

# AVLA MSS HARD DRIVE COMPRESSION AGREEMENT GUIDELINES FOR SUBMITTING A PROPOSAL

Company Name: \_\_\_\_\_

- X Please provide the full legal name of the company.
- X If the company is a partnership, please provide the full names of the partners.
- X If the company is a sole proprietorship, please provide the full name of the owner.
- X If the company is a sole proprietorship, please provide a letter from a guarantor with application form.

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

e-mail: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Signing Officer &  
Title (if different  
from Contact): \_\_\_\_\_

Would you like a link to your company's website on the AVLA website? \_\_\_Yes \_\_\_No

Full URL (e.g. <http://www.avla.ca>): \_\_\_\_\_

Please find below the minimum requirements necessary in order to submit a proposal for AVLA licensing of a Computer Hard Drive Music Supply Service:

1. Please include a copy of your company's articles of incorporation.
2. Please include a brief description of your company's history and its business activities, including who the target market for your company's music supply service will be.
3. Please include a detailed description of your company's music delivery system, including technical details of the method of compression and encryption that your company intends to use. This description should also include technical details of the physical security of the system (what happens

- if someone removes the hard drive from the system? Is the hard drive playable on a PC/MAC?) and what measure are taken, if, for example, the subscriber stops paying its subscription fess (is access to the music stopped?)
4. Please include a technical description of how the music will be updated on the hard drives, including a description of the security features. Please note that AVLA can approve updates via physical carrier, secure phone line and secure ftp site, but not updates via the Internet.
  5. Please indicate if your system will include any advertising. AVLA can permit use of in-store advertising on systems containing our members' sound recordings provided that the advertising is in-store only (i.e. promoting products and services that are sold or offered by the commercial establishment that has leased the system) and cannot license any advertising that endorses alcohol or tobacco or implies any political endorsement. **There is an increased fee associated with in-store advertising.** Please note that in many instances, artists' contracts preclude any form of commercial endorsement that might seem to be related to their own name or sound recording.
  6. Please include the number of subscribers you anticipate for the first year of your service and the number of sound recordings you intend to embody on each hard drive.
  7. Please provide AVLA with financial projections for the initial one-year term. These projections should include number of subscribers, number of sound recordings embodied on each hard drive and anticipated gross lease revenue.
  8. Please provide AVLA with a list of your target customers, with business names, if possible.

Please ensure that you carefully review the Agreement summary, which outlines the grant of licence and the fees calculation.

Please note that all proposals must be submitted **in writing**. AVLA will consider your proposal and provide its approval/request for further information via email or fax.

If you have further questions about submitting your proposal, please contact Victoria Shepherd, Program Manager, via email at [licensing@avla.ca](mailto:licensing@avla.ca).