

PROPOSED TARIFF

COPYRIGHT BOARD

Filed with the Copyright Board by SOCAN on 2025-10-15 pursuant to subsection 67(1) of the *Copyright Act*

FILE: Public Performance of Musical Works

Statement of Royalties to Be Collected by SOCAN for the Communication to the Public by Telecommunication, in Canada, of Musical or Dramatico-Musical Works

~~In accordance with subsection 68(4) of the *Copyright Act*, the Copyright Board has certified and hereby publishes the statement of royalties to be collected by the Society of Composers, Authors and Musical Publishers of Canada (SOCAN) for the communication to the public by telecommunication, in Canada, of musical or dramatico-musical works in respect of Tariff 22.A (Internet — Online Music Services) for the years 2007 to 2010.~~

~~Ottawa, October 6, 2012~~

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~~STATEMENT OF ROYALTIES TO BE COLLECTED BY THE SOCIETY OF
COMPOSERS, AUTHORS AND MUSIC PUBLISHERS OF CANADA (SOCAN) FOR
THE COMMUNICATION TO THE PUBLIC BY TELECOMMUNICATION, IN CANADA,
OF MUSICAL OR DRAMATICO MUSICAL WORKS FOR THE YEARS 2007 to 2010~~

~~Short Title~~

~~1. This tariff may be cited as~~Proposed Tariff Title: ~~SOCAN Tariff 22.A (~~Online Music Services)~~, 2007-2010. (2027-2029)~~

For the communication to the public by telecommunication of musical or dramatico-musical works.

Effective Period: 2027-01-01 – 2029-12-31

SOCAN TARIFF 22.A – ONLINE MUSIC SERVICES (2027-2029)

Application

1. (1) This tariff sets the royalties to be paid for the communication to the public by telecommunication of works in SOCAN's repertoire, which, where applicable, includes the making available of such works to the public by telecommunication in a way that allows a member of the public to have access to them from a place and at a time individually chosen by that member of the public, in connection with the operation of an online music service and its authorized distributors in 2027-2029, including the use of musical work(s) in a music video or a concert video.

(2) This tariff does not apply to uses covered by other tariffs, including SOCAN Tariffs 16 (Background Music Suppliers), 22.B (Internet – Commercial Radio), 22.C (Internet – Other Audio Services), 22.D.1 (Online Audiovisual Services), 22.D.2 (User-Generated Content Services), 22.D.3 (Allied Audiovisual Services), 22.E (Internet – Canadian Broadcasting Corporation), 22.G (Internet – Game Services), 25 (Satellite Radio Services) and 26 (Pay Audio and Ancillary Services).

(3) This tariff does not authorize the use of any works in SOCAN's repertoire in connection with the training of, or the generation of any output by, any artificial intelligence system.

Definitions

~~2. The following definitions apply in~~In this tariff.

“audiovisual program” means any combination of sounds and visual images that are

intended to inform, enlighten, or entertain, irrespective of its duration, initial intended use, or manner of distribution; (« *programme audiovisuel* »)

“file” means a digital file of a sound recording of a musical work ~~and includes~~ or works or a digital file of a music video; (« *fichier* »)

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

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

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

“gross revenue” means the gross amounts paid to an online music service or its authorized distributors for access to and use of the service, including membership and subscription fees, amounts paid for advertising, sponsorship, promotion and product placement, commissions on third-party transactions, and amounts equal to the value of the consideration received by an online music service or its authorized distributors pursuant to any contra and barter agreements related to the operation of the service; (« *revenus bruts* »)

“hybrid service” or “hybrid service tier” means an online music service, or a service tier of an online music service, that offers end users streams as well as the ability to cache files for offline listening or viewing; (« *service hybride* » or « *option de service hybride* »)

“music video” means an audiovisual ~~representation of a musical work. (« *vidéo musicale* »)~~ program, including a concert video.

(a) for which the visual content was produced to feature, accompany, depict, portray, or represent one or more sound recordings or performances of one or more musical works;

(b) where the musical work(s) are in the foreground of the audiovisual program; and

(c) where the making of the audiovisual program was authorized by the owner of copyright in each musical work it contains, or the owner’s agent, licensee, or other representative; (« *vidéo musicale* »)

“on-demand stream” means a stream selected by ~~its recipient~~ the end user and received at a place and time individually chosen by that end user; (« *transmission sur demande* »)

“online music service” means a service that ~~delivers~~offers streams containing musical work(s) to end users, ~~other than~~excluding a service that offers only streams ~~in which the file is of sound recordings that are~~ selected by the service ~~and, that~~ can only be listened to at a time chosen by the service, and for which no advance ~~play list~~playlist is published. For the avoidance of doubt, an “online music service” includes cloud-based music services and other services using similar technology; (« *service de musique en ligne* »)

“play” means the single ~~performance of an on-demand~~delivery of a stream; (« *écoute* »)

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

“required information” means, in respect of a file,

- (a) the unique identifier assigned by the online music service to the file;
- (b) the title of each musical work contained in the file;
- (c) the name of each performer or group to whom each sound recording contained in the file is credited;
- (d) the name of the person who released each sound recording in the file;
- (e) the name of each author of each musical work contained in the file;
- (f) the International Standard Recording Code (ISRC) assigned to each sound recording in the file;
- (g) if any sound recording 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;
- (h) the name of each music publisher associated with each musical work contained in the file;
- (i) the International Standard Musical Work Code (ISWC) assigned to each musical work contained in the file;
- (j) the Global Release Identifier (GRid) assigned to each musical work contained in the file and, if applicable, the GRid of the album in which the musical work was released;

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

(l) any alternative title used to designate each musical work or sound recording in the file; (« renseignements requis »)

“stream” means a file that is intended to be copied onto a local storage medium or device only to the extent required to allow listening to or viewing of the file at substantially the same time as when the file is ~~transmitted~~received; (« transmission »)

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

“year” means a calendar year. (« année »)

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

Application

~~3. (1) This tariff sets the royalties to be paid for the communication to the public by telecommunication of works in SOCAN’s repertoire in connection with the operation of an online music service in the years 2007 to 2010.~~

~~(2) This tariff does not apply to uses covered by other applicable tariffs, including SOCAN Tariffs 16 and 24 and the Satellite Radio Services Tariff.~~

Royalties

On-Demand Streams

43. (1) The royalties payable in a month by anyan online music service that offers ~~on-demand~~ streams, including a hybrid service or a service that offers a hybrid service tier, shall be

A × B

× C ÷ D

where

(A) is ~~5.02 per cent of the amounts paid by subscribers for~~10.3%; ~~if the service during the month if the subscriber~~offers ~~only received music videos, and 7.6 per cent if not~~5.9%,

(B) is the gross revenue of the service for the month.

(~~BC~~) is the number of plays of ~~on-demand streams~~files requiring a SOCAN licence during the month, and

(~~CD~~) is the number of plays of all ~~on-demand streams~~,files during the month,

subject to a minimum ~~of 50.67¢~~fee, which shall be the greater of \$1.30 per subscriber and 0.13¢ per play of a file requiring a SOCAN licence.

For greater certainty, (D) does not include content generated solely by an artificial intelligence system.

(2) For the purpose of calculating the minimum payable pursuant to subsection (1), the number of subscribers shall be determined as at the end of the month in respect of which the royalties are payable.

~~Free~~ ~~On-Demand Streams~~Per-Stream Transactions

(3) Where an online music service subject to subsection (1) also offers free streams, the royalties shall be 0.13¢ per play of a file requiring a SOCAN licence.

~~(2) The royalties payable for free on-demand streams shall be the lesser of 50.67¢ per unique visitor per month or 0.13¢ per free on-demand stream requiring a SOCAN licence received by that unique visitor in that month.~~

~~(3) All royalties payable under this tariff are exclusive of any federal, provincial or other governmental taxes or levies of any kind.~~

ADMINISTRATIVE PROVISIONS

Reporting Requirements:

Service Identification

~~54.~~ (1) No later than ~~the earlier of~~ 20 days after the end of the first month during which an online music service ~~reproduces~~communicates a file requiring a SOCAN licence ~~and the day before the service first makes such a file available to the public~~, the service shall provide to SOCAN the following information:

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

(i) ~~the name of~~ a 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, or~~

(iii) if a partnership, the names of each partner, and

(iv) in any event, the names of the principal officers or operators of the service or any other service,

~~(iii) the names of the principal officers of any other service,~~ 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 of the persons to be contacted for the purposes of notice, for the exchange of data and for the purposes of invoicing and payment of royalties;

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

(e) the Uniform Resource Locator (URL) of each website and the name of each application or platform at or through which the service is or will be offered, as applicable; and

~~Sales Reports~~

~~Definition~~

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

~~(a) its identifier;~~

~~(b) the title of the musical work;~~

~~(c) the name of each performer or group to whom the sound recording is credited;~~

~~(d) the name of the person who released the sound recording;~~

~~(e) if the online music service believes that a SOCAN licence is not required, information that establishes why the licence is not required;~~

~~and, if available,~~

~~(f) the name of each author of the musical work;~~ all of the services or service tiers identified in section 3 that are offered by the service.

Sales and Music Use Reporting

~~(g) the International Standard Recording Code (ISRC) assigned to the sound recording;~~

~~(h) the name of the music publisher associated with the musical work;~~

- ~~(i) the International Standard Musical Work Code (ISWC) assigned to the musical work;~~
- ~~(j) if the sound recording was released in physical format as part of an album, the name, identifier, product catalogue number and Universal Product Code (UPC) assigned to the album, together with the associated disc and track numbers;~~
- ~~(k) 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;~~
- ~~(l) the running time of the file, in minutes and seconds; and~~
- ~~(m) any alternative title used to designate the musical work or sound recording.~~

~~On-Demand Streams~~

(2) No later than 20 days after the end of each month, any online music service that is required to pay royalties pursuant to ~~subsection 4(1)~~this tariff shall provide to SOCAN a report setting out, for that month, the following information:

- (a) in relation to each file that was delivered ~~as an on-demand stream~~, the required information;
- (b) the number of plays of each file;
- (c) the total number of plays of all files;
- (d) the number of subscribers to the service during the month and the total amounts paid by them during that month; ~~and~~
- (e) the number of subscribers provided with free subscriptions and the total number of plays of all files by such subscribers as ~~on-demand streams~~;

~~Free On-Demand Streams~~

~~(3) No later than 20 days after the end of each month, any online music service that is required to pay royalties pursuant to subsection 4(2) shall provide to SOCAN a report setting out, for that month,~~

- ~~(a) in relation to each file that was delivered as a free on-demand stream, the required information;~~
- ~~(b) the number of plays of each file as a free on-demand stream~~gross revenue of the service for the month;
- ~~(c) the total number of plays of all files as free on-demand streams~~delivered;
- (h) for the hybrid service or hybrid service tier, the number of times each file was cached onto end users' local storage medium or device; and

~~(d) the number of unique visitors;~~

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

~~(f) identification, and the total number of free on-demand streams provided to each unique visitor transmissions, of content generated solely by an artificial intelligence system.~~

(3) If the service claims that a SOCAN licence is not required for a file, the service shall provide information that establishes why the licence is not required.

(4) An online music service that ~~is required to pay royalties pursuant to~~offers more than one ~~subsection of service or service tier identified in~~ section ~~43~~ shall ~~file~~provide a separate report for each service or service tier pursuant to each subsection of this section.

(5) An online music service that ~~is required to pay royalties with respect to~~offers music videos shall ~~file the required information separately from~~provide the information ~~dealing with~~specified in subsections (2) and (3) separately for music videos and audio-only files.

Files Made Available

5. Upon request, an online music service shall provide to SOCAN the required information for all files that were made available to members of the public for on-demand streaming at any time during the year, regardless of whether the file was transmitted to any end user. SOCAN shall not make such a request more frequently than twice per year.

Payment of Royalties and Interest on Late Payments

~~76.~~ (1) Royalties shall be due no later than 20 days after the end of each ~~quarter~~month.

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

(3) All amounts required to be reported or paid under this tariff shall be reported or paid in Canadian dollars.

(4) 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.

Adjustments

7. If, as a result of the discovery of an error or otherwise, the amount of the royalties paid

or payable, including excess payments, require an adjustment, then SOCAN or the service shall immediately notify the other party, provide an explanation for the claimed adjustment, and propose an adjustment solution, such solution subject to the other party's consent (not to be unreasonably withheld). Adjustments shall not be made in respect of any other royalties or fees owed to SOCAN by the service under another tariff or agreement without SOCAN's consent. No adjustment may be made to royalties paid more than six years previously. For greater certainty, this provision does not apply to any adjustments pursuant to an audit conducted under this tariff.

~~8. Adjustments to any information provided pursuant to sections 5 or 6 shall be provided with the next report dealing with such information.~~

~~9. (1) Subject to subsection (2), 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 an online music service providing incorrect or incomplete information about a file shall be deducted from future amounts owed for the use of works owned by the same person as the work in that file.~~

Records and Audits

~~108.~~ (1) An online music service shall keep and preserve, for a period of six years after the end of the month to which they relate, records from which the information set out in sections ~~5 or 6~~ 3 and 4 can be readily ascertained.

(2) SOCAN may audit these records at any time during the period set out in subsection (1) on reasonable notice and during normal business hours.

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

(4) For the purposes of subsection (3), any amount owing as a result of an error or omission on the part of SOCAN shall not be taken into account.

Confidentiality

~~149.~~ (1) Subject to subsections (2) and (3), SOCAN, an online music service and its authorized distributors 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 (1) may be shared

(a) between the service and its authorized distributors in Canada;

(ab) in connection with the collection of royalties or the enforcement of a tariff, with
~~CMRRA, SODRAC or CSI~~ other collective societies;

(bc) with the Copyright Board;

(ed) in connection with proceedings before the Copyright Board, once the ~~online music~~
~~service~~ disclosing party has had a reasonable opportunity to request a confidentiality
order;

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

(ef) to the extent required to effect the distribution of royalties, ~~with royalty claimants;~~
~~and~~

(g) with SOCAN's agents and service providers to the extent required by the service
providers for the service they are contracted to provide; and

(fh) if ~~ordered~~ required by law.

(3) Subsection (1) does not apply to information that must be provided pursuant to the
Copyright Act, to information that is publicly available, to aggregated information, or to
information obtained from someone other than ~~an~~ the online music service or its
authorized distributors and who is not under an apparent duty of confidentiality with
respect to the ~~services~~ supplied information.

~~Interest on Late Payments~~

~~12. 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 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 Notices, etc.~~

~~13~~ 10. (1) Anything addressed to SOCAN shall be sent to 41 Valleybrook Drive, Toronto,
Ontario M3B 2S6, email: ~~customers~~ licence @socan.ca, ~~fax number: 416-445-7108~~ com,
or to any other address, or email address ~~or fax number~~ of which ~~a~~ an online music service
has been notified in writing.

(2) Anything that SOCAN sends to an online music service shall be sent to the last address, ~~or~~ email address ~~or fax number~~ of which SOCAN has been notified in writing.

Delivery of Notices ~~and Payments~~

~~14~~11. (1) Subject to subsection (2), a notice may be delivered by hand, by postage-paid mail, by ~~fax, by~~ email or by File Transfer Protocol (FTP).

(2) Information provided pursuant to sections 4 and 5 ~~and 6~~ shall be delivered electronically, by way of delimited text file or in any other format agreed upon by SOCAN and the online music service.

(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.

~~(5) All amounts required to be reported or paid under this tariff shall be reported or paid in Canadian dollars.~~

Transitional Provisions

~~15. (1) Royalties owed on or before December 31, 2012, as a result of differences between this tariff and the SOCAN Tariff 22.A (Internet — Online Music Services) 1996-2006 shall be due on March 31, 2013, and shall be increased by using the multiplying interest factors (based on the Bank Rate) set out in the following table with respect to each period. Subject to subsection (2), information pertaining to that same period shall be filed with the payment and shall be supplied only if it is available.~~

	Q1	Q2	Q3	Q4
2007	1.0808	1.0808	1.0769	1.0698
2008	1.0570	1.0481	1.0399	1.0274
2009	1.0162	1.0130	1.0120	1.0111
2010	1.0101	1.0107	1.0124	1.0110

~~(2) A service that files a report that complies with the SOCAN Tariff 22.A (Internet — Online Music Services) 1996-2006 before December 31, 2012, is not required to provide any additional information that this tariff may require with respect to the corresponding report.~~

