COPYRIGHT BOARD PROPOSED TARIFF

Filed with the Copyright Board by SOCAN on 2024-10-15 pursuant to subsection 67(1) of the Copyright Act

<u>Proposed Tariff Title:</u> SOCAN Tariff 3.B — Cabarets, Cafes, Clubs, Cocktail Bars, Dining Rooms, Lounges, Restaurants, Roadhouses, Taverns, and Similar Establishments – Recorded Music Accompanying Live Entertainment (2018-2025/2026-2028)

Citation: 2022 CB-17-T See also: SOCAN Tariff 3.B (2018-2025), 2022 CB-17

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Lara Taylor Secretary General 613-952-8621 (telephone) registry-greffe@eb-cda.ge.ca (email)

For the public performance of musical or dramatico-musical works.

Effective Period: 2026-01-01 - 2028-12-31

SOCAN TARIFF 3.B — CABARETS, CAFES, CLUBS, COCKTAIL BARS, DINING ROOMS, LOUNGES, RESTAURANTS, ROADHOUSES, TAVERNS, AND SIMILAR ESTABLISHMENTS – RECORDED MUSIC ACCOMPANYING LIVE ENTERTAINMENT (2018-20252026-2028)

<u>Proposed statement of royalties to be collected by the Society of Composers, Authors and Music</u> <u>Publishers of Canada (SOCAN) in compensation for the performance in public, in Canada, of</u> <u>musical or dramatico-musical works forming part of its repertoire.</u>

Royalties

To perform, by means of recorded music, at any time and as often as desired in the years 20182026 to 20252028, any or all of the works in SOCAN's repertoire, as an integral part of live entertainment in cabarets, cafes, clubs, cocktail bars, dining rooms, lounges, restaurants, roadhouses, taverns and similar establishments, the royalty payable by the establishment is 2% of the compensation for entertainment paid in the year covered by the tariff, subject to a minimum annual fee of \$67.32 for the years 2018, 2019 and 2022, of \$44.88 for the years 2020 and 2021, and of \$78.75 for the years 2023 to 202596.76.

"Compensation for entertainment" means the total amounts paid by the user to, plus any other compensation received by, all performers, for entertainment of which recorded music forms an integral part. It does not include expenditures for stage props, lighting equipment, set design and costumes, or expenditures for renovation, expansion of facilities or furniture and equipment.

Terms and Conditions

No later than January 31 of the year for which the tariff applies, the user shall pay to SOCAN the estimated royalty owing for that year, as follows. If any music was performed as part of entertainment in the previous year, the payment is based on the compensation paid for entertainment during that year, and accompanied by a report of the actual compensation paid for entertainment during that year. If no music was performed as part of entertainment in that year, the user shall file a report estimating the expected compensation for entertainment during the year for which the tariff applies and pay according to that report.

No later than January 31 of the following year, the user shall file with SOCAN a report of the actual compensation paid for entertainment during the previous year and an adjustment of the royalty shall be made accordingly. Any monies owed shall then be paid to SOCAN; if the royalty due is less than the amount paid, including due to the reduction of the minimum fee for the years 2020 and 2021, SOCAN shall credit the user with the amount of the overpayment.

This tariff does not apply to uses of music in adult entertainment clubs.

SOCAN shall have the right to audit the user's books and records, on reasonable notice and during normal business hours, to verify the statements rendered and the <u>royaltyroyalties</u> payable by the user.

All amounts payable under this tariff are exclusive of any federal, provincial or other governmental taxes or levies of any kind.

Any amount not received by the due date shall bear interest from that date until the date the amount is received. Interest shall be calculated daily, at a rate equal to 1% above the Bank Rate effective on the last day of the previous month (as published by the Bank of Canada). Interest shall not compound.