

# Classical music concerts & recitals

## Tariff 'LC' (2009.07)

Effective from 1st July 2009

(Also showing previous year's details in brackets)



### 1. Scope of tariff

This tariff applies to performances of controlled works\* in **classical concerts** and **recitals**, for example at normal concert venues, theatres and similar auditoria, and outdoor sites, with or without a charge for admission.

This tariff excludes events falling within the scope of other tariffs published by *PRS for Music*\*, such as but not limited to: popular music concerts; variety shows; theatrical presentations; educational establishments; community buildings run by voluntary organisations; public houses and clubs.

### 2. Promoters, and proprietors of venues

Where both the promoter *and* the proprietor of the premises\* at which an event\* is to take place are holders of *PRS for Music's* licence authorising the event, then royalties under this tariff are payable, in the first instance, by the promoter. *PRS for Music*, however, retains the right to claim royalties from the proprietor should the promoter fail to make due payment.

### 3. Application of royalty

Where the music user *has* applied for and obtained *PRS for Music's* licence before musical performances commence, the **standard** royalty rate will be charged and payable for the first year of the licence.

Where the music user *has not* applied for and obtained *PRS for Music's* licence before musical performances commence, the **higher** (standard plus 50%) royalty rate will be charged and payable for the first year of the licence.

After the first year of the licence, in either case, the **standard** royalty rate will be charged and payable.

### 4. Royalty charges

In this edition of Tariff 'LC' the pertinent rates of charge apply to all royalties falling due between 1st July 2009 and 30 June 2010. For the information of licensees, sections 4.1.3 and 4.2 also list rates for the previous year.

Royalties payable for a licence or permit under this tariff are calculated for each itemised event as follows.

\* See Definitions, section 8

**4.1 Events with an admission charge**

Where an event has an average admission charge\* over £5.00, the royalty charge is a percentage of net admission receipts\* for each event which includes controlled works\*. The percentage is either fixed (4.1.1) or variable (4.1.2) as follows:

|  | <b>Higher<br/>Royalty</b> | <b>Standard<br/>Royalty</b> |
|--|---------------------------|-----------------------------|
| <b>4.1.1 Fixed percentage</b><br>(irrespective of the controlled copyright content): |                           |                             |
| from 1 July 2009 .....   | 7.20%                     | 4.80%                       |

For licensed events which take place after 1 October 2003, if a licensee complies with paragraphs 5.1.1 and 5.1.2 of this tariff within each of the 28 day periods referred to in those paragraphs in respect of a quarter\*, the Standard Royalty in respect of that quarter shall be 4.50%.

**4.1.2 Variable percentage** depending on the proportion of the programme time occupied by the performance of controlled works for each event. This option is available to a licensee who opts, in advance, for the assessment of the royalty charge in this manner for all events in an *entire* licence-year and who complies with certain conditions. For reasons of simplicity and economy in this edition, a separate Appendix of the variable percentage rates and conditions is available from *PRS for Music* on request.

|  | <b>Higher<br/>Royalty</b> | <b>Standard<br/>Royalty</b> |
|--|---------------------------|-----------------------------|
| <b>4.1.3 Minimum royalty</b><br>The royalty rates in sections 4.1.1 and 4.1.2 are subject to a minimum charge for each event in which controlled works* are performed: .....   | £30.80<br>(£30.20)        | £20.53<br>(£20.13)          |
| <b>4.2 Events with no / low admission charge</b><br>Where an event has no admission charge or an average admission charge* of £5.00 or less, the charge for each event which includes controlled works* (irrespective of the controlled copyright content) for the first 50 persons admitted is: ..... | £15.41<br>(£15.11)        | £10.27<br>(£10.07)          |
| and thereafter for each unit of 25 persons (or part thereof) admitted: .....   | £7.70<br>(£7.55)          | £5.13<br>(£5.03)            |

\* See Definitions, section 8

## 5. Payment

### 5.1 Royalties due under continuing licences

- 5.1.1** Subject to 5.1.4, royalties under continuing licences are payable quarterly in arrears, within 28 days of the date of *PRS for Music's* invoice.
- 5.1.2** Within 28 days from the end of each quarter a licensee must deliver to *PRS for Music* a certificate signed by a responsible official, with sufficient information to enable *PRS for Music* to calculate the royalties due. The certificate must show for each event during the last quarter in which musical works (including, by definition, any controlled copyright adaptation) were performed, and must list all such events by date and name showing the seating capacity of the venue, the net admission receipts and the total number of persons admitted (by way of determining the average admission charge and royalty assessment either under section 4.1 or 4.2).
- 5.1.3** The certificate must be accompanied by certified programmes in respect of the music performed at all the events covered by this tariff which have been held during the quarter.
- 5.1.4** Where royalties are payable as a percentage of net admission receipts, whether in arrears or, pursuant to section 5.1.5, in advance, *PRS for Music* is entitled to require, from time to time, a certificate by an appropriately qualified accountant certifying the amount of those receipts for each event and indicating the amounts (if any) deducted therefrom in respect of party booking discounts and Value Added Tax, together with satisfactory proof of such payments. Any adjusting payment then found to be due is payable (by *PRS for Music* or the licensee, as the case may be) within 28 days of *PRS for Music* calculating and notifying the final royalty.
- 5.1.5** If a licensee does not comply with requirements under section 5.1 *PRS for Music* may stipulate that for the next licence-year royalties shall be payable annually in advance. In such cases the royalty to be paid in advance will be assessed according to the music use in the previous four quarters, and will be adjusted at the end of that year in terms of the actual performances as certified by the licensee.
- 5.1.6** For the avoidance of doubt, it is confirmed that time shall be of the essence for the purposes of each of the time limits referred to section 5.1.

### 5.2 Royalties due under an occasional permit

For an occasional event, outside of a continuing licence, the music user must apply to *PRS for Music* and, except by prior arrangement with *PRS for Music* pay the full royalty in advance of the performance. *PRS for Music* will require the particulars specified for the certificate in section 5.1.2 above.

## 6. Value Added Tax

Every Licensee under *PRS for Music's* tariffs will pay to *PRS for Music* in addition to the royalty due, a sum in respect of Value Added Tax calculated at the relevant rate on the royalty payable.

## 7. Inflation adjustment

Every year on 1st July, the monetary sums in this tariff will be adjusted for inflation. The adjustment formula will apply to the standard rates the mean (to the nearest whole percentage point) of the percentages by which the Retail Prices Index and the Average Earnings Index (unadjusted) change in the year to the previous February.

February is the latest month prior to the anniversary date for which figures are likely to be published for both indices.

After application of the adjustment the standard royalty rates will be rounded to the nearest penny.

All royalties will be charged at the royalty rate in force at the beginning of the licence-year.

## 8. Definitions

- **average admission charge** means the gross admission receipts (including VAT) divided by the total number of persons admitted per event. *PRS for Music* reserves the right to review and reset in future years the level of the average admission charge in light of the practical operation of this tariff.
- **controlled works** means all and any musical works, arrangements of musical works and words associated with such works, in which the right of public performance is controlled by *PRS for Music*.
- **event** means a concert or recital of classical music.
- **net admission receipts** means all monies paid or payable in respect of admission charges (whatever the form of such charges) in connection with any concert or recital to which Tariff 'LC' applies, less party booking discounts and Value Added Tax.
- **premises** includes places where open-air events take place.
- ***PRS for Music*** is the trading name of the Performing Right Society Limited.
- **quarter** means a period of three months within a licence-year, running so that four consecutive quarters coincide with a licence-year of twelve months.