto a storage device for the purpose of listening to them later, and where the period for which such files are retained, or the number of files that may be so retained, or both, is limited, and established by the service; (« *service de webdiffusion hybride* »)~~

“identifier” means the unique identifier ~~an online music~~a service assigns to a file ~~or bundle~~; (« *identificateur* »)

~~“interactive webcast service” means a webcast service where the files are chosen by the end user and received at a place and time individually chosen by that person; (« *service de webdiffusion interactive* »)~~

~~“licensee” means a person that operates an online music service that is licensed under this tariff; (« *titulaire de licence* »)~~

“limited download ~~service~~” means a download ~~service where the downloaded files, through technological means,~~that uses technology that causes the file to become unusable upon the happening of a certain event ~~or events, such as the end of the end user’s subscription; (« *service de*~~  (« *téléchargement limité* »)

“musical audiovisual work” Audiovisual work consisting predominantly of musical audiovisual content, including a videoclip, a concert, a musical, a variety show, a program of physical exercises, including any extract of such audiovisual work, fixed on any digital support whatsoever; (« *œuvre audiovisuelle musicale* »)

“non-subscriber” means an end user other than a subscriber, and includes an end user who receives limited downloads or on-demand streams from a service subject to the requirement that advertising be viewed or listened to; (« *non-abonné* »)

“on-demand stream” means a stream selected by its recipient; (« *transmission sur demande* »)

~~“mixed bundle” means a bundle that contains at least one file containing an audio track and at least one file containing a music video; (« *ensemble mixte* »)~~

~~“music video” means an audiovisual representation of one or more musical works, including a concert; (« *vidéo de musique* »)~~

~~“non-interactive webcast service” means a webcast service where the end user exercises no control over the content nor the timing of the transmission of the files; (« *service de webdiffusion non-interactive* »)~~

~~“online music service” means a non-interactive webcast service, a semi-interactive webcast service, an interactive webcast service, a hybrid webcast service, a limited download service, or a permanent download service; (« service de musique en ligne »)~~

~~“permanent download service” means a download service, but does not include other than a limited download service; (« service de téléchargement permanent »)~~

~~“play” means the single performance of a file by an end user; stream or a limited download; (« écoute »)~~

~~“quarter” means from January to March, from April to June, from July to September and from October to December; (« trimestre »)~~

~~“repertoire” means, in relation to each collective, the musical works for which it SODRAC is entitled to grant a licence pursuant to section 3 of this Tariff; (« répertoire »)~~

~~“semi-interactive webcast service” means a webcast service where the end user exercises some level of control over the content of the files, or timing of the transmission of the files, or both service that delivers on-demand streams, limited downloads and permanent downloads of a musical audiovisual work to end users by any means whatsoever (e.g. cable, online, satellite); (« service de webdiffusion semi-interactive »)~~

~~“service provider” means a professional service provider retained by a collective society to assist in the conduct of an audit or in the distribution of royalties to rights holders; (« prestataire de services »)~~

~~“SOCAN” means the Society of Composers, Authors and Music Publishers of Canada; (« SOCAN »)~~

~~“SODRAC” means SODRAC 2003 Inc. and Society for Reproduction Rights of Authors, Composers and Publishers in Canada (SODRAC) Inc.; (« SODRAC »)~~

~~“sound recording” has the meaning given to it in the Copyright Act, R.S.C. 1985, c. C-42; (« enregistrement sonore »)~~

~~“subscriber” means a person who accesses an online music service, pursuant to a contract or otherwise, whether the person pays a fee or provides other consideration for the service or uses the service free of charge; (« abonné »)~~

~~“webcast service” means a service that transmits files to end users, where the files are stream means a file that is intended to be copied by the end user onto a local storage medium or device only to the extent required to allow listening or viewing the contents of to the file at substantially the same time as when the file is received. (« service de webdiffusion transmitted; (« transmission »)~~

~~“subscriber” means an end user with whom a service or its authorized distributor has entered into a contract for service other than on a transactional per download or per stream basis, for a fee, or for other consideration, including pursuant to a free subscription; (« abonné »)~~

~~“unique visitor” means each end user, excluding a subscriber, who receives a free on-demand stream from a service in a month. (« visiteur unique »)~~

*Application*

3. (1) This tariff entitles a ~~licensee, and their~~ service that complies with this tariff, and its authorized distributors, ~~in connection with the operation of an online music service,~~

~~(a) to communicate to the public by telecommunication, in Canada, a musical work in the repertoire of SOCAN, including, as of November 7, 2012, by making it available to the public by telecommunication in a way that allows a member of the public to have access to it from a place and at a time individually chosen by that member of the public;~~

~~(a)~~ (b) to reproduce all or part of a musical work in the repertoire ~~of CSI, where the work is embodied in an audio track, or of SODRAC, where the work is embodied in a music video,~~ for the purpose already embedded in a musical audiovisual work for the purposes of transmitting it in a file to ~~members of the public~~ end users in Canada via the Internet or another ~~digital~~ similar computer network, cable and/or satellite, including by wireless transmission;

~~(b)~~ (e) to authorize ~~another person~~ a third party to reproduce a ~~the~~ musical work ~~for the purpose of delivering~~ already embedded in a musical audiovisual work in order to deliver that file to the service ~~a file that can then be reproduced and transmitted pursuant to~~ that uses it for the purpose set out in paragraph ~~(a)~~ (a); and

~~(c)~~ (d) for permanent and limited downloads, to authorize ~~members of the public~~ end users in Canada to further reproduce, the musical work already embedded in the musical audiovisual work for their own private use, ~~a musical work that has been reproduced and transmitted pursuant to paragraph (a).~~

in connection with the operation of the service.

(2) ~~Despite subsection 3~~ For greater certainty, this tariff does not apply to activities subject to a licence in force between SODRAC and the Canadian Broadcasting Corporation / Société RadioCanada or to activities subject to SODRAC Tariff No. 5 and SODRAC Tariff No. 7.

~~(a) apply to activities subject to a previously certified tariff, including SOCAN Tariff No. 16—Background Music Suppliers (2010-2011), SOCAN Tariff No. 22 (Internet—Other Uses of Music), Part F (Audio Websites), SOCAN Tariff No. 24—Ringtones and Ringbacks (2006-2013), the Satellite Radio Services Tariff (Re:Sound: 2011-2018; SOCAN: 2010-2018), and the Commercial Radio Tariff (SOCAN: 2011-2013; Re:Sound: 2012-2014; CSI: 2012-2013; Connect/SOPROQ: 2012-2017; Artisti: 2012-2014);~~

4. (b) (1) This tariff does not authorize the reproduction of a musical work of the repertoire embedded in a musical audiovisual work in a medley, for the purpose of creating a mashup, for use as a sample, ~~or in association with a product, service, cause or institution;~~ nor.

~~(c) authorize the reproduction or communication by telecommunication of a musical work for the purpose of providing a free preview of an entire music album by webcast, in association with the operation of a permanent download service for audio tracks.~~

~~(3) For greater certainty, this tariff~~

(2) (a) This tariff does not entitle the owner of the copyright in a sound recording of a musical work to authorize the reproduction of that work ~~in the repertoire of CMRRA in a music video;~~ and.

(3) This tariff does not authorize the production of a musical audiovisual work or the synchronization of a musical work in a musical audiovisual work. It authorizes only the transmission by any means whatsoever of existing musical audiovisual works in which the musical work is already embedded.

~~(b) does not apply to the operation of a service that allows end users to store and retrieve— or allows end users to direct the operator of the service to store and retrieve—a musical work.~~

*Period of Application*

~~(4) This tariff applies to activities from January 1, 2011, to December 31, 2013, except in relation to the reproduction of a musical work in the repertoire of SODRAC in connection with the operation of a permanent download service for music videos, for which the tariff applies from January 1, 2010, to December 31, 2013.~~

*Royalties Payable*

Permanent Downloads

5. (1) Subject to paragraph (6)(b), the royalties payable in a month by a service that offers permanent downloads requiring a SODRAC licence shall be 5.64 per cent of the amount paid by an end user for the download, subject to a minimum of 2.6¢ per musical work in a musical audiovisual work that contains 19 or more musical works, per permanent download, and 8.04¢ per permanent download in all other cases.

Limited Downloads

(2) The royalties payable in a month by a service that offers limited downloads requiring a SODRAC licence shall be,

(a) subject to paragraph (6)(a), where the payment is per transaction, 5.64 per cent of the amount paid by an end user for limited downloads, subject to a minimum of 1.73¢ per musical work in a musical audiovisual work that contains 19 musical works or more, per limited download, and 5.36¢ for other limited downloads; and

(b) subject to paragraph (6)(b), where limited downloads are offered with a subscription, with or without on-demand streams.

A x B

C

~~4. (1) Subject to subsection 0, the royalties payable by a licensee that operates~~

where

~~(a) a non-interactive webcast service for audio tracks shall be 1.49% of their gross revenues attributable to the operation of that service, payable to CSI;~~

~~(b) a semi-interactive webcast service for audio tracks shall be 1.49% and 5.3% of their gross revenues attributable to the operation of that service, payable to CSI for 2011 through 2013 and to SOGAN for 2012 and 2013, respectively;~~

~~(c) an interactive webcast service for audio tracks shall be 1.49% and 5.3% of their gross revenues attributable to the operation of that service, payable to CSI and SOCAN, respectively;~~

~~(d) a hybrid webcast service for audio tracks shall be 3.13% and 3.48% of their gross revenues attributable to the operation of that service, payable to CSI and SOCAN, respectively;~~

(A) (e) a permanent download is 5.64 per cent of the gross revenue from the service for audio tracks shall be 8.91% of the amount the month, excluding amounts paid by end users for the permanent downloads of audio tracks, payable to CSI;

~~(f) a limited download service for audio tracks shall be 8.91% of the amount paid by subscribers for the service during the month, payable to CSI;~~

~~(g) a semi-interactive or interactive webcast service for music videos shall be 2.99% of their gross revenues attributable to the operation of that service, payable to SOCAN; and~~

~~(h) a permanent download service for music videos shall be 5.64% of the amount paid by end users for the downloads of music videos, multiplied by SODRAC's share in those works payable to SODRAC.~~

(B) is the number of plays of files requiring a SODRAC licence during the month, and

(C) is the total number of plays of files during the month,

subject to a minimum equal to the greater of

30.08¢ per subscriber; and

0.097¢ for each play of a file requiring a SODRAC licence.

Where a service does not report to SODRAC the number of plays of files as limited downloads, (B) will be deemed to equal either (a) the number of plays of the same musical audiovisual work as an on-demand stream during the month, or (b) if the musical audiovisual work has not been played as an on-demand stream during the month, the average number of plays of all musical audiovisual works as on-demand streams during the month.

On-Demand Streams

(3) Subject to paragraph (6)(b), the royalties payable in a month by a service that offers on-demand streams but does not offer limited downloads shall be

$\frac{A \times B}{C}$

C

*Minimum Royalties*

~~(2) The royalties payable by a licensee pursuant to~~

~~(a) paragraph 0 shall be no less than \$100 per year, payable to CSI;~~

~~(b) paragraph 0 shall be no less than \$100 per year, payable to SOCAN, and \$100 per year, payable to CSI;~~

~~(c) paragraph 0 shall be no less than \$100 per year, payable to SOCAN, and \$100 per year, payable to CSI;~~

~~(d) paragraph 0 shall be no less than \$100 per year, payable to SOCAN, and \$100 per year, payable to CSI;~~

~~(e) paragraph 5(2)(b)(A) shall be no less than \$0.036 per downloaded file containing an audio track, if contained in a bundle containing 13 or more files containing audio tracks, or \$0.066 per downloaded file containing an audio track otherwise, payable to CSI;~~

~~(f) paragraph 0 shall be no less than \$100 per year, payable to CSI;~~

~~(g) paragraph 0 shall be no less than \$100 per year, payable to SOCAN; and~~

~~(h) paragraph 0 shall be no less than \$0.066 per music video containing only one musical work, and \$0.026 per musical work in a music video containing two or more musical works, where both of these amounts are to be adjusted for the partial ownership of the musical works by SODRAC.~~

#### Mixed Bundleswhere

(A) is 3.07 per cent of the gross revenue from the service for the month, excluding amounts paid by end users for permanent downloads,

(B) is the number of plays of files requiring a SODRAC licence during the month, and

(C) is the number of plays of all files during the month,

subject to a minimum equal to the greater of

16.37¢ per subscriber; and

0.054¢ for each play of a file requiring a SODRAC licence.

For clarity, if the service permits an end user to copy files onto a local storage medium or device for later access, the service shall pay royalties pursuant to paragraph (2)(b), not pursuant to this subsection.

#### Free On-Demand Streams

(4) Subject to paragraph (6)(a), the royalties payable for free on-demand streams shall be the lesser of 16.37¢ per unique visitor per month and 0.054¢ per free on-demand stream requiring a SODRAC licence received by that unique visitor in that month.

(5) Subject to paragraph (6)(a), where a service that is required to pay royalties under any of subsections (2) to (4) also offers permanent downloads, the royalty payable by the service for each permanent download requiring a SODRAC licence shall be 5.64 per cent of the amount paid by an end user for the download, subject to a minimum of 2.6¢ per musical work in a musical audiovisual work that contains 19 musical works or more, per permanent download, and 8.04¢ per permanent download in all other cases.

### Adjustments

#### (6) Where SODRAC does not hold all the rights in a musical work,

~~(a) (3) For~~for the purposes of ~~paragraph 5(2)(b)(A), where an end user pays for a mixed bundle, the amount paid by the end user for the files containing audio tracks in the bundle shall be deemed to be~~subsection (1), paragraph (2)(a) and subsections (4) and (5), the applicable royalty shall be the relevant rate multiplied by SODRAC's share in the musical work; and

~~(a) the price of the bundle, multiplied by the sum of the prices of the files containing audio tracks when not sold in a bundle, divided by the sum of the prices of all files in the bundle when not sold in a bundle; or~~

~~(b) when information required to calculate paragraph 0 is not available, the price of the bundle multiplied by the number of files containing audio tracks, divided by the sum of the number of files containing audio tracks and two times the number of files containing a music video.~~

~~(b) (4) For~~for the purposes of ~~paragraph 0, where an end user pays for a mixed bundle, the amount paid by the end user for the files containing music videos in the bundle shall be deemed to be~~(2)(b) and subsection (3), only the share that SODRAC holds shall be included in (B).

#### (7) For the purpose of calculating the minimum payable pursuant to paragraph (2)(b) and subsection (3), the number of subscribers shall be determined as at the end of the month in respect of which the royalties are payable.

~~(a) the price of the bundle, multiplied by the price of the files containing the music videos when not sold in a bundle, divided by the sum of the prices of all files in the bundle when not sold in a bundle; or~~

~~(b) when information required to calculate the amount in paragraph 0 is not available, the price of the bundle, multiplied by two, divided by the sum of the number of files containing audio tracks and two times the number of files containing a music video.~~

### Previews

~~(5) Despite paragraphs 0 to (b), a person who operates, in association with the operation of a permanent download service for audio tracks, a service identified in those paragraphs only for the purpose of providing a preview of not more than 90 seconds of an audio track by webcast is not required to pay any royalties with respect to the operation of that service.~~

### Taxes

~~(8) (6)~~ All royalties payable under this tariff are exclusive of any bank fees and any federal, provincial or other governmental taxes or levies of any kind.

## ADMINISTRATIVE PROVISIONS

### Reporting Requirements: ~~Service Identification~~

~~6. 5.~~ No later than ~~the earlier of~~ 20 days after the end of the first month during which a licensee, ~~in connection with the operation of an online music service, communicates or~~ reproduces a file requiring a SOCAN, CSI, or SODRAC licence ~~under this tariff, or authorizes another person to do the same, and in any event~~ and the day before the service first makes ~~that~~ such a file available to the public, ~~the licensee~~ whichever comes first, the service shall provide to SOCAN, CSI, and SODRAC the following information:

(a) the name of the person who operates the service, including

- (i) ~~if a~~ the name of the corporation, ~~its name~~ and ~~a mention of~~ its jurisdiction of incorporation,
- (ii) ~~if a sole proprietorship,~~ the name of the proprietor of an individual proprietorship,
- (iii) ~~if a partnership,~~ the name of each partner of a partnership, ~~and or~~
- (iv) ~~in any event,~~ the names of the principal officers ~~or operators of the service or~~ any other service,

~~(iv)~~ together with any other trade name under which the service carries on business;

(b) the address of its principal place of business;

(c) the name, address and email address of the persons to be contacted for the purposes of notice ~~and, if different from that name, address and email,~~ for the exchange of data and for the purposes of invoicing and payment ~~of royalties, the provision of information pursuant to subsection 16(2) and any inquiries related thereto;~~

~~(d) the name of each online music service operated by the licensee;~~

~~(d)~~ ~~(e)~~ the name and address of any authorized distributor; and

~~(e)~~ ~~(f)~~ the Uniform Resource Locator (URL) of each ~~Internet site~~ website at or through which the service is or will be offered; ~~and~~.

### Sales Reports

~~(g) all of the services identified in paragraphs 0 to 0 that the licensee operates.~~

### *Music Use Report Definition*

~~7. 6.~~(1) In this section, "required information" means, in respect of a file, ~~where available~~

~~(a) its identifier;~~

~~(a)~~ ~~(b)~~ the title of the musical ~~work or works it contains~~ audiovisual work in the languages in which the service offers them and, if applicable, the title in the original language;

~~(b)~~ ~~(c)~~ ~~whether the file contains an audio track or a music video~~ the cue sheet;

~~(c)~~ its identifier (Universal Product Code, product number, ISBN); and

~~(d) the name of each performer or group to whom the audio track or music video contained in the reference number attributed by the service to each file is credited;~~

#### Permanent and Transactional Limited Downloads

~~(e) the name of the person who released the audio track or music video contained in the file;~~

~~(f) if the licensee believes that a SODRAC licence is not required, information that establishes why the licence is not required;~~

~~(g) the name of each author of each musical work;~~

~~(h) the International Standard Recording Code (ISRC) assigned to the audio track or music video contained in the file;~~

~~(i) in the case of a file containing an audio track, if the audio track contained in the file is or has been released in physical format as part of an album, the name, identifier, product catalogue number and the Universal Product Code (UPC) assigned to the album, together with the associated disc and track numbers;~~

~~(j) the name of each music publisher associated with each musical work contained in the file;~~

~~(k) the International Standard Musical Work Code (ISWC) assigned to each musical work contained in the file;~~

~~(l) the Global Release Identifier (GRid) assigned to the file and, if applicable, the GRid of the album or bundle in which the file was released;~~

~~(m) the running time of the file, in minutes and seconds; and~~

~~(n) any alternative title used to designate the musical work, music video, or sound recording contained in the file.~~

~~(1.1) For certainty, information is “available” under subsection 7 if it is in the possession or control of the licensee operating the relevant online music service, regardless of the form or the way in which it was obtained.~~

#### ~~Non-interactive Music Webcast Service~~

~~(2) No later than 20 days after the end of each month, any licensee that operates an online music quarter, a service ~~in relation to which they are~~ that is required to pay royalties pursuant to subsection 5(1) or paragraph ~~4(1)(a)~~ 5(2)(a) shall provide, ~~in relation to that service, to CSI, to~~ SODRAC a report setting out, for that quarter, allocated by month,~~

~~(a) in relation to each file that was transmitted to an end user, the required information; delivered as a permanent or transactional limited download,~~

~~(b) the number of plays of each file; and~~

~~(c) the gross revenue attributable to the operation of the service.~~

*Semi-interactive Music Webcast Service*

~~(3) No later than 20 days after the end of each month, any licensee that operates an online music service in relation to which they are required to pay royalties pursuant to paragraph 0 shall provide, in relation to that service, to each of GSI and SOCAN, a report setting out, for that month,~~

~~(i) (a) in relation to each file that was transmitted to an end user, the required information; and~~

~~(ii) separately, the number of permanent downloads and transactional limited downloads for each file, the amounts paid by end users for the file, including, if the file is offered as a permanent download or transactional limited download at different prices from time to time, the number of permanent downloads and transactional limited downloads delivered at each different price.~~

Subscription-Based Limited Downloads and On-Demand Streams

~~(b) the number of plays of each file; and~~

~~(c) the gross revenue attributable to the operation of the service.~~

*Interactive Music Webcast Service*

~~(3) (4) No later than 20 days after the end of each month, any licensee that operates an online music service in relation to which they are required to pay royalties pursuant to paragraph 05(2)(b) and subsection 5(3) shall provide, in relation to that service, to each of GSI and SOCAN, to SODRAC a report setting out, for that quarter, allocated by month,~~

~~(a) in relation to each file that was transmitted delivered as a limited download or an on-demand stream to an end user, the required information;~~

~~(b) separately, the total number of plays of each file; and as an on-demand stream and as a limited download;~~

~~(c) the gross revenue attributable to the operation of number of subscribers to the service. during the quarter and the total amounts paid by them during that quarter;~~

*Hybrid Music Webcast Service*

~~(5) No later than 20 days after the end of each month, any licensee that operates an online music service in relation to which they are required to pay royalties pursuant to paragraph 0 shall provide, in relation to that service, to each of GSI and SOCAN, a report setting out, for that month,~~

~~(a) in relation to each file that was transmitted to an end user, the required information;~~

~~(d) (b) the number of plays of each file, excluding plays of copies stored on an end user's storage device; and by non-subscribers and the total amounts paid by them during that quarter;~~

~~(e) (c) the gross revenue attributable to the operation of from the service. for the quarter;~~

(f) if the service or any authorized distributor has engaged in any promotional programs during the quarter pursuant to which on-demand streams and limited downloads have been provided to end users free of charge, details of those programs; and

#### *Permanent Download Music Service*

~~(6) No later than 20 days after the end of each month, any licensee that operates an online music service in relation to which they are required to pay royalties pursuant to paragraph 5(2)(b)(A) shall provide, in relation to that service, to CSI and SOCAN, a report setting out, for that month, in relation to each file that was downloaded by an end user,~~

~~(a) the required information;~~

~~(g) (b) the number of times the file was downloaded as part of a bundle, the identifier of each such bundle, the number of files included in each such bundle, and the amount paid by end users for each such bundle;~~subscribers provided with free subscriptions, the total number of limited downloads and on-demand streams provided to such subscribers, and the total number of plays of all files by such subscribers as limited downloads and, separately, as on-demand streams.

#### Free On-Demand Streams

~~(c) in the case of files downloaded as part of a mixed bundle, the number of audio tracks in the bundle, and the revenues allocated to the audio tracks in the bundle; and~~

~~(d) the number of other permanent downloads of the file and the amounts paid by end users for the file.~~

#### *Limited Download Music Service*

~~(4) (7) No later than 20 days after the end of each month, any licensee that operates an online music service in relation to which they are required to pay royalties pursuant to paragraph 5(4) shall provide, in relation to that service, to each of CSI and SOCAN, to SODRAC a report setting out, for that~~ quarter, allocated by month,

(a) in relation to each file that was ~~transmitted to an end user~~ delivered as a free on-demand stream, the required information;

(b) the total number of ~~times each file was downloaded~~ plays of all files as free on-demand streams;

(c) the number of ~~plays of each file~~ unique visitors; and

(d) a description of the manner in which each unique visitor is identified; and

(e) (d) the total amount paid by end users number of free on-demand streams provided to each unique visitor.

#### *Semi-interactive and Interactive Music Video Webcast Service*

(5) A service that is required to pay royalties pursuant to more than one subsection of section 5 shall file a separate report pursuant to each subsection of this section.

(6) Whenever a service is required to report its gross revenue for a month, it shall include, separately — and in addition to any other information specifically required by the relevant subsection — the amount of revenue received from subscribers, the amount received from non-subscribers, the amount received from advertisers, the amount attributable to sponsorships, and the amounts received from each additional revenue source.

(7) Using the information received pursuant to subsections (1) to (4) and any other information at its disposal, SODRAC shall make reasonable efforts to determine the information required to calculate and distribute the royalties payable pursuant to section 5.

~~(8) No later than 20 days after the end of each month, any licensee that operates an online music service in relation to which they are required to pay royalties that does not supply a musical cue sheet pursuant to paragraph 0 shall provide, in relation to that service, to SOCAN a report setting out, for that month, (1)(b) shall collaborate with SODRAC if SODRAC attempts to secure the cue sheet from anyone, including the producer of the musical audiovisual work. If SODRAC does not receive the cue sheet despite such collaboration, the service shall provide to SODRAC, if available,~~

~~(a) in relation to each file that was transmitted to an end user, the required information, and whether the file contains only one musical work;~~

(a) the title or titles under which the musical audiovisual work is offered by the service;

~~(b) the number of plays of each file original title; and~~

~~(c) the gross revenue attributable to the operation of the service.~~

#### *Permanent Download Music Video Service*

~~(9) No later than 20 days after the end of each month, any licensee that operates an online music service in relation to which they are required to pay royalties pursuant to paragraph 0 shall provide, in relation to that service, to SODRAC a report setting out, for that month,~~

~~(a) in relation to each file that was downloaded by an end user:~~

~~(i) the required information,~~

~~(c) (ii) whether the file contains more than one if the musical audiovisual work, and is part of a series, the number or title of the episode;~~

~~(d) (iii) the amount paid by the end user for the download ISAN code;~~

(e) the name of the producer or, if not known, the name of the person from whom the service secured the distribution rights;

~~(f) (b) the total amount paid by end users for files that contain more than one title of each musical work embedded into the musical audiovisual work; and~~

~~(c) in the case of files downloaded as part of a bundle, including a mixed bundle, the revenues allocated to each music video in the bundle.~~

### *Reporting Obligations*

~~(10) A licensee that is required to provide a report to a collective pursuant to more than one of subsections 7(2) to 0, shall file a separate report pursuant to each applicable subsection.~~

### *Calculation of Royalties*

~~7. No later than 20 days after receiving from a licensee a report pursuant to subsection 6(9) for the last month in a quarter, SODRAC shall provide to the licensee a detailed calculation of the royalties payable for that quarter for each file and a report setting out, in relation to the received report,~~

(g) the name of the author and composer of each musical work; and

(h) the duration of each musical work.

(9) A service shall provide the information set out in subsection (1) or (8) with respect to each otherwise identical musical audiovisual work if the musical content in each such work is different.

(10) If the information supplied pursuant to subsection (1), (8) or (9) does not allow SODRAC to reasonably proceed to the distribution of royalties, SODRAC, after first conducting its own reasonable search, may further inquire with the service, which will make reasonable efforts to supply any further, relevant information to assist SODRAC in its royalty distribution, including

(a) any alternate title, whether in the original language or not;

(b) the country, year and type of production;

(c) the theatrical or other release date; and

(d) the name of the director.

8. (1) As soon as possible after receiving the information set out in section 7, SODRAC shall notify the service of those musical audiovisual works that include a work for which a SODRAC licence is required. With respect to such works, SODRAC shall also provide to the service a report setting out

~~(a) which files contain a work that SODRAC then knows to be in its repertoire~~each musical work embedded in the musical audiovisual work;

~~(b) which files contain a work that SODRAC then knows not to be in its repertoire~~the duration of each musical work;

~~(c) which files contain a work that SODRAC then knows to be in its repertoire only as to a fraction of the rights, with~~for each musical work requiring a SODRAC licence, an indication of~~to that fraction~~effect; and

(d) if SODRAC administers only part of the rights in a musical work, the fraction of rights SODRAC administers; and

(e) the amount of royalties payable to SODRAC for each file of the musical audiovisual work delivered to end users.

(2) At least once each quarter, SODRAC shall provide a new report with respect to musical audiovisual works for which the information set out in paragraph (1)(c) or (d) has changed.

9. Royalties payable pursuant to section 5 are due no later than six months after the quarter. If SODRAC does not provide the report under section 8 prior to the date where the payment is due, the payment of royalties for that quarter is deferred to the next quarter.

~~(d) with respect to all other files, an indication of the reason for which the collective is unable to provide an answer pursuant to paragraph (a), (b) or (c).~~

#### *Payment of Royalties*

~~8. (1) Royalties payable to SOCAN under this tariff shall be due no later than 20 days after the end of each quarter.~~

~~(2) Royalties payable to GSI under this tariff shall be due no later than 20 days after the end of each quarter.~~

~~(3) Royalties payable to SODRAC under this tariff shall be due no later than 30 days after a licensee receives a report from SODRAC pursuant to section 0.~~

#### *Repertoire Disputes*

~~10. 9.~~ (1) A licensee service that disputes the indication in a report received pursuant to section 8 that a file contains a musical work ~~in the repertoire or requires~~ requiring a SODRAC licence shall provide to SODRAC the information that establishes why on which the service relies to conclude that the licence is not required, unless the information was provided earlier.

(2) A licensee service that disputes the indication more than 20 days after receiving a report pursuant to section ~~7~~ 8 is not entitled to interest on the amounts owed to ~~them~~ it.

#### *Adjustments*

~~10. Updates to any information provided pursuant to sections 6, 7, 0, and 0 shall be provided with the next report dealing with such information.~~

~~11. (1) Subject to subsection 0, adjustments in the amount of royalties owed, including excess payments, as a result of the discovery of an error or otherwise, shall be made on the date the next royalty payment is due.~~

~~(2) Any excess payment resulting from a licensee providing incorrect or incomplete information about a file shall be deducted from future amounts owed in respect of works owned by the same person as the work in the file.~~

#### *Records and Audits*

~~11. 12.~~ (1) A licensee service and SODRAC shall keep and preserve, for a period of ~~six~~ four years after the end of the ~~month~~ quarter to which they relate, records from which the information

set out in ~~subsections 5(6)(a) and 5(6)(b), and sections 6, 7, 7 and 08~~ can be readily ascertained.

(2) ~~SOCAN, CSI, and SODRAC~~ may audit these records at any time during the period set out in subsection ~~11 on reasonable~~ (1) on notice of 10 business days and during normal business hours.

(3) SODRAC shall, upon receipt, supply to the service a copy of the audit report.

(4) (3) Subject to subsection 0, if an audit discloses that royalties ~~due~~ have been understated in any quarter by more than 10% per cent, the licensee service shall pay the reasonable costs of the audit within 30 days of the demand for such payment.

~~(4) For the purposes of subsection (4), any amount owing as a result of an error or omission on the part of SOCAN, CSI, or SODRAC shall not be taken into account.~~

### *Confidentiality*

~~12, 13.~~ (1) Subject to subsections ~~(2) and 0, each of the collectives, and each licensee and authorized distributor,~~ (2) and (3), SODRAC shall treat in confidence information received pursuant to this tariff, unless the disclosing party consents in writing to the information being treated otherwise.

(2) Information referred to in subsection ~~12~~ (1) may be shared

(a) ~~amongst the collectives~~ in connection with the collection of royalties or the enforcement of a tariff, with SOCAN;

~~(b) with the collectives' service providers, solely to the extent required by the service providers for the service they are contracted to provide;~~

(b) ~~(c)~~ with the Copyright Board;

(c) ~~(d)~~ in connection with proceedings before the ~~Copyright Board and any other court or administrative tribunal~~, once the ~~person whose information is to be shared~~ service has had a reasonable opportunity to request a confidentiality order;

~~(e) with any person who knows the information;~~

(d) ~~(f)~~ to the extent required to effect the distribution of royalties, with other collective societies or royalty claimants; ~~and~~

(e) with any person who knows or is presumed to know the information; and

(f) ~~(g)~~ if ~~required~~ ordered by law ~~or ordered by a court of law.~~

~~(3) Where confidential information is shared with a service provider as per paragraph (2)4, the service provider shall sign a confidentiality agreement, which shall be shared prior to the release of the information with the party whose information is to be disclosed, and shall not use any confidential information for any purpose other than to assist in the conduct of an audit or in the distribution of royalties to rights holders.~~

~~(3) (4)~~ Subsection ~~12(1)~~ does not apply to information that is publicly available, or to information obtained from someone other than the ~~collectives, a licensee or their~~ service or its authorized distributors, ~~and~~ who is not under an apparent duty of confidentiality to the service.

### Adjustments

13. Adjustments in the amount of royalties owed (including excess payments), as a result of the discovery of an error or otherwise, shall be made on the date the next royalty payment is due.

### Interest~~Interests~~ on Late Payments

14. (1) Subject to ~~subsections (3) and (4)~~ subsection (4), any amount not received by the due date shall bear interest from that date until the date the amount is received.

(2) Any overpayment resulting from an error or omission on the part of ~~a collective~~ SODRAC shall bear interest from the date of the overpayment until the overpayment is refunded.

(3) For the purposes of this section, a report provided ~~by SODRAC~~ pursuant to section ~~08~~ following the late reception of a report ~~required~~ provided pursuant to ~~subsection 6(9)~~ section 7 is deemed to have been received within the time set out in section ~~0~~ provided that, 8 as long as SODRAC provides the report no more than 20 days after receiving the late report ~~required pursuant to subsection 0, SODRAC provides the corresponding report required pursuant to section 0 no later than the date on which the next report required pursuant to section 0 is due.~~

(4) Any amount owing by a ~~licensee~~ service as a result of an error or omission on the part of ~~a collective~~ SODRAC shall not bear interest until 30 days after ~~the collective~~ SODRAC has corrected the error or omission.

(5) Interest shall be calculated daily, at a rate equal to one per cent above the Bank Rate effective on the last day of the previous month (as published by the Bank of Canada). Interest shall not compound.

### Addresses for Delivery of Notices, etc. and Payments

~~15. (1) Anything that a licensee sends to SOCAN shall be sent to 41 Valleybrook Drive, Toronto, Ontario M3B 2S6, email: licence@socan.ca, fax: 416-445-7108, or to any other address, email address or fax number of which the service has been notified in writing.~~

~~(2) Anything that a licensee sends to CSI shall be sent to 1470 Peel Street, Tower B, Suite 1010, Montréal, Quebec H3A 1T1, email: csi@cmrrasodrac.ca, fax: 514-845-3401, or to any other address, email address or fax number of which the service has been notified in writing.~~

15. (3) (1) Anything that a ~~licensee~~ service sends to SODRAC pursuant to sections ~~6 or 6~~ and 7 shall be sent by email to audiovisual@sodrac.ca ~~or to any other email address of which the service has been notified in writing~~. Anything else that a ~~licensee~~ service sends to SODRAC shall be sent to 1470 Peel Street, Tower B, Suite 1010, Montréal, Quebec H3A 1T1, ~~email: licences@sodrac.ca, fax~~ Attn.: Director, Licensing and Legal Services, email: licences@sodrac.ca, fax number: 514-845-3401, or to any other address, ~~email address or fax number~~ of which the service has been notified in writing.

~~(2) (4)~~ Anything that ~~a collective~~ SODRAC sends to a ~~licensee~~ service shall be sent to the last address, fax number or email address ~~or fax number~~ of which ~~the collective~~ SODRAC has been notified in writing.

### *Delivery of Notices and Payments*

16. (1) Subject to subsection ~~(2)~~(2), a notice may be delivered by hand, by postage-paid mail, by fax, by email or by File Transfer Protocol (FTP). ~~A payment must be delivered by hand, by postage-paid mail, or as otherwise agreed upon by the collective and the licensee.~~

(2) ~~Information provided~~To the extent possible, information that a service provides pursuant to ~~sections 6 to~~section 7 ~~and to subsection 10~~ shall be delivered electronically, ~~by way of a delimited text file in Excel format~~ or in any other format agreed upon by ~~the applicable collective and the licensee.~~SODRAC and the service. Each type of information shall be provided in a separate field.

(3) A notice or payment mailed in Canada shall be presumed to have been received four business days after the day it was mailed.

(4) A notice sent by fax, by email or by FTP shall be presumed to have been received the day it is transmitted.

### *Transitional Provisions*Termination

17. (1) SODRAC may, after providing 30 days' notice in writing, terminate the licence of a service that does not comply with this tariff.

(2) Upon termination of the licence, a service shall immediately withdraw from the market all copies it owns that contain a work of the repertoire.

### Term

18. This tariff comes into force on January 1, 2018 and ends on December 31, 2018.

~~17. (1) With respect to any activities for which royalties are payable to CSI pursuant to paragraphs 0 to 0, a licensee shall provide to CSI the information set out in~~

~~(a) section 6 no later than November 24, 2017; and~~

~~(b) subsections 7(2) to 7(4), as applicable, no later than November 24, 2017, and pay any royalties due to CSI for that period, no later than February 2, 2018.~~

~~(2) With respect to any activities for which royalties are payable to SOCAN pursuant to paragraphs 0 to 0, or 0, a licensee shall provide to CSI the information set out in~~

~~(a) section 6 no later than November 24, 2017; and~~

~~(b) subsections 0 to 0, or 7(4) to 7(8), as applicable, no later than November 24, 2017, and pay any royalties due to SOCAN for that period, no later than February 2, 2018.~~

~~(3) With respect to any activities for which royalties are payable to SODRAC pursuant to paragraph 0,~~

~~(a) a licensee shall provide to SODRAC the information set out in section 6 no later than November 24, 2017;~~

~~(b) a licensee shall provide to SODRAC the information set out in subsection 0 no later than November 24, 2017;~~

~~(c) SODRAC shall provide the information set out in section 0 no later than 30 days after it receives information pursuant to paragraph 0; and~~

~~(d) royalties shall be due no later than 30 days after a licensee receives a report pursuant to paragraph 0.~~

~~(4) The information filed pursuant to paragraph 0, 0, or 0, as the case may be, shall be supplied if, and to the extent, it is available.~~

~~18. Any amounts owing pursuant to this tariff for activities carried out during the period of application of this tariff, as set out in subsection 0, shall be increased by using the multiplying interest factors set out in the following table with respect to each period.~~

<b>SOCAN or/ou CSI</b>				
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<b>2011</b>	1.0713	1.0682	1.0651	1.0620
<b>2012</b>	1.0588	1.0557	1.0526	1.0495
<b>2013</b>	1.0463	1.0432	1.0401	1.0370