

**PRS for MUSIC**  
**DIGITAL MUSIC LICENCE FOR FITNESS AND DANCE**

The Digital Music Licence for Fitness and Dance is designed for smaller UK digital fitness and dance services making music available within on-demand or live streamed content of fitness classes and dance lessons. For clarity, this licence only covers UK services generating less than £150,000 of applicable revenue per annum.

**Key features**

The following explanation of key features is for information only and shall not form part of your contract. Details of the licence terms and conditions should be read in full. Your contract shall be made up of your online Application form, the Commercial Terms as set out below and the Digital Music Licence Standard Terms and Conditions.

**Scope**

The Digital Music Licence for Fitness and Dance covers the use of PRS for Music repertoire and MCPS Commercial and Production Music repertoire in the online streaming of fitness and dance services (including fitness and dance services that are made available online (on demand), for example, copyright-protected music used to deliver online fitness classes / dance lessons.

The licence is only available to services which meet the criteria for a "Permitted Service" (as defined in the Digital Music for Fitness and Dance Special Conditions), for example, fitness instructors, dance instructors, small business operating digital fitness and dance services on a commercial basis.

**Rights**

- Communication to the public of PRS for Music repertoire.
- Mechanical rights associated with MCPS repertoire, including production music

**Royalty**

This licence contains four royalty rates determined by class/lesson type (fitness class or dance lesson) and music usage type (Live streamed classes/lessons and On demand streamed classes/lessons). The charges applied to your service will depend on the number of musical works used within your online fitness or dance class/lessons and the number of live streams and/or on-demand views your online service delivers.

Your annual licence fee will be calculated by using the actual number of streams and on-demand views and number of musical works delivered annually.

**DIGITAL MUSIC LICENCE FOR FITNESS AND DANCE - COMMERCIAL TERMS**

Usage type	Royalty Rate
On Demand Stream within Fitness Class	£0.04 per musical work, per On Demand Stream*
Live Stream within Fitness Class	£0.03 per musical work, per Live Stream*
On Demand Stream within Dance Lesson(s)	£0.0255 per musical work per On Demand Stream**
Live Stream within Dance Lesson(s)	£0.0191 per musical work per Live Stream**
Minimum Royalty	£193.00 per usage type***

**Minimum Fee**

Minimum fee is applied per usage type. If your calculated annual licence fee is less than the minimum fee per usage type, minimum fees will apply, per usage type.

**Reporting requirements**

You will need to provide music usage information to determine the annual licence fee, including the number of On Demand Streams/Live Streams, number of online classes/lessons delivered, and the number of tracks used per class/lesson. You are also required to provide music reporting of tracks used and the number of times the tracks are played.

No music reporting is required for customers charged by the minimum fee.

**Term**

Your licence term period shall be for 12 months, after which point it shall automatically renew for the following 12-month licence period and will continue to be issued for continuing years on a rolling basis, unless formal notice of termination of the licence is received. All royalties will be charged at the royalty rate in force at the beginning of the licence-year.

**Annual 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, using the percentage (to the nearest whole percentage point) by which Consumer Price 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 this index. After application of the inflation adjustment the royalty rates will be rounded \* to the nearest penny \*\* to the nearest one thousandth of a pound, and in the case of the \*\*\* minimum annual royalty which will be rounded to the nearest pound.

## Restrictions & Exclusions

### Music usage excluded from the scope of this licence is:

- This licence does not cover any public performance rights, which are administered by PPL PRS contact [www.pplprs.co.uk](http://www.pplprs.co.uk)
- No synchronisation rights are granted under this licence. Synchronisation rights may be obtained under a separate licence either directly from the rightsholders or via our website where we are mandated to do so.
- Use any musical works in advertising campaigns.
- Sponsorship
- Corporate videos for conferences
- B2B promotional use, or any product launches etc. without obtaining a separate synchronisation licence from the relevant rightsholders.

## SPECIAL CONDITIONS

### 1. Scope

- 1.1 These special conditions apply to the Digital Music Licence for Fitness and Dance. These conditions shall be incorporated into, and should be read in conjunction with, the general Digital Music Licence Standard Terms and Conditions, available to review from the PRS for Music website ([www.prsformusic.com](http://www.prsformusic.com)), as updated from time to time. Capitalised terms that are not defined in these Special Conditions shall have the meaning set out in the Digital Music Licence Standard Terms and Conditions. In the event of a conflict between the general Digital Music Licence Standard Terms and Conditions and these Special Conditions, these Special Conditions shall take precedence.

### 2. Definitions

- 2.1 **"Applicable Revenue"** means all revenue received (or receivable) by the Licensee arising from the provision of the Licensed Service, less VAT or equivalent tax. By way of example only, such revenue may include but is not limited to subscription revenue, transactional revenue, advertising revenue or sponsorship revenue where such revenues are derived from the provision of the Content to Users within the Licensed Service.
- 2.2 **"Dance Lesson Content"** means Content that is made available to Users via a Network with the primary purpose of systematic instruction to such Users in movement, dance or similar discipline given by a teacher to one or more students.
- 2.3 **"Excluded Service"** - means either:

- (a) any service (or the relevant part of a service) which falls within the scope (from time to time) of any of the following MCPS/PRS licensing schemes:

- I. MCPS – Karaoke and MIDI scheme;
- II. MCPS – Music-on-hold scheme;
- III. MCPS & PRS – Music Services B2B;
- IV. MCPS – Premium Telephone Line Services scheme;
- V. PRS – Premium Telephone Line Services scheme;
- VI. MCPS & PRS Joint Ringback scheme;
- VII. MCPS & PRS B2B Music Preview scheme;
- VIII. MCPS & PRS Joint Digital Music Licence for Worship scheme;
- IX. MCPS & PRS Joint Digital Music Licence for Further & Higher Education scheme;
- X. MCPS & PRS Digital Music Licence for Business Scheme;
- XI. MCPS & PRS Digital Music Licence for Schools; or

- (b) any service which is a:

- I. Music Download Service;
- II. Music Download Karaoke Service;
- III. Music On Demand Service;
- IV. Music On Demand Karaoke Service;
- V. Podcasting Service;
- VI. Internet Radio Service;

- 2.4 **"Fitness Class Content"** means Content that is made available to Users via a Network with the primary purpose of accompanying sport or fitness activities under the direction of an instructor. For the purpose of this definition, reference to the "direction of an instructor" includes reference to direction given by an instructor in person or by means of a recording played or communicated to Users, whether from within or outside of the Licensee's premises.
- 2.5 **"Fitness & Dance Music Reporting Form"** means the information referred to in clause 6.1, to be provided in the form set out in Appendix 1 of these Fitness & Dance Special Terms and Conditions.
- 2.6 **"Live Stream"** means the streaming of each item of Fitness Class and/or Dance Lesson Content (as applicable) where the User cannot choose when to start or stop the item of Fitness Class and/or Dance Lesson Content. This is effectively akin to an online linear broadcast. Each stream of a Repertoire Work received by a User will constitute one Live Stream for your allocated allowance. This definition supersedes the definition of Stream in the Digital Music Licences Standard Terms and Conditions for the purposes of this Digital Fitness and Dance Licence only.
- 2.7 **"On Demand Stream"** means the 'on demand' streaming of Fitness Class and/or Dance Lesson Content (as applicable) where the User is able to choose when to start and stop the item of Fitness Class and/or Dance Lesson Content. Each stream of a Repertoire Work received by a User will constitute one On Demand Stream from your allocated allowance. This definition supersedes the definition of Stream in the Digital Music Licences Standard Terms and Conditions for the purposes of this Digital Fitness and Dance Licence only.
- 2.8 **"Permitted Service"** – means a digital fitness service through which a selection of Fitness Class Content and/or Dance Lesson Content is made available to Users via a Network with Applicable Revenue of less than £150,000 per annum, subject always to the limits set out in the AFL.

### 3 Special Conditions

- 3.1 For the purposes of the Digital Fitness and Dance Licence, clause 6.1 of the general Digital Music Licence

Standard Terms and Conditions shall not apply and shall be replaced with the following clause 6.1:

6.1 In relation to any and all Repertoire Works, Dance Lesson Content and/or Fitness Class Content reproduced and communicated to the public under this Agreement via all Licensed Services, the Licensee will deliver a fully and accurately completed Fitness and Dance Music Usage Declaration to the Licensors or to the Licensors' duly authorised agent (details of which will be provided to the Licensee) one month following the

Quarter to which the Fitness & Dance Music Reporting Form relates. Notwithstanding the foregoing, the obligations set out in this clause 6.1 shall not apply to any Licensee which qualifies for payment of Royalty Fees on the basis of the Minimum Fee.

3.2 For the purposes of the Digital Fitness and Dance Licence, any reference in the general Digital Music Licence Standard Terms and Conditions to the 'Music Usage Declaration' shall refer to the Fitness & Dance Music Reporting Form as defined and as set out under these Digital Fitness and Dance Special Conditions.

Musical Works Used				
<u>Title of Song</u>	<u>Band / Artist Name</u>	<u>How often was this song played across a 12 month period?</u>	<u>Class Type</u> 1) Fitness Class 2) Dance Lesson	<u>Usage Type</u> 1) Live Streamed 2) On-Demand Streamed
			1) Fitness Class	1) Live Streamed
			2) Dance Lesson	2) On-Demand Streamed
			1) Fitness Class	2) On-Demand Streamed