

NOTICE OF GROUNDS FOR OBJECTION

Filed by Apple Inc. and Apple Canada Inc. (“Apple”)

In relation to proposed tariff SOCAN Tariff 22.D.1.R – Online Audiovisual Reproduction (2027-2029)

Filed with the Copyright Board on December 17, 2025, pursuant to Rule 18 of Copyright Board Rules of Practice and Procedure.

Apple objects to the above tariff (the “**Tariff**”) on the following grounds:

1. The exclusion, pursuant to Subsection 1(5) of the Tariff, of the authorization of 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 is premature as there is an open government consultation with respect to copyright law and AI training and this is a matter still being assessed by the Government of Canada; accordingly, the Board should not consider SOCAN’s proposal.
2. Apple objects to the legal authority for the Tariff, and puts SOCAN to the strict proof of its authority to authorize the use sought to be licensed under the Tariff in respect of the specific repertoire claimed.
3. The royalty rates and minimum fees set out in Section 4 of the Tariff are excessive and are not fair and equitable pursuant to Section 66.501 of the Copyright Act.
4. By failing to include appropriate discounts relating to trial offers and other pricing, packaging and promotions, the royalty rates and minimum fees set out in Section 4 of the Tariff do not adequately take into account the business models of different users, including Apple.
5. The Board should consider alterations or additions to the royalty rates and structure that take into account the relevant business models of different users during the Tariff period, including customer trials, services bundles and carrier offerings aimed at incentivizing new customer subscriptions or retention of existing customers. All of these features serve to enhance and maintain royalties for rights holders. The royalty structure should also take into account applicable levies or contributions.
6. The terms and conditions set out in the Tariff, including the reporting requirements set out in Section 5, are not practical or feasible, and the cost of complying with these terms and conditions are excessive.
7. The proposed changes to the confidentiality provisions, set out in Section 9 of the Tariff, including the broad sharing of information contemplated for collection of royalties and with any person who is “presumed to know” and to allow sharing of

reporting information with SOCAN's agents and service provider, are inappropriate and overbroad.