

Online Music Licences: Music Download Licence



Summary of Key Terms and Conditions (Subject to Contract)

About this document	This document is a summary of certain terms of the PRS for Music Music Download Licence.
What does the licence cover?	<p>The Music Download Licence covers performing and mechanical rights in musical works for permanent download services.</p> <p>The Music Download Licence also covers the following types of audio-visual usage:</p> <ul style="list-style-type: none">• 'Promo' music videos• Live concert performances• Combination of a musical work with images relating to the performer or composer of the work• Use of a musical work with an interview with an artist, composer, producer or other person involved in the creation of music, where the work used is associated with the interviewee
What does the licence exclude?	<p>The following rights are not covered by the Music Download Licence and would have to be cleared directly with publishers/copyright owners:</p> <ul style="list-style-type: none">• Moral rights• Graphic rights• The right to 'adapt' a musical work• The 'synchronisation' of musical works with images (e.g. the filming of a music concert) for the purpose of online or mobile exploitation• The use of unauthorised arrangements, adaptations, parodies, burlesques and dramatico-musical works• The use of commercial musical works in contexts which the licensee ought reasonably to consider as being prejudicial to the public standing of the composer, artist featured or relevant copyright owners• The rights in sound recordings of musical works <p>Music use is not covered in all circumstances. In particular, the following uses would have to be licensed under separate licences or directly with publishers/ copyright owners:</p> <ul style="list-style-type: none">• Music used with advertising or sponsorship of any product or service• Music used in any audio-visual material other than that mentioned above• Mobile ringtones• Podcasting services• 'Simulcasting' of traditional scheduled broadcast services

	Headline Royalty Rate	Minima																
	(you will have to pay the headline royalty rate or the minima, whichever is the greater)	8% (of Gross Revenue)	<table border="1"> <thead> <tr> <th>Number of musical works in bundle</th> <th>Royalty per musical work downloaded</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>5p</td> </tr> <tr> <td>2-4</td> <td>4.5p</td> </tr> <tr> <td>5-8</td> <td>4p</td> </tr> <tr> <td>9-12</td> <td>3.5p</td> </tr> <tr> <td>13-16</td> <td>3p</td> </tr> <tr> <td>17-29</td> <td>2.5p</td> </tr> <tr> <td>30 +</td> <td>2p</td> </tr> </tbody> </table> <ul style="list-style-type: none"> For single track downloads where the sound recording was originally released two or more years previously and which have a retail price of 49p or less, a 3p minimum per downloaded musical work applies. This also applies to bundles of up to 12 musical works where either the whole bundle, or every sound recording in the bundle was originally released two or more years previously. Please refer to the full terms and conditions for details. 	Number of musical works in bundle	Royalty per musical work downloaded	1	5p	2-4	4.5p	5-8	4p	9-12	3.5p	13-16	3p	17-29	2.5p	30 +
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Territory	UK																	
Accounting and reporting	<ul style="list-style-type: none"> Services generating up to £500,000 Gross Revenue per annum will be subject to quarterly accounting Advances are charged on a quarterly basis Reporting on revenues and usage will be required within one calendar month of the quarter's end in our standardised format Royalties are then payable for any balance above the quarterly advance Services generating more than £500,000 Gross Revenue per annum may be subject to monthly accounting Reporting on revenues and usage will be required within one week of the month's end in our standardised format Royalty fees are then payable in arrears based on the past months reporting 																	
Eligibility	All applications will be subject to a credit check and <i>PRS for Music</i> approval																	
Duration of the Licence	This licence will run until 31st March 2017																	
Application Process	Completion of the Application Form including additional service forms where applicable																	
Contact details	<p>If you have any queries please call the Online Licensing Team on +44 (0)20 3741 4500</p> <p>or email onlinelicensing@prsformusic.com</p>																	

Gross Revenue Definition and Discounts

Gross Revenue	<p>Gross revenue is all revenue received by you (the licensee) either directly from your users (via subscription fees or paid for activities) or other revenue streams including, but not limited to, advertising, sponsorship and commissions.</p> <p>For a full definition of Gross Revenue please refer to the full terms and conditions.</p>
Advertising	<p>Advertising revenue should be included as part of the total Gross Revenue where:</p> <ul style="list-style-type: none">• An audio or audio-visual advert (or sponsorship message) is included within a download or plays before or while a file is downloaded• Music constitutes 75% or more of the area of the page. The space taken up by the advertising is ignored when carrying out the calculation• Revenue generated from sponsored searches, including click-through revenue from such searches is excluded <p>For a full explanation of when advertising revenue should be included as part of the Gross Revenue, please refer to the full terms and conditions.</p>