

Printed Music Licensing Limited ("PMLL") CODE OF CONDUCT FOR MEMBERS

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1. INTRODUCTION

This is the code of conduct for Printed Music Licensing Limited ("PMLL"). PMLL is a company based in the UK, which, operates licensing schemes on behalf of rightholders covering the copying of printed music publications. Its primary scheme is the Schools Printed Music Licence scheme ("SPML Scheme") under which schools are licensed to make copies of printed music publications and to arrange the musical works embodied in printed music publications.

The PMLL Code of Conduct provides information to rightholders and members who join PMLL schemes on what they can expect from the services we offer. It also provides information on the steps they can take if PMLL does not meet expected standards of service.

PMLL follows the "Principles for Collective Management Organisations Codes of Conduct" developed by the British Copyright Council ("BCC"). It also endorses the principles of the 2014 EU Collective Rights Management Directive ("the CRM Directive"), which sets standards for the management and governance for collective management organisations across the EU, and, although PMLL is not a "collective management organisation" as defined by the CRM Directive, it endeavours to implement the required high standards of transparency, fairness and diligence.

The BCC Principles include a provision for a review of the SPML Scheme and the management of PMLL by an independent code reviewer every 3 years. The PMLL Code of Conduct will be reviewed in the light of any findings made by the code reviewer and will also be amended in line with any future changes made to statutory requirements.

2. ABOUT PMLL

PMLL is a wholly owned subsidiary of the Music Publishers Association ("MPA") and was set up in 2012 to allow schools within the United Kingdom, in accordance with the terms of a standard licence (the Schools Printed Music Licence or "SPML"), to make copies of printed music publications and to arrange the musical works embodied in printed music publications (for more details, see Section 3 below). By obtaining a standard licence, schools can make copies and arrangements that would otherwise require permission from many different rights owners.

PMLL, either directly or through its agent, negotiates the SPML with the end users such as the Department of Education, creates the structure of the licensing scheme and then takes a mandate from relevant rightholders to license to schools the rights in their catalogues, on a non-exclusive basis, for making limited arrangements, photocopying, and copying via the school intranet and secure learning environment. It collects the income from the SPML and distributes it to its scheme members.

PMLL also operates or plans to operate licensing schemes for activities that go beyond use in schools, including higher education institutions, music hubs and amateur choirs.

In relation to the SPML, PMLL currently represents around 125 publishers, including the largest print music publishers in the UK.

PMLL works to ensure that the licence fees collected are distributed equitably, efficiently and in a transparent manner to the rightholders of printed music publications and musical works copied and arranged under these licences.

PMLL has appointed the Copyright Licensing Agency Ltd ("CLA") to deal with SPML licensees and some potential PMLL licensees. CLA's own Code of Conduct is available on the CLA website and schools, local and national education authorities and schools representative organisations

should consult CLA's Code of Conduct if they have enquiries, issues or complaints about the operation of the SPML.

3. LICENCE INFORMATION

Under the standard SPML:

- Staff or teachers who are employed by Schools, Music Education Hubs and Local Music Services can copy any printed music publication they own for use solely within School Activities (with the exception of not more than 10% (by number of items) of the individual pieces of music published in an anthology or multi-movement vocal score or not more than 10% (by the number of pages) of any workbook included in the scheme). Rightholders may exclude specific publications from the scope of the mandate.
- Schools can arrange musical works to make them performable by the instrumental and vocal resources available to the school.
- Copies can be made by photocopying, scanning or using score writing software. They can also be written by hand and copied for sharing.
- Scanned copies can be made available on a virtual learning environment (VLE).
- Schools have no need to ask individual rightholders for permission each time they want to copy music scores.
- Schools can be sure that they have the authorisation they need to make the copies and arrangements of the musical works of our scheme members that they want, provided they act in accordance with the terms and conditions of the licence.
- Schools have flexible use of the printed music that they already own.

You can find a copy of the current SPML here.

4. MEMBERSHIP OF SCHEMES AND MANDATES

Any rightholder publishing printed music publications, whether directly or through a third party agreement, is eligible to give PMLL a mandate for its licensing schemes.

Who can join PMLL?

PMLL is open to a rightholder who is either classified as a print music publisher¹ or who has a third party print licensing agreement with a print music publisher² provided that the rightholder controls rights that are reasonably expected to be copied in UK schools. Many of our rightholders are also members of the MPA but this is not a condition of participation in the SPML Scheme.³ If you wish to join the SPML Scheme please complete and return the mandate which you can find here.

The license granted by the rightholder to PMLL under the mandate may exclude specific publications and/or musical works and associated lyrics from the scope of the scheme by giving notice in writing to PMLL. Excluded publications and musical works will be notified to licensees

¹ Defined as a Music Publisher whose business is (in whole or in substantial part) the publication and distribution of printed music. PMLL reserves the right to verify and authenticate any claim and refuse membership to the SPML Scheme if the qualification criteria are not deemed to have been met.

² Defined as those who have a contractual relationship with a print music publisher on an exclusive or non-exclusive basis. PMLL reserves the right to verify and authenticate any claim and refuse membership to the SPML Scheme if the qualification criteria are not deemed to have been met.

³ PMLL reserves the right to charge non-MPA members an additional administration fee of 10% of their distributable revenue.

by being added to the exclusions list on the PMLL and CLA website. This will take place no later than one month after receipt of the rightholder's notice.

The rightholder may terminate the mandate by giving 60 days' notice in writing to PMLL. PMLL will then instruct CLA to remove the rightholder from the list of participating publishers on the CLA website on the first day of the quarter following expiry of the rightholder's notice period.

Scheme members mandate PMLL to license on their behalf the non-exclusive right, within the UK;-

- a) to make, or permit the making of arrangements⁴ of their musical works; and
- b) to distribute, and to permit the distribution of licensed copies to school members.

Both scheme members and PMLL can terminate the mandate on one month's notice.

For more information please see the FAQ section on our website.

5. DISTRIBUTIONS & CHARGES

PMLL's Board sets the distribution policy, which it reviews at least twice annually before proposed distributions.

For the SPML. PMLL works with its agent, currently CLA, to obtain as much reliable data regarding usage as is commercially feasible, and to distribute income according to a formula that reflects the empirical usage data obtained. Where usage data is not available, a reasonable proportion of revenue is allocated to members of the SPML scheme according to a calculation that reflects the subscription categories of MPA membership (or deemed membership category, in the case of non-MPA members). PMLL is working with CLA to provide information from a greater number of schools, and has continued to move towards a greater reliance on actual usage data. However, while the SPML scheme is still developing, the membership model is still being used to distribute a proportion of the income. The policy of the PMLL Board is to phase out the membership basis for such distribution over the next few years, in line with PMLL's commitment to improving the volume, reliability and representativeness of the usage data.

Distribution models and policies are reviewed at least annually by the PMLL Board and will be notified to all mandated members prior to the end of the calendar year.

Distribution currently takes place bi-annually, around December and July.

Rightholders are paid by online transfer directly into the bank account of which they notify us.

6. GOVERNANCE

PMLL is constituted as a company limited by shares and belongs to the MPA. Member directors of PMLL are elected according to a procedure set out in its articles of association, a copy of which may be made available to all scheme members, upon request. The CEO is also a director but without voting rights, and an external director is also appointed by the Board. The Board meets at least four times per year to discuss strategy, policy and operational issues such as the more appropriate basis for the bi-annual distribution (see above).

⁴ Changes of key and simple changes in instrumentation are allowed but not arrangements that transform the work.

The PMLL articles of association provide for a representative board in accordance with the general principles of the CRM Directive, made up of printed music publishers, major publishers, independent publishers and an external independent director.

The following matters are presented at an annual rightholders meeting to which all scheme members are invited:-

- A review of the past year;
- Presentation of a financial statement;
- Announcement of board elections;
- Other special business such as significant proposed changes to the mandate, the licensing scheme or the distribution policy, all of which will be subject to MPA board approval as the holding company.

7. SERVICE STANDARDS

PMLL is a small organisation. If you wish to contact us, please send us an email or letter we will try to respond to you fully within three working days. In some circumstances this may not be possible. If that is the case we will let you know and we will give you an estimate of when a full answer can be given.

PMLL will collect data which, from time to time and only for the purposes of administering the licensing schemes. We may need to share data with our agents and partners but we will only share those details where an agreement has been signed by the two parties, regulating processes for data exchange. We will always apply due care in dealing with any information provided by rights holders..

PMLL has built a database to hold all lines of data collected by the CLA. The database holds information on folios, songs and agreed share splits.

We are always seeking to improve our service. Please use the contact details in Section 9 below to provide any feedback or suggestions. Alternatively, you can use the contact section of our website to send your comments to us.

8. COMPLAINTS POLICY AND PROCEDURE

PMLL views complaints as an opportunity to learn and improve for the future, as well as a chance to put things right for the person (or organisation) who has made the complaint. Our policy is:-

- To provide a clear, usable policy for parties wishing to complain;
- To properly identify formal complaints;
- To make sure that PMLL officers and board members know what to do in the event of a complaint;
- To ensure that complaints are investigated fairly and in a timely way;
- To respect the confidentiality of information received during the course of a complaint
- To resolve complaints, wherever possible;
- To gather information that helps us to improve what we do.

Who can make a complaint?

You are eligible to lodge a complaint if:-

- you have given us a mandate
- you are a rightholder who wishes to give us a mandate
- you are a rightholder who wishes to exclude publications from our scheme

Complaints may be about operational or policy issues but please note that complaints about the licence fee we charge to schools or other end users, the terms of our licences or about the interpretation of copyright law are outside the scope of this Code of Conduct as they are matters subject to jurisdiction of the courts and the Copyright Tribunal. Suitable matters for using this complaints procedures would be, for example:-

- the timeliness of a response from us;
- the behaviour of our staff in handling a response;
- lack of clarity about our mandate and its effect;
- the application of our distribution policy;
- an alleged failure to operate within our mandate.

What is the procedure for making a complaint?

All complaints should be made in writing (sent by post or by email) and must:-

- notify us that you are invoking our formal complaint procedure;
- provide your name and address (if an individual);
- provide the name and address of your organisation making the complaint;
- give your position within the complainant organisation;
- provide details of the nature of the complaint, including all pertinent factual details.

Who should complaints be addressed to?

Complaints Printed Music Licensing Ltd 2nd Floor, 114-118 Southampton Row London W1CB 5AA Email: info@mpagroup.com

What happens once a complaint is lodged?

Stage 1

- 1. We will acknowledge receipt of the complaint within 10 working days. During this time we will make an assessment as to whether your complaint is legitimate and falls within the scope of this policy or whether it is frivolous or vexatious (in which case you will be notified of this in an acknowledgement letter together with an explanation of why this decision has been made). We may request further information to enable us to consider the complaint. For more information as to what constitutes a frivolous or vexatious complaint, see below.
- 2. In most cases, a complaint may satisfactorily be resolved by a review of the matter on the part the person responsible for the action or decision upon which the complaint is based. Such person will be informed about the complaint and, if possible, they should resolve the matter swiftly and appropriately and communicate the resolution to you.
- 3. Whether or not the complaint has been resolved, the complaint facts will be passed on to the CEO within 10 working days of the acknowledgement of receipt. If the matter has not been resolved then, following notification, the CEO will delegate an appropriate person to investigate the complaint and to take appropriate action. If the complaint

relates to a specific person, that person will be informed of the complaint and given a fair opportunity to respond.

4. Within 5 working days of delegation by the CEO, you will be informed as to who is dealing with your complaint and when you can expect a reply. A copy of this Code of Coduct will also be provided. Ideally, you should receive a definitive reply to the substance of the complaint within one calendar month. If this is not possible, a progress report should be sent with an indication of when a full reply will be given. The reply should describe the action taken to investigate the complaint, the conclusions from the investigation and any action taken as a result of the complaint.

Stage 2

- 5. If you feel that the problem has not been satisfactorily resolved at Stage 1, you can request that the complaint is reviewed at Board level. At this stage, the complaint will be passed to the Chair of the PMLL Complaints Committee. This is an advisory committee of the PMLL Board and is comprised of an appointee of the Board (whether or not a director) based on his or her relevant expertise, the Company Secretary, and such other person(s) as either the Board or the Complaints Committee shall consider appropriate.
- 6. Your request for Board level review should be acknowledged within 10 working days of receiving it and you should receive a copy of the Complaints Committee's terms of reference. The acknowledgement should say who will deal with the case and when you can expect a reply. If necessary, the Committee may request more evidence and will set out an appropriate timetable.
- 7. Before considering the complaint, the Chair of the Committee will first make a determination as to whether your complaint is frivolous or vexatious, in which case the Chair may decide that the Committee shall refuse to accept your complaint for consideration. In such a case, the Chair shall report his/her decision to the PMLL Board, giving reasons, and the PMLL Board may either accept the Chair's decision and dismiss the complaint (in which case you will be informed, promptly, in writing, of such decision, giving reasons), or, if the PMLL Board disagrees with the Chair's determination, the PMLL Board may require the Committee to consider the complaint.
- 8. The person who dealt with the original complaint at Stage One should be kept informed of what is happening.
- 9. Following consideration by the Committee, the Committee will make a recommendation to the Board, which will then take a decision whether or not to follow the recommendation or to respond differently.
- 10. Ideally complainants should receive a definitive reply within one calendar month of instigating Stage 2. If this is not possible because for example, an investigation has not been fully completed or the Board cannot meet to discuss the matter within that timeframe, a progress report should be sent to you with an indication of when a full reply will be given.
- 11. Whether or not your complaint is upheld, the Board reply to your complainant should describe the action taken to investigate the complaint, the conclusions from the investigation, and any action taken as a result of the complaint.

The decision taken at this stage is final. However, if you are unhappy with the Board decision you may nevertheless refer the matter to the copyright division of the Ombudsman. Further

details of that process may be found by visiting the Ombudsman's website at http://www.ombudsman-services.org/copyright.html.

A final decision by the Board at Stage Two is without prejudice to any other legal remedy that you might have.

What constitutes a frivolous or vexatious complaint?

- A frivolous or vexatious complaint can be characterised in a number of ways:-
- Complaints that are obsessive, persistent (without foundation), harassing, prolific, repetitious;
- Complaints that are trivial, trifling, futile or not serious;
- Insistence upon pursuing unmeritorious complaints and/or unrealistic outcomes beyond all reason;
- Insistence upon pursuing meritorious complaints in an unreasonable manner;
- Complaints that appear to designed to cause disruption or annoyance;
- Complaints that appear to be so-called "fishing expeditions" for information otherwise not available to the Complainant under the normal rules and procedures of PMLL;
- Demands for redress which lack any serious purpose or value.

Deciding whether a request is frivolous or vexatious is a balancing exercise, taking into account all the circumstances of the case. The main consideration will be the issues raised in the complaint rather than the behaviour of the Complainant. However, even in a case that may otherwise be meritorious, PMLL is entitled to look at whether the behaviour of the Complainant is so unreasonable as to amount to an abuse of the complaints process, in which case PMLL shall be entitled to decide not to accept, or to continue to consider (as applicable) the case.

9. CONTACT DETAILS

For RightHolders:

Printed Music Licensing Ltd 2nd Floor, Synergy House 114-118 Southampton Row London W1CB 5AA Email: info@mpagroup.com Website: www.printmusiclicensing.co.uk For Licensees:

The Copyright Licensing Agency 5th Floor, Shackleton House 4 Battlebridge Lane London SE12HX Email: cla@cla.co.uk Website: www.cla.co.uk Telephone: 020 7400 3100