



85 Mowat Avenue, Toronto, Ontario M6K 3E3

P (416) 922-8727

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www.connectmusiclicensing.ca

Connect Music Licensing is a non-exclusive agent that administers licensing in Canada for the owners and exclusive holders of copyright in audio and music video recordings. Connect Music Licensing offers a licence for the exhibition and duplication of music videos, as well as the duplication of audio recordings.

Anyone who duplicates sound recordings or music videos and anyone who performs or broadcasts music videos requires a licence from Connect Music Licensing or authorization from the owner or holder of the copyright. The unlicensed duplication of sound recordings or music videos and/or the unlicensed exhibition of music videos is an infringement of copyright and may be subject to legal prosecution.

Connect Music Licensing is the licensing agent of all the major record companies in Canada and many independent labels, artists and producers. Connect Music Licensing principals own or control the copyright of over 95% of all musical audio recordings and music videos produced and/or distributed in Canada.

Connect Music Licensing does not licence any duplication of sound recordings or music videos for sale by its licensees. All products licensed by Connect Music Licensing are recallable should an agreement with a licensee terminate or expire. All licences granted by Connect Music Licensing are collective in nature; it does not enter into licence agreements on behalf of only one member. Connect Music Licensing's program is overseen by its Board of Directors.

Connect Music Licensing is a member of Re:Sound which is the joint collective of performing artists and record companies. Re:Sound administers the initial collection of remuneration for the broadcasting and public performance of eligible sound recordings and performers' performances. Re:Sound will also administer the record companies and performers collection of remuneration from the private copying levy. Re:Sound will pay all remuneration allocated to Connect Music Licensing members to Connect Music Licensing to distribute.

Licence fees are passed through to the rights owners. An administration fee is retained by Connect Music Licensing to administer and enforce the licensing of the program.

AGREEMENT SUMMARY: AGENCY (CONNECT MUSIC LICENSING MEMBERSHIP)

The following is a brief summary of the provisions contained in a Connect Music Licensing Agency Agreement and is not meant to replace the Agreement. For complete terms and conditions, the full Agreement must be read. It is suggested that the Agreement be read in full and consultation with independent legal counsel be obtained prior to execution.

Grant of Licence:

Connect Music Licensing members grant and appoint Connect Music Licensing as their non-exclusive agent to issue licences to third parties authorizing the copying of sound recordings and the copying and exhibition of music videos in which they own or control the copyright in the Territory. Connect Music Licensing is also authorized to administer, collect and distribute royalties from the public performance of sound recordings (Neighbouring Rights), as well as royalties from manufacturers and importers of blank audio recording media (Private Copying Levy).

Connect Music Licensing members retain all rights, title and interest in their sound recordings and music videos and any related packaging, and to all copies reproduced there from. The rights granted to Connect Music Licensing do not include any rights of title or ownership to the member's sound recordings and/or music videos.

Term:

The Agreement is for an indefinite term.



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Territory:

The Territory of the Agreement is Canada.

Agent's Undertakings:

Connect Music Licensing shall actively solicit and negotiate with persons in the Territory who wish to reproduce and exhibit sound recordings and music videos to the public. Connect Music Licensing shall grant non-exclusive licences to such persons permitting the exploitation of sound recordings and music videos individually, or coupled with other sound recordings and music videos. No sound recordings or music videos will be available for sale to the public.

Each Connect Music Licensing member reserves the right to prohibit the licensing by Connect Music Licensing of any of its sound recordings and music videos at any time upon prior written notice to Connect Music Licensing. Any such notice shall not affect licences issued by Connect Music Licensing prior to receipt of such notice unless Connect Music Licensing is expressly required to make all efforts to cease the reproduction of sound recordings and the reproduction and exhibition of music videos which have been previously licensed.

Connect Music Licensing shall collect all payments on behalf of each Connect Music Licensing member made under licences granted by Connect Music Licensing. Licence fees collected by Connect Music Licensing are paid out to its members within thirty days after the end of each fiscal quarter. Sound recording licence payments received by Connect Music Licensing on behalf of its members shall be calculated and paid out annually.

Accounting:

Connect Music Licensing is authorized by each Connect Music Licensing member to inspect books, records and documents of any Connect Music Licensing licensee on their behalf. Each Connect Music Licensing member has the right, upon prior written notice, to inspect the records and books of Connect Music Licensing pertaining to its Agreement with Connect Music Licensing.