

## PROPOSED TARIFF

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

Proposed Tariff Title: *SOCAN Tariff 25 – Satellite Radio Services (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 25 – SATELLITE RADIO SERVICES (2027-2029)

#### *Definitions*

1. In this tariff,

“additional information” means, in respect of each musical work contained in a file, the following information:

- (a) the unique identifier assigned by the service to the musical work;
- (b) the title of the musical work;
- (c) the name of each author of the musical work;
- (d) the name of each performer or group to whom each sound recording contained in the file is credited;
- (e) the name of the person who released each sound recording 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 the music publisher associated with the musical work;
- (i) the International Standard Musical Work Code (ISWC) assigned to the musical work;

(j) the Global Release Identifier (GRid) assigned to the musical work and, if applicable, the GRid of the album in which the musical work was released;

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

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

“file” means a digital file of an audio work; (« *fichier* »)

“Internet-related revenues” means all revenues generated by Internet-related activities other than simulcasting and includes membership, subscription and other access fees, amounts paid for advertising, product placement, promotion and sponsorship, net revenues from the sale of goods or services, and commissions on third-party transactions, but excludes

(a) revenues that are already included in calculating royalties pursuant to another SOCAN tariff;

(b) revenues generated by an Internet-based activity that is subject to another SOCAN tariff;

(c) agency commissions; and

(d) the fair market value of any advertising production services provided by the service; (« *recettes d’Internet* »)

“month” means a calendar month; (« *mois* »)

“number of subscribers” means the average number of subscribers during the reference month; (« *nombre d’abonnés* »)

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

“play” means the single delivery of a stream; (« *écoute* »)

“reference month” means the second month before the month for which royalties are being paid; (« *mois de référence* »)

“semi-interactive stream” means a stream delivered by an information filtering system that allows an end user to influence the content of the streams, the timing of the transmission of the streams, or both; (« *transmission semi-interactive* »)

“service” means a multi-channel subscription satellite radio service licensed by the Canadian Radio-television and Telecommunications Commission as well as any similar

service distributed in Canada, and includes all simulcasts and streams delivered by the service; (« *service* »)

“service revenues” means all revenues generated in connection with a multi-channel satellite radio service (with or without simulcast), and includes: (a) the amounts paid by subscribers for such service; (b) advertising revenues, product placement, promotion and sponsorship; (c) net revenues from the sale of goods or services; (d) commissions on third-party transactions (e) activation and termination fees; and (f) membership, subscription and all other access fees. It excludes the following, so long as such revenues are related to a multi-channel satellite radio service (with or without simulcast): (x) advertising agency fees; (y) revenue accruing from any business that is not a necessary adjunct to the distribution of such service or the use of such service's broadcasting facilities; and (z) revenue generated from the sale of hardware and accessories used in the reception of such service; (« *recettes du service* »)

“simulcast” means the simultaneous, unaltered, real-time streaming of a satellite signal via the Internet or other similar digital network; (« *diffusion simultanée* »)

“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 the file at substantially the same time as when the file is received; (« *transmission* »)

“subscriber” means either or both of:

- (a) an end user with whom the service or its authorized distributor(s) 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, which allows such end user to access streams transmitted by the service; or
- (b) a person who is authorized to receive in Canada one or more signals offered by a service, whether for free or for valuable consideration,

and, in all cases, excludes a commercial subscriber; (« *abonné* »)

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

#### *Application*

2. (1) This tariff sets the royalties to be paid each month by a service to communicate to the public by telecommunication, in Canada, musical or dramatico-musical 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 the service in the years 2027-2029, for direct reception by subscribers for their private use.

(2) This tariff does not authorize

- (a) any use of a work by a service in connection with its delivery to a commercial subscriber; or
- (b) any use by a subscriber of a work transmitted by a service other than a use described in subsection (1).

(3) This tariff does not apply to uses covered by other tariffs, including SOCAN Tariff 16 (Background Music Suppliers), 18 (Recorded Music for Dancing), 22.A (Online Music Services), 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.G (Internet – Game Services) and 26 (Pay Audio and Ancillary Services).

(4) 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.

#### *Royalties*

3. (1) A service shall pay to SOCAN, for each month of the tariff term,

(a) 5% of its service revenues for the reference month, subject to a minimum fee of 74¢ per subscriber to the multi-channel subscription satellite service (with or without simulcast)

plus

(b) 10.3% of its Internet-related revenues for the reference month, subject to a minimum fee, which shall be the greater of \$1.30 per subscriber to whom the service offers semi-interactive streams and/or on-demand streams and 0.13¢ per play of a file requiring a SOCAN licence as a semi-interactive stream or on-demand stream.

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

#### *Reporting Requirements*

4. (1) No later than on the first day of each month of the tariff term, a service shall pay the royalties for that month as set out in section 3 and shall provide for the reference month:

(a) the total number of subscribers as of the end of the reference month, broken down by the number of paid subscribers and free subscribers, to:

- (i) the multi-channel subscription satellite service (with or without simulcast);
- (ii) whom the service offered semi-interactive streams; and
- (iii) whom the service offered on-demand streams;

(b) its service revenues, broken down into:

- (i) amounts paid by subscribers for the multi-channel subscription satellite service (with or without simulcast);
- (ii) advertising revenues;
- (ii) sponsorship revenues; and
- (iv) other revenues

connected to the multi-channel subscription satellite service (with or without simulcast); and

(c) its Internet-related revenues, broken down into :

- (i) amounts paid by subscribers to whom the service offered semi-interactive streams;
- (ii) amounts paid by subscribers to whom the service offered on-demand streams; and
- (iii) all other Internet-related revenues.

#### *Music Use Information*

5. (1) Each month, a service shall provide to SOCAN the following information in respect of each musical work, or part thereof, broadcasted or transmitted by the service other than as a semi-interactive or on-demand stream:

- (a) the date, time and duration of the broadcast or transmission of the musical work;
- (b) the title of the work and the name of its author and composer; and
- (c) the name of the main performer or performing group and, if applicable, the album name and the record label.

However, the service shall not be deemed to be in contravention of this subsection (1) for

failure to report the complete information listed above for any given musical work or part thereof unless there were commercially reasonable means available to the service to obtain such information, and the unreported information exists with respect to the musical work.

(2) In addition to the reporting required under subsection (1), where such information is available on a commercially reasonable basis to the service, the service shall also provide to both SOCAN the following information in respect of each musical work, or part thereof, broadcasted or transmitted by the service other than as a semi-interactive or on-demand stream:

- (a) the catalogue number of the album;
- (b) the International Standard Musical Work Code (ISWC) of the work;
- (c) the Universal Product Code (UPC) of the album;
- (d) the International Standard Recording Code (ISRC) of the sound recording;
- (e) the names of all of the other performers (if applicable);
- (f) the duration of the musical work as listed on the album, the track number on the album, and the year of the album and track;
- (g) the type of usage (feature, theme, background, etc.); and
- (h) whether the track is a published sound recording.

(3) Each month, a service shall provide to SOCAN the following information in respect of each file, or part thereof, delivered by the service as a semi-interactive or on-demand stream:

- (a) the number of plays of each file;
- (b) the total number of plays of all files;
- (c) the total number of plays of all files by subscribers provided with free subscriptions; and
- (d) the additional information.

(4) The information set out in subsection (1), (2) and (3) shall be provided electronically, in a format agreed upon by SOCAN and the service, no later than 10 business days after the service receives the monthly music information report from its music information report supplier for a given month (in the case of SiriusXM Canada Inc., such supplier is SiriusXM Radio Inc.), and in any case no later than 45 days plus 10 business days after

the end of a given month.

(5) Upon request, a service shall provide to SOCAN the additional 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.

*Records and Audits*

6. (1) A 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 4 and 5 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) Subject to subsection (4), if an audit discloses that royalties due have been understated in any quarter by more than 10%, the 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*

7. (1) Subject to subsections (2) and (3), SOCAN and the 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) with Re:Sound;
- (b) with the Copyright Board;
- (c) in connection with proceedings before the Copyright Board, once the disclosing party has had a reasonable opportunity to request a confidentiality order;
- (d) with any person who knows or is presumed to know the information;
- (e) to the extent required to effect the distribution of royalties;
- (f) with SOCAN's agents and service providers to the extent required by the service providers for the service they are contracted to provide; and
- (g) if 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 the service and who is not under an apparent duty of confidentiality with respect to the supplied information.

*Adjustments*

8. If, as a result of the discovery of an error or otherwise, the amount of the royalties paid or payable, including excess payments, requires 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.

*Terms and Conditions*

9. (1) 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.

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

*Addresses for Notices, etc.*

10. (1) Anything addressed to SOCAN shall be sent to 41 Valleybrook Drive, Toronto, Ontario M3B 2S6, email: [licence@socan.com](mailto:licence@socan.com), or to any other address or email address of which the service has been notified in writing.

(2) Anything addressed to a service shall be sent to the last address or email address of which the collective society has been notified in writing.

*Delivery of Notices and Payments*

11. (1) A notice may be delivered by hand, by postage-paid mail, by email or by file transfer protocol (FTP). A payment may be delivered by hand, by postage-paid mail or by electronic bank transfer.

(2) The information set out in section 5 shall be sent by email.

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

(4) Anything sent by email, by FTP or by electronic bank transfer shall be presumed to have been received on the day it was transmitted.