

ANNEX B

STANDARD TERMS AND CONDITIONS

1. Definitions

- “Ad-bumper”** means a short piece of audio-visual material played at the start and end of commercial breaks during the broadcast of a Music Programme and which displays the name of the Music Programme but is not, for the avoidance of doubt, a Sponsorship Message.
- “Agreement”** means these terms and conditions, the Cover Sheet and annexes, schedules and appendices to the terms and conditions and any application form completed by the Licensee.
- “Authorised Exploitation”** means:
- (a) the broadcast of the relevant Music Programme on the Television Channel in the United Kingdom and the Republic of Ireland; and
 - (b) the making available on demand of each episode of the Music Programme during a 30 day window before and a 30 day window after the date of first broadcast of the episode; and
 - (c) the making available on demand of all episodes of the Music Programme during a 30 day window after the date of first broadcast of the final episode of the relevant Music Programme.
- “Ballet”** shall mean a choreographic work having a story, plot or abstract idea, devised or used for the purpose of interpretation by dancing and/or miming, but does not include country or folk dancing, nor tap dancing, nor precision dance sequences.
- “broadcast” or “broadcasting”** shall have the meaning ascribed thereto in section 6 of the Copyright Designs and Patents Act 1988.
- “Commercial Work”** means each Musical Work the copyright in which is owned or controlled in the United Kingdom and the Republic of Ireland by MCPS (or an MCPS member or an affiliated society or an affiliated society member) but excluding Production Music Works.
- “Delivery Date”** means, in relation to a Music Programme, the date of delivery of the final version of the Music Programme to the Television Channel, or where the Music Programme consists of a series of episodes, the date of delivery of each individual episode to the Television Channel.
- “Dramatico-Musical Work”** shall mean any Ballet, opera, operetta, musical, musical play or work of a similar nature in so far that it consists of words and music expressly written therefor.
- “Gross Revenue”** shall mean:
- (a) all revenue received (or receivable) by the Licensee from the commissioning broadcaster in consideration for the production of the Music Programme, or in cases where the Music Programme is not commissioned, all revenue received (or receivable) by the Licensee from the Television Channel in consideration for the licensing or sale of the Music Programme for broadcast on the Television Channel; and
 - (b) all revenue received (or receivable) by the Licensee from any other third party who is contributing funding (in money or in money’s worth) towards the production of the Music Programme; and
 - (c) all revenue received (or receivable) by the Licensee from a Sponsor of a Music Programme; and
 - (d) all revenue received (or receivable) by the Licensee as a result of the

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inclusion of product placement (as allowed under section 9 of the OFCOM broadcasting code) within a Music Programme; and

- (e) all revenue received (or receivable) by the Licensee either directly or indirectly from viewers of the Television Channel communicating with the Licensee or any intermediary acting on behalf of the Licensee by way of (without limitation) telephone, mobile telephone, text message, electronic mail, the internet or any other electronic means of communication now existing or hereafter invented;
- (f) all revenue received (or receivable) by the Licensee in the form of donations, barter or contra deals whether or not falling within (a) to (e) above;

and in each of the above cases such revenue shall, for the avoidance of doubt, include any such revenue whether received or receivable by the Licensee or any associate, affiliate, agent or representative of such party.

“making available on demand”

shall have the meaning ascribed thereto in section 20(2)(b) of the Copyright Designs and Patents Act 1988.

“Music Programme”

means a programme where the musical audio material and/or audio-visual material with a musical soundtrack is the primary theme and not merely secondary or incidental to the storyline or documentary material featured in the programme. A “Music Programme” includes but is not limited to the following (including any combination thereof):

A programme which consists of:

- (a) one or more audio-visual live music performances by an artist, a group or a number of artists and/or groups;
- (b) an audio-visual documentary where the featured subject matter is one or more music artists, groups, songwriters or composers or a musical style or genre;
- (c) one or more promotional audio-visual productions which have a music sound recording as their main element;
- (d) audio-visual programming which has music as its primary theme, including, without limitation, archive collections of previously exploited television material;
- (e) an audio-visual recording of a music award event.

“Musical Work”

means any work consisting of music and any lyrics or words written to be used with the music (if applicable). It includes any part of such a work.

"Permitted Excerpts"

refers only to Dramatico-Musical Works and shall mean excerpts where the use of all such excerpts in any Music Programme complies with all the following limitations:

- (a) the total duration of the excerpts does not exceed 20 minutes in any single Music Programme;
- (b) the use is not a "potted version" of the Dramatico-Musical Work;
- (c) the use is not or does not cover a complete act of the Dramatico-Musical Work;
- (d) each excerpt is not presented in a "dramatic form" as defined below; and
- (e) as regards Ballets specifically devised for television or excerpts from existing Ballets, the total duration does not exceed 5 minutes.

A dramatic form shall be deemed to be created only by a performance in which there is a distinct plot depicted by actors and where the story of the Dramatico-

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Musical Work and/or its associated words is woven into and carries forward the plot and its accompanying action (a dramatic form shall not, for example, be deemed to be created by the use of costume, scenery, and/or any dance routine merely to provide an acceptable presentation of the work). For the purposes of this paragraph the word "actors" shall include actors, singers, mimics and/or puppets.

- “PMSR”** means any production music sound recording being a sound recording (as opposed to a Musical Work) the copyright in which is owned or controlled in the United Kingdom and the Republic of Ireland by MCPS or any member (or any affiliated society or affiliated society member) and where such party has authorised MCPS to license such recordings as so-called production or library music.
- “Production Music”** means Production Music Works and PMSRs.
- “Production Music Work”** means any Musical Work:
- (a) embodied on a PMSR; and
 - (b) the copyright in which is owned or controlled in the United Kingdom and the Republic of Ireland by MCPS (or an MCPS member or an affiliated society or an affiliated society member).
- “Re-version”** means a piece of audio-visual material that is produced by editing the content of a Music Programme into a different form. Re-versions will comprise substantially the same content as was contained in the original Music Programme, but may include some new content, provided that it is related to the original content.
- “Repertoire Work”** means Commercial Works, Production Music Works and PMSRs, but excludes commissioned music (i.e. Musical Works specially commissioned from MCPS composer/writer members).
- “Sponsor”** means any party who or which provides directly or through any agent all or any part of the finance and/or any products or services and/or pays the Licensee or provides any other good consideration for the making of Audio-Visual Material in return for exposure for, or any other form of reference therein to, the name or trademark or logo of the third party or any associate thereof or any specific named brands, products or services.
- “Sponsorship Message”** means any item which includes a specific audio and/or visual reference to a Music Programme Sponsor.
- “Television Channel”** means, in respect of the relevant Music Programme, the television channel in respect of which such Music Programme has been commissioned or, where the Music Programme is a licence fee secured Music Programme, the channel which has secured the right of first broadcast in the United Kingdom.
- “Term”** means the period starting on the Commencement Date and ending on the End Date or any earlier termination of the Agreement in accordance with clause 9.

2. Rights Licensed

Subject to the terms and conditions set out in this Agreement, MCPS hereby grants to the Licensee a non-exclusive licence during the Term to reproduce (including by way of synchronisation) Repertoire Works in the United Kingdom into Music Programmes solely for the purpose of the Authorised Exploitation. Any copying of Repertoire Works for purposes beyond those set out in clause 2 is not licensed under this Agreement.

3. Extent of the Licence

3.1 This Agreement does not extend to or permit the inclusion of any adaptation of any Repertoire Work in the Music Programme unless the relevant MCPS member has expressly consented thereto for the purposes of the Agreement. By way of example only, this applies to:

- (a) making any arrangement of the music; or

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- (b) making any alteration to the lyrics, save for any minor change which does not alter the meaning thereof; or
- (c) any sampling (as that expression is commonly used in the music industry) of the music and/or lyrics or
- (d) reproduction in the form of a sample of the music and/or lyrics; or
- (e) using with music lyrics other than those written to be used with the music or authorised for use with the music; or
- (f) using with lyrics music other than that written to be used with the lyrics or authorised for use with the lyrics.

3.2 The Agreement does not extend to the reproduction of any Commercial Work:

- (a) in the form of a parody, pastiche or burlesque of any Commercial Work or of any composer or writer of any Commercial Work or any band or other group of artists which includes any composer or writer of any Commercial Work; or
- (b) where there is a derogatory, facetious, obscene or demeaning reference to the Commercial Work, its composer(s) and author(s) or the performing artist; or
- (c) without prejudice to clauses 3.3 and 3.4 below, in any manner which is likely to or causes the public to believe that the Commercial Work (or the composer(s) thereof) is endorsing or promoting any product or service, or the views expressed in the Music Programme.

Whether a use of a Commercial Work breaches this clause 3.2 shall be decided by MCPS in its reasonable discretion.

3.3 For the avoidance of doubt, the licence granted under this Agreement do not cover the use of any Repertoire Work with any advertising where:

- (a) such Repertoire Work is incorporated into such advertising; or
- (b) such Repertoire Work is otherwise presented in such a way that a reasonable person might associate the Repertoire Work with the advertising.

3.4 The licence granted under this Agreement do not cover the use of any Commercial Work with any Sponsorship message where:

- (a) such Commercial Work is incorporated into such Sponsorship Message; or
- (b) such Commercial Work is otherwise presented in such a way that a reasonable person might associate the Commercial Work with the Sponsorship Message.

3.5 The licence granted under this Agreement does not cover the use of any Repertoire Work in the following types of Music Programmes unless the relevant MCPS member has expressly consented thereto for the purposes of the Agreement:

- (a) Music Programmes relating to a single composer or author, composer and/or author team and/or where all Commercial Works contained within the Music Programme are by the same composer or author, or composer and/or author team; or
- (b) Music Programmes relating to a single music artist or record label and/or where all Commercial Works contained within the Music Programme are performed by the same music artist or controlled by the same record label.

3.6 The use of any Commercial Work in title and/or credit sequences and/or Ad-bumpers is excluded from this Agreement. Commercial Works for use in title and/or credit sequences and/or Ad-bumpers must be licensed in advance individually with the copyright owner or via MCPS.

3.7 Where any Repertoire Work forms part of any Dramatico-Musical Work, the licence granted under this Agreement shall not apply to the reproduction of:

- (a) the whole Dramatico-Musical Work;

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- (b) any excerpt(s) from such Dramatico-Musical Work unless all of the following circumstances apply:
 - (i) the Music Programme contains only excerpt(s) within the definition of Permitted Excerpts; and
 - (ii) MCPS has not notified the Licensee in writing that the Member or the Foreign Society Member objects to the reproduction of any such Repertoire Work.
- 3.8 In any event, any licence hereunder only applies to the relevant Repertoire Works and not (by way of example only) to any underlying dramatic or literary work which forms part of the Dramatico-Musical Work or which such Dramatico-Musical Work is based on or uses.
- 3.9 All rights not specifically granted under this Agreement are hereby reserved, and the parties hereby agree that no implied licences are to be construed hereunder.
- 3.10 The acts of broadcasting and making available of Repertoire Works within the Music Programme are not licensed hereunder.
- 3.11 The provisions of this Agreement authorise the making of the Music Programme for the Authorised Exploitation. In the event that a copy of the Music Programme or the soundtrack thereof is made or used in any way for any other purpose (including, without limitation, retail sale, rental and/or lending, cinematic performance) whether by any party to this Agreement or any other party then that copy shall not be licensed under this Agreement. MCPS reserves all rights including those of its members and the affiliated societies and the affiliated society members to take action in relation to any such copy.
- 3.12 This Agreement only covers Repertoire Works. It does not extend to other rights or interests, including (by way of example only), sound recordings other than PMSRs, films, dramatic works, performers' rights, moral rights or rights in performances. MCPS, for and on behalf of its members, warrants that all the necessary performers' waivers and consents have been obtained from the relevant performers insofar as their performances are embodied on PMSRs.
- 3.13 It is the responsibility of the Licensee to obtain all necessary licences in relation to any Musical Work (or part thereof) which is not a Repertoire Work, and nothing in this Agreement applies in relation to any such Musical Work or sound recording or film producing any such Musical Work.
- 3.14 Nothing in this Agreement affects the moral rights of authors of Repertoire Works whether subsisting in the United Kingdom and the Republic of Ireland or any other territory.

4. Licence Fees

The Licensee shall pay to MCPS the licence fees set out in Annex C of this Agreement. These licence fees and the associated exploitation of Repertoire Works are offered by MCPS on a strictly non-precedential basis and shall be subject to review upon expiry or termination of this Agreement.

5. Payment

- 5.1 All payments and sums referred to in this Agreement are subject to VAT.
- 5.2 MCPS will issue invoices as set out in Annex C to this Agreement. All invoices are due for payment in full within 28 days of the date of issue ("the Due Date").
- 5.3 Without imposing any obligation on MCPS to accept late payment and without prejudice to any rights and remedies MCPS may have by virtue of any failure of the Licensee to pay the licence fees specified in this Agreement by the Due Date, MCPS will be entitled to charge interest on the licence fees from the Due Dates at 3% above the National Westminster Bank base rate. MCPS shall in addition be entitled to charge interest at the same rate where payment is later than it would otherwise be as a result of the Licensee failing to deliver full and accurate reporting information in accordance with the timescales set out in clause 6 below.

6. Reporting

- 6.1 In respect of the licence granted under clause 2 above, the Licensee shall supply to MCPS within 7 days (or within 14 days, where this is agreed in advance by MCPS) of the Delivery Date full and accurate details of all Repertoire Works copied into each episode of a Music Programme and the name of the television channel on which the Music Programme is to be (or has been) first broadcast.

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The Licensee's reports must be in the format attached at Schedule 1 or such alternative format which the Licensee uses to report to broadcasters, provided that:

- (a) such format complies with MCPS' reasonable requirements; and
 - (b) it contains all the information that MCPS requires (as set out in Schedule 1).
- 6.2 The Licensee shall also supply MCPS with any further information or documentation in its possession, power, custody or control (and will supply MCPS with reasonable assistance to obtain any further information or documentation not in its possession, power, custody or control) reasonably requested by MCPS at any time, in order to enable MCPS to verify the Musical Works which are contained with a Music Programme or to verify that the Licensee is abiding by the terms and conditions of this Agreement.
- 6.3 In order to facilitate the preparation of reporting, MCPS will (upon request) grant the Licensee access to its online works database(s), subject to the Licensee's acceptance of MCPS' standard terms and conditions of access. For the avoidance of doubt, should MCPS withdraw access to such a database or should a database become unavailable (whether temporarily or permanently) for any reason, this shall in no way affect the obligations of the Licensee to deliver full, accurate and timely reporting as set out in this clause 6.
- 6.4 The Licensee shall supply to MCPS throughout the Term a fully completed notification form (in the form set out in Schedule 2) for each new Music Programme within 14 days of being commissioned to produce the Music Programme (or within 14 days of the Licensee commencing production, if the Music Programme has not been commissioned) and shall notify MCPS in writing immediately should any information contained on the notification form change at any time subsequently, including but not limited to the Music Programme title and scheduled Delivery Date.
- 6.5 Upon request, the Licensee shall supply to MCPS a copy of any Music Programme (or episode of a Music Programme) produced by it under this Agreement within 7 days of such a request following the Delivery Date, in order that MCPS may confirm that the Licensee is complying with the terms and conditions of this Agreement.

7. Gross Revenue Declaration

The Licensee shall provide to MCPS a fully and accurately completed Gross Revenue Declaration Form in the form set out in Schedule 3 not later than 7 days from first broadcast on the Television Channel.

8. Auditing

- 8.1 The Licensee shall keep and make available for inspection upon reasonable notice, both during and for twelve months after termination of this Agreement, proper, detailed books and records relating to (a) the use of all Musical Works in Music Programmes and (b) any income or other consideration received by or on behalf of the Licensee in relation to the Music Programme, together with any supporting documentation relating thereto. Where any agreement between the Licensee and MCPS replaces this Agreement or licenses substantially the same activities (the "Replacement Agreement"), the twelve month time-limit referred to above shall begin following termination or expiry of the Replacement Agreement.
- 8.2 For the purposes of this clause 8, the Licensee shall allow upon reasonable notice access to its premises to inspect accounting and reporting records, but not more than once per annum. The duly authorised representatives of MCPS shall be entitled to inspect, make extracts and take copies of any of the information and/or documentation available and to carry out such work as is, in their reasonable opinion, considered necessary to verify compliance with the provisions of this Agreement.
- 8.3 If tests under any audit and verification process indicate under-payment of the correct licence fees during the period for which monitoring has been carried out by or on behalf of MCPS, then, without prejudice to MCPS' other rights under this Agreement, the Licensee shall pay the amount of the underpayment plus interest based on the period from which the correct fee should have been paid to MCPS to the date when it was actually paid (at the rate of 3% over the base rate current from time to time of National Westminster Bank Plc).
- 8.4 If any audit and verification process discloses (a) under-payment of more than 7.5% of the correct licence fees during the period for which monitoring has been carried out by or on behalf of MCPS and/or (b) failures to report correctly amounting to at least 7.5% of the music usage during the

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period monitored by or on behalf of MCPS, then, without prejudice to MCPS' other rights under this Agreement, the Licensee shall pay, in addition to the payment referred to in clause 8.3, MCPS' reasonable costs of such audit and verification within 28 days of receipt of MCPS' VAT invoice therefor.

- 8.5 For the avoidance of doubt, books, records and accounting records as referred to in clauses 8.1 and 8.2 above shall be deemed to include data, information and records held on computers.

9. Termination of Agreement

- 9.1 A party shall have the right to terminate this Agreement immediately by notice to the other party if:
- (a) the other commits a material breach of this Agreement which is not capable of remedy; or
 - (b) the other commits a material breach of this Agreement which is capable of remedy but which has not been so remedied within 14 days of notice thereof;
 - (c) the other is dissolved, becomes insolvent or otherwise unable to pay its debts, ceases to trade, has a trustee, administrator or receiver appointed, has a resolution passed for its winding up or liquidation or makes a general assignment, arrangement or composition with or for the benefit of its creditors.
- 9.2 Where MCPS terminates this Agreement as a result of the non-payment of licence fees by the Licensee, any episode(s) of a Music Programme made during the period in which the licence fees were unpaid (whether in full or in part) shall be deemed to be unlicensed.
- 9.3 Any breach of clause 3.2 of this Agreement shall be deemed to be a material breach incapable of remedy for the purposes of clause 9.1(a). In the case of termination in these circumstances, the licence granted under this Agreement shall not apply to the episode(s) of the Music Programme containing the material which breached clause 3.2 (as well as any episode made after the date of termination).
- 9.4 For the avoidance of doubt, any exploitation of Repertoire Works by the Licensee following termination of this Agreement will be unlicensed.

10. Other

- 10.1 Other than as set out herein, this Agreement is personal and the Licensee shall not assign, sub-contract or otherwise transfer this Agreement or any of its rights or obligations under this Agreement in whole or in part without the prior written consent of MCPS, not to be unreasonably withheld or delayed.
- 10.2 The Licensee acknowledges that this is a 'blanket' licence agreement, and that for both parties to take advantage of the administrative simplicity of such a licence, the mechanism for calculating the licence fees must take account of all copying of Repertoire Works, including where some such copying might fall within one of the exceptions set out in Part I Chapter III of the Copyright Designs and Patents Act 1988.
- 10.3 No delay or omission in exercising any right or remedy hereunder shall operate as a waiver thereof or of any other right or remedy and no single or partial exercise thereof shall preclude any other or further exercise of any other rights and remedies.
- 10.4 No waiver shall be binding or effectual unless expressed in writing and signed by the party giving it and such waiver shall be effective only in the specific instance and for the purpose given.
- 10.5 If this Agreement creates any rights which would in the absence of this provision be enforceable by any person not a party to this Agreement, such rights shall not be enforceable.
- 10.6 This Agreement shall be construed in accordance with the laws of England and Wales and the parties submit to the exclusive jurisdiction of the English courts.

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ANNEX C

LICENCE FEES

1. The licence fees shall be the higher of:
 - (a) 17% of the Gross Revenue; and
 - (b) the per programme minimum fee as set out in the table below.
2. The per programme minimum in respect of Music Programmes shall be as follows:

Time Slot	Television Channel	Per programme minimum fee (per 30 minutes of the programme or episode of the programme if more than one episode)
Peak Time (everyday 18:00 to 22:59 and Saturday and Sunday T4 slots (09:00 to 14:00 approx))	Channel 4	£3,375
Off-Peak Time (all other time)	Channel 4	£2,000
Anytime	Other Terrestrial/Satellite/Cable Channel(s)	£2,000

3. In respect of Music Programmes which are less than or greater than 30 minutes, the per programme minimum fee shall be pro-rated into 15 minute portions (but not any less than 15 minutes). By way of example only, if a Music Programme made in respect of the peak time slot is 45 minutes long, the per programme minimum fee will be £5,062.50 (i.e. £3,375 + £1,687.50).
4. Where a Music Programme consists of a single episode, once (i) the Licensee's declaration of Gross Revenue has been made in accordance with clause 7 and (ii) reporting has been received for that Music Programme in accordance with clause 6.1 and the licence fees will be calculated as per the calculation set out above. MCPS will then send the Licensee an invoice for the licence fee. Where a Music Programme consists of a number of episodes, then invoicing shall take place monthly or quarterly (at MCPS' discretion) and there shall be no obligation on MCPS to wait until reporting all episodes have been delivered before it starts to invoice the Licensee.
5. The licence fee covers the supply of the Music Programme by the Licensee to the Television Channel for an initial number of broadcasts (together with the making available of the Programme on-demand, as detailed in the definition of Authorised Exploitation), as indicated. Where the Television Channel wishes to undertake additional broadcasts over and above this allowance, the Licensee shall pay an additional licence fee in respect of each such broadcast, as set out above.
6. Where the Television Channel of a Music Programme is E4 or More4, and the relevant Music Programme is broadcast on Channel 4, the per programme minimum fee for Channel 4 shall be applied as set out above. Thereafter, the per programme minimum fee E4 or More4 shall be applied.
7. Where the Television Channel wishes to undertake additional broadcasts over and above those covered by any licence fees that MCPS has already invoiced, the Licensee shall notify MCPS in writing as soon as it receives notice of the additional broadcasts itself so that MCPS may calculate the additional licence fees due and invoice the Licensee accordingly. For the avoidance of doubt (and without prejudice to MCPS' rights under this Agreement), nothing in this clause shall prevent MCPS from issuing invoices earlier should it become aware of additional broadcasts prior to receiving written notification of them from the Licensee.
8. The Licensee acknowledges that MCPS may not be able to identify all uses of Repertoire Works at the time that it initially receives reporting for a Music Programme from the Licensee. MCPS

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shall be entitled to reprocess reporting at later dates and where uses of Repertoire Works are identified that have not previously been invoiced, to raise an invoice for the relevant licence fee, which the Licensee shall pay in accordance with clause 6.2.

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Schedule 1

MCPS Reporting Format



Schedule 1 &
Schedule 2.xlsx

Schedule 2

Music Programme notification form

Schedule 3

Gross Revenue Reporting Form



Gross Revenue
Declaration Form.doc

Music Programming Blanket Licence – Appendix

This Appendix sets out three examples of how the licence fees will be calculated under the Agreement.

Example 1

A Programme is commissioned by Channel 4.

Reporting for the Programme, consisting of 4 episodes each of 30 minutes duration first broadcast on Channel 4 between 23:00 to 17:59 (Off-Peak).

Primary exploitation on Channel 4:

a) 17% (MCPS Claim) x £40,000 (Gross Revenue) = £6,800; and

b) 4 x £2,000 per 30 minute episode = £8,000

The licence fees shall be whichever is the higher of a) & b) i.e. £8,000

Total Licence fee for Channel 4 exploitation = £8,000

Example 2

A Programme is commissioned by Channel 4.

Reporting for the Programme, consisting of a single episode with a 30 minute duration first broadcast on Channel 4 between 23:00 to 17:59 (Off-Peak) and then broadcast again on Channel 4 between 18:00 and 22:59 (Peak).

Primary exploitation on Channel 4 (Off-Peak):

a) 17% (MCPS claim) x £20,000 (Gross Revenue) = £3,400; and

b) A single 30 minute episode = £2,000

The licence fees shall be whichever is the higher of the two i.e. £3,400

Further exploitation on Channel 4 (Peak):

a) 17% (MCPS claim) x £30,000 (Gross Revenue) = £5,100; and

b) A single 30 minute episode = £3,375

The licence fees shall be whichever is the higher of the two less primary exploitation fees e.g. £5,100 - £3,400 = £1,700

Total licence fee for Channel 4 exploitation £3,400 + £1,700 = £5,100

Example 3

A Programme is licence fee funded by E4.

Reporting for the Programme, consisting of 2 episodes with a 30 minute duration, first broadcast on E4 and then broadcast again on Channel 4 between 23:00 and 17:59 (Off Peak).

Primary exploitation on E4:

a) 17% (MCPS Claim) x £20,000 (Gross Revenue) = £3,400; and

b) 2 x £2,000 per 30 minute episode = £4,000

The licence fees shall be whichever is the higher of a) & b) i.e. £4,000

Further exploitation on Channel 4 (Off Peak):

a) 17% (MCPS Claim) x £20,000 (Gross Revenue) = £3,400; and

b) 2 x £2,000 per 30 minute episode = £4,000

The licence fees shall be whichever is the higher of the two i.e. £4,000

Total licence fee for E4 and Channel 4 exploitation £4,000 + £4,000 = £8,000

For the avoidance of doubt, the royalty rates used in these examples are purely for the purposes of illustration and the rates applicable to this Agreement are those set out in this Agreement

