

COMPASS'S TARIFF SCHEME FOR CINEMAS

COMPASS administers this Tariff Scheme for cinemas for public performance of Musical Works. COMPASS and Licensee are referred to herein individually as a "**Party**" and collectively as the "**Parties**".

1. DEFINITIONS-

In this Agreement unless the context otherwise requires:

<p>"Gross Ticket Revenue"</p>	<p>means, in the applicable period, the gross ticket revenue received by Licensee before GST, without any deductions for costs, commissions and charges or any proportional shares of profits or commissions payable to any third party including but not limited to mobile carrier integrated billing fees, applicable "app store" fees, credit card transaction fees, "micropayment fees" and any other third-party billing platform or payment method fees, any third-party advertising and other agency commissions payable by or on behalf of Licensee.</p>
<p>"Musical Works"</p>	<p>means all musical works and any associated lyrics whether in whole or part, and if in part only, to the extent of such part, which rights are or may be at any time during the Licence Term be owned, controlled, or administered in Singapore, by the COMPASS, its affiliated societies and/or their members.</p>

2. GRANT OF LICENCE

- 2.1. Subject to and in consideration of Licensee's payment of the licence fees under Clause 4 of this Tariff Scheme, COMPASS grants to Licensee, a non-exclusive, non-transferable and non-sublicensable licence during the licence Term and within Singapore, to perform the Musical Works in public by way of playing of pre-recorded films, movies, and motion pictures and similar media at the licensed premises in accordance with the terms of this Agreement.
- 2.2. The grant of this Agreement shall not extend to or authorize:
- the right to communicate the Musical Works to the public such as by broadcast, cable, internet streaming, making available on demand, other forms of electronic transmission;
 - live performances such as drama, plays, concerts and choirs;
 - the original sound recording or soundtrack right;
 - synchronisation rights, reproduction rights and other mechanical rights;
 - the right to adapt or create derivatives of any Musical Works;
 - the use of Musical Works by third parties using the licensed premises;
 - any other rights save as expressly stated in this Agreement.

3. TERM

- 3.1. The initial Term shall commence from the Effective Date for a period of twelve (12) months unless terminated in accordance with Clause 8.
- 3.2. The Term shall automatically renew thereafter for a period of twelve (12) months unless either party gives advance notice of non-renewal thirty (30) days in advance of the expiry of the ongoing Term.

4. TARIFF RATE, LICENCE FEES AND FINANCIAL REPORTING

- 4.1. The Tariff Rate for cinemas is as follows:
- (a) The standard tariff rate is two tenths percent (0.2%) of Gross Ticket Revenue, subject to an annual Minimum Sum of Singapore Dollars Five Hundred (\$500.00).
 - (b) However, in the event of Licensee's usage of Musical Works prior to obtaining COMPASS's licence, the applicable tariff rate shall be fifty percent (50%) higher for the first year of the applicable period in addition to late payment interest without prejudice to COMPASS's rights to commence copyright infringement proceedings.
 - (c) Late payment interest of ten percent (10%) per annum shall apply to any unpaid licence fees, commencing from two (2) calendar months after receipt of invoice and no later than five (5) calendar months after the relevant calendar quarter.
- 4.2. Licence fees are to be paid quarterly.
- (a) Within two (2) calendar months after the relevant calendar quarter, Licensee shall provide to COMPASS the accounts pertaining to its Gross Ticket Revenue per cinema theatre ("Revenue Reports"). Each Revenue Report is to be certified as true, complete and accurate by Licensee's financial representative or accountant who shall provide their full name, designation and sign off.
 - (b) Within one (1) calendar month of receiving Licensee's Financial Report, COMPASS shall invoice Licensee.
 - (c) Within two (2) calendar months of receipt of invoice, Licensee shall make full payment.

Schedule 1 contains illustrations of the timelines.

- 4.3. Goods and Services Tax (GST) applies at the prevailing rate to all licence fees and payments under this Agreement, which Licensee shall fully bear and pay to COMPASS.
- 4.4. All licence fees paid are non-refundable.
- 4.5. Account information of COMPASS:

Name of Bank	OCBC Bank Ltd
Bank Code	7339
Branch Code	517
Address	65 Chulia Street, OCBC Centre, Singapore 049513
Telephone No.	+65 6538 1111 (Business Banking Hotline)
Beneficiary Name	Composers and Authors Society of Singapore Ltd
Account No.	517127858001
Swift Code	OCBCSGSGXXX

5. AUDITING

- 5.1. At any time within six (6) years of a particular licensed period, COMPASS may audit Licensee's books and records solely for the purposes of verifying the amount of licence fees payable.
- 5.2. Licensee shall participate in the audit process in good faith and provide reasonable assistance and cooperation.

- 5.3. The audit may be conducted by COMPASS's representative or an independent, third-party certified accountant (the "**Audit Accountant**") engaged by COMPASS. Such books and records may be examined as aforesaid only (i) during Licensee's normal business hours; and (ii) upon at least thirty (30) days' prior written notice to Licensee. COMPASS shall treat all information arising from this audit as confidential.
- 5.4. COMPASS shall bear the upfront audit costs and expenses. However, in the event the audit reveals an underreporting of more than ten percent (10%) Gross Ticket Revenue or where Licensee had failed to provide the Revenue Reports for the relevant period, Licensee shall pay the underreported royalties and reimburse all audit costs and expenses on an indemnity basis within two (2) calendar months of the audit report. Late payment interest of ten percent (10%) per annum shall still apply calculated commencing five (5) calendar months after the relevant calendar quarter.

6. MUSIC USAGE INFORMATION

- 6.1. Licensee shall provide Usage Reports for the purposes of identifying the musical works used.
- 6.2. Within two (2) calendar months after the relevant calendar quarter, Licensee shall provide to COMPASS a Usage Report for that quarter containing: (i) a list of all movie titles screened; and (ii) the number of times each movie title has been screened.

7. REPRESENTATIONS, WARRANTIES AND INDEMNITY

- 7.1. Each Party represents, warrants and covenants that:
 - (a) it has the full right and authority to enter into this Agreement;
 - (b) it is duly organized and validly existing under the laws of the jurisdiction of its organization, and has all requisite power and authority to execute, deliver, and perform this Agreement; and
 - (c) it will comply with all applicable laws, regulations, orders and other requirements of any governmental authority related to its performance of this Agreement.
- 7.2. COMPASS represents and warrants to Licensee that it has all the necessary ownership, rights, licences and authority to grant Licensee the rights pursuant to this Agreement, and that Licensee's use of the Musical Works in accordance with the terms and conditions in this Agreement does not and shall not infringe any copyrights of any third-party.
- 7.3. COMPASS will indemnify and hold Licensee harmless against all liabilities, damages, losses, costs, fees (including reasonable legal fees) and expenses relating to any claims or third-party legal proceeding to the extent based upon or otherwise arising out of any claims by the third party for infringement of the third party's copyright by Licensee's authorised use of Musical Works during the Term adhering to the terms and conditions of this Agreement (each a "**Third-Party Legal Proceeding**"). The indemnity conditioned on the following:
 - (a) Licensee promptly immediately COMPASS of the Third-Party Legal Proceeding and cooperating reasonably with COMPASS to resolve the Third-Party Legal Proceeding; and
 - (b) Licensee tendering sole control of the indemnified portion of the Third-Party Legal Proceeding to COMPASS, subject to the following:
 - (i) Licensee may appoint its own non-controlling counsel, at its own expense;
 - (ii) any settlement requiring Licensee to admit liability, pay money, or take (or refrain from taking) any action, will require Licensee's prior written consent, not to be unreasonably withheld or delayed; and
 - (iii) Licensee does not first settle, obtain or enter into an agreement to obtain a licence from a third party for use of any Repertoire Work before seeking indemnification from Licensor for amounts payable for such a licence.

8. TERMINATION

- 8.1. Either Party may suspend performance of and/or terminate this Agreement with immediate effect if the other Party:
- (a) is in material breach of this Agreement where such breach is incapable of remedy; or
 - (b) is in material breach of this Agreement where such breach is capable of remedy and fails to remedy that breach within twenty-one (21) days after receiving written notice of such breach.
- 8.2. Any breaches of Clauses 4.2, 4.3, 5.2 and 6 will constitute material breach.
- 8.3. In the event of early termination, any licence fees paid to COMPASS shall not be refunded to Licensee and the licence fees that have accrued remain payable to COMPASS. There shall be no pro-rating of the Minimum Sum.
- 8.4. Either Party may terminate this Agreement with immediate effect, if in respect of the other Party any of the following events occur:
- (a) the other Party is or is deemed for the purposes of any applicable law to be, unable to pay its debts as they fall due for payment;
 - (b) a petition is presented or documents filed with a court or any registrar or any resolution is passed for the other Party's winding-up, administration or dissolution or for the seeking of relief under any applicable bankruptcy, insolvency, company or similar law;
 - (c) any liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, supervisor, administrative receiver, administrator or similar officer is appointed in respect of the other Party or any of the other Party's assets; or
 - (d) any event analogous to the events listed in (a) to (c) above takes place in respect of the other Party in any jurisdiction.
- 8.5. The rights and obligations of Clauses 4.2, 4.3, 5, 6, 7.3 and 8 of this Agreement will survive the expiry or termination of this Agreement. In addition, the terms contained in this Agreement which by their nature and context survive or are expressly intended to survive the expiration or termination of the Term of this Agreement will so survive and continue in full force and effect until they are satisfied or by their nature expire. Notwithstanding the above, termination of this agreement for whatever reason shall be without prejudice to any rights which have already accrued to the Parties under this Agreement prior to such termination.

9. CONFIDENTIALITY

- 9.1. The terms of this Agreement and the negotiations in relation thereof as well as information arising from an audit pursuant to Clause 5 shall be kept confidential. No Party shall directly or indirectly publish, disclose or cause to be published or disclosed, and shall prevent the direct or indirect publishing, disclosure or causing to be published or disclosed, to any third party the terms of this Agreement and its negotiations. This obligation of confidentiality is subject to these exceptions:
- (a) where the disclosure is for the purpose of giving effect to and enforcing the terms of this Agreement;
 - (b) where the disclosure is compelled by law, pursuant to an order of court or a tribunal of competent jurisdiction or applicable law or regulation, or in connection with any legal, governmental or administrative order. The disclosure shall only be limited to the extent required by law or pursuant to an order of a court or a tribunal of competent jurisdiction or applicable law or regulation, or with the requirements of any legal, governmental or administrative order;

- (c) where the prior consent of the Parties in writing is obtained;
- (d) where disclosure is required to comply with audit and reporting requirements;
- (e) where the information was in the Party's possession at the time of disclosure and was not acquired in breach of an obligation of confidence or under an obligation of confidence; and
- (f) where the information is in the public domain not due to a Party's breach of the obligation of confidence under this Clause.

10. GENERAL PROVISIONS

- 10.1. Each of the Parties acknowledges and agrees that this Agreement constitutes the entire agreement and understanding between the Parties in relation to the licence granted by COMPASS in this Agreement in respect of Licensee's Cinema for the Term ("**Subject Matter**") and shall supersede and cancel all prior agreements and/or arrangements with respect to the Subject Matter, whether such be written or oral. Neither Party has relied on any representation or statement other than those set forth in this Agreement. No variation or amendment to this Agreement shall bind the Parties hereto unless made in writing and agreed to by both Parties hereto.
- 10.2. Any notice or document required to be served or given under this Agreement or any communication between the parties herein with respect to any provision of this Agreement shall be in writing and sent to the address set forth above. Any such notice sent to COMPASS shall be to the attention of the Licensing Department. Any such notice sent to Licensee shall be to the attention of Licensee's signatory for this Agreement or such other person as Licensee may advise COMPASS in writing.
- 10.3. The rights and obligations of each Party under this Agreement are personal and cannot be assigned, sublicensed, changed or otherwise dealt with. A person who is not a Party to this Agreement shall have no right under the Contract (Rights of Third Parties) Act 2001 of the Republic of Singapore to enforce any of the terms of this Agreement.
- 10.4. A failure by any Party to exercise or enforce any rights conferred upon it by this Agreement shall not be deemed to be a waiver of any such rights or operate so as to bar the exercise or enforcement thereof at any subsequent time or times.
- 10.5. The rights and remedies provided by this Agreement are cumulative and exclusive of all other rights and remedies (whether provided by law or otherwise).
- 10.6. If any provision in this Agreement is held to be illegal, invalid or unenforceable in whole or in part in any jurisdiction, this Agreement shall, as to such jurisdiction, continue to be valid as to its other provisions and the remainder of the affected provision, and the legality, validity and enforceability of such provision in any such jurisdiction shall be unaffected.
- 10.7. Nothing in this Agreement shall be deemed to constitute a joint venture, partnership, fiduciary relationship or employment between the Parties and neither Party shall hold itself out as the agent for the other except as expressly provided herein.
- 10.8. This Agreement shall be governed by and construed in accordance with the laws in force in Singapore and the parties hereby agree to submit to the jurisdiction of the Singapore Courts, as regards any claim or matter arising under this Agreement, save that the Parties agree that any dispute between them in relation to or in connection with the reasonableness of this Tariff Scheme shall be referred to and finally determined by the Singapore Copyright Tribunal.

10.9. This Agreement may be signed in any number of counterparts and by the Parties hereto on separate counterparts, each of which, when so executed, shall be an original, but all counterparts shall together constitute one and the same document. Signatures may be exchanged by facsimile or email, with original signatures to follow.

Schedule 1: Illustrations of timelines

Illustration 1: Adherence to quarterly payments

Date(s)	Item
1 January 2024 to 31 March 2024	Gross Ticket Revenue generated.
31 May 2024	Deadline for Revenue Report and Usage Report to be submitted.
30 June 2024	Deadline for Invoice to be sent.
31 August 2024	Deadline for Full payment of invoice made.

Illustration 2: Failure to pay invoice

Date(s)	Item
1 January 2024 to 31 March 2024	Gross Ticket Revenue generated.
31 May 2024	Deadline for Revenue Report and Usage Report to be submitted.
30 June 2024	Deadline for Invoice to be sent.
31 August 2024	Licensee failed to meet deadline for full payment of invoice.
30 September 2024	Payment of remaining licence fees plus 10% p.a. late payment interest pro-rated by 1 month.

Illustration 3: Failure to submit Revenue Report

Date(s)	Item
1 January 2024 to 31 March 2024	Gross Ticket Revenue generated.
31 May 2024	Licensee failed to meet deadline for Revenue Report and Usage Report to be submitted and no invoice can be issued.
30 September 2024 to 31 December 2024	COMPASS commences audit. Audit establishes the relevant royalties payable.
28 February 2025	Deadline for payment of royalties established in audit report plus 10% p.a. late payment interest pro-rated by 6 months.

**COPYRIGHT MUSIC LICENCE AGREEMENT FOR CINEMA OPERATORS**

This Agreement made and entered on _____ (Date will be entered by COMPASS upon execution) between **COMPOSERS AND AUTHORS SOCIETY OF SINGAPORE LIMITED**, a corporation with principal office at 60 Paya Lebar Road, #12-48 Paya Lebar Square, Singapore 409501, herein referred to as "**COMPASS**" or "**Licensor**", and the entity described below and herein referred to as "**Licensee**".

LICENSOR

Legal Name	Composers and Authors Society of Singapore Limited (" COMPASS ")
UEN/Reg. No.	Singapore UEN No. 198701730Z
Registered Address	60 Paya Lebar Road, #12-48, Paya Lebar Square, Singapore 409051

LICENSEE

Licensee is the owner, manager, operator and provider of cinemas under the below Business/ Trade Name. Licensee acknowledges and confirms that the operation of cinemas would necessarily involve the use of Musical Works and therefore by this Agreement seeks to obtain a licence under this tariff scheme administered by COMPASS.

Legal Name	
Business/Trade Name	
UEN/Reg. No	
Registered Address	
List of cinema theatres	As per Schedule 1

Contact Information

Name		Contact Number	
Designation		Email Address	

LICENSEE'S SIGNATURE & AGREEMENT

By signing this agreement, you represent that you have the authority to bind LICENSEE and that you have read, understood and agreed to all of the terms and conditions herein.

Name		Signature
Designation		
Date		

Please sign and return this *entire* Licence Agreement to: 60 Paya Lebar Road, #12-48 Paya Lebar Square, Singapore 409501; or send it via email to licence@compass.org.sg

FOR OFFICIAL USE ONLY (TO BE COMPLETED BY COMPASS)

Name		Signature
Designation		
Date		

Schedule 1: List of Cinemas Theatres

S/N.	Cinema Theatre Name	Address
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
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