

SERVING AUTHORS WORLDWIDE AU SERVICE DES AUTEURS DANS LE MONDE AL SERVICIO DE LOS AUTORES EN EL MUNDO

SG13-0790R4 Board of Directors Paris, 04/12/2018 – 05/12/2018 Source language: English Published on: 15/11/2018

# **Binding Resolutions for Musical Societies**

 
 Status:
 ADOPTED by the Board of Directors (Paris, 04/12/2018 - 05/12/2018) (BOD18-0794) and the General Assembly (Tokyo, 30/05/2019) (AG19-0597)

 Date:
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Access rights: External

## Definitions

1. In the Binding Resolutions, unless the context otherwise requires, the words and phrases set out in the left hand column below shall have the meaning given to them in the corresponding right hand column below.

Affiliate	A Creator or, where relevant, a publisher affiliated by contract with a Member.
Affiliate Information	Any essential data which links an Affiliate to a Society.
Audio-visual Production	A recording fixated in some material from which a moving image may be produced by any means.
Binding Resolutions	The resolutions laid down by CISAC from time to time which are binding on Members and, as the case may be, on Client RMEs, and which are set out in this document.
CIS-Net AVI	The Database which:
	<ul> <li>a. maintains header information on Audio-Visual Productions;</li> <li>and</li> <li>b. acts as a directory of sources for Cue Sheets.</li> </ul>
CIS	The common information system (as approved by CISAC's then Executive Bureau on 2 February 1995).
CIS-Net	An on-line information network which is based on CIS and which is designed to support the operations of CISAC's Members.
CIS-Net Business Rules	The rules contained within document <u>CISNET07-1563R24</u> as set out on CISAC's website and as amended by CISAC from time to time.
Cue Sheet	A set of data regarding a specific Audio-Visual Production which consists of:
	<ul> <li>a production data section which specifies details identifying the production; and</li> </ul>
	b. the list of:
	<ul> <li>i. each Musical Work which is contained within an Audio-visual Production;</li> <li>ii. the duration and usage of such Musical Work; and</li> <li>iii. the Interested Parties and shares in such Musical Work.</li> </ul>
Database	A structured compilation of data contained within an electronic subsystem which allows for efficient storage, access, management and retrieval of such data.

Distribution	The act of a Member:
	<ul> <li>a. allocating Royalties (at regular and set intervals) among Interested Parties; and</li> </ul>
	<ul> <li>paying such Royalties to the relevant Interested Parties or Sister Societies once such Royalties have been allocated.</li> </ul>
Distribution Methods	Information regarding the Distribution processes and systems of a Member.
Distribution Rules	The rules laid down by a Member from time to time in respect of the allocation of Royalties to Interested Parties.
Distribution Rules and Methods Template	The guideline document <u>BTC16-0183R1</u> which outlines the information required from societies regarding their Distribution Rules and Distribution Methods as set out on CISAC's website and as amended by CISAC from time to time.
Documentation	Any essential data required for the identification of a Musical Work and for the administration of the rights in such Musical Work.
Exploitation	Any act requiring a mechanical right and/or a performing right licence including, but not limited to, the reproduction, communication to the public, public performance, broadcasting and transmission by cable of a Musical Work.
Interested Party	A composer, author or publisher of a Musical Work.
Intended Society	Society that is presumed to be the entitled recipient of the Royalties.
IPI General Description and Business Rules	The rules contained within document ISIP-0021R6 as set out on CISAC's website and as amended by CISAC from time to time.
IPI Number	The IP base number plus any associated IP name numbers which are used to identify an Interested Party and which are allocated and maintained by the IPI System.
IPI System	The Database of Interested Party and Affiliate Information through which an IPI Number is allocated and maintained on behalf of CISAC in accordance with rules defined by CISAC.
ISWC	The unique International Standard Musical Work Code which is allocated to a Musical Work in accordance with ISO Standard 15707.
ISWC Business Rules	The rules based on ISO Standard 15707 and contained within document ISWCMC05-0494R3 as set out on CISAC's website and as amended by CISAC from time to time.
Minimum Mandatory Information	Such information as is set out in the CIS-Net Business Rules.
Musical Work	A musical copyright work or associated lyrics.

Society which receives the licensing income from a User. **Original Society Original Remitting Society** Society which processes the collections received from a User and distributes and pays them to a Receiving Society. **Principles for Binding** The detailed principles, including business rules, for implementation of **Resolutions and Best** the Binding Resolutions and Best Practices and contained within Practices document BTC16-0174R2 as set out on CISAC's website and as amended by CISAC from time to time. **Receiving Society** Society which receives royalties processed, distributed and paid by a Sister Society. Repertoire Each and every Musical Work in which the performing right and/or mechanical right has been, or may be, assigned or licensed to a Member. **Sister Society** A Society represented by another Society by means of a current representation agreement. An agreement between a publisher and a sub-publisher granting such Sub-publishing Agreement sub-publisher the right to exploit a Musical Work in return for consideration. **Sub-published Work** A Musical Work in respect of which a publisher has, for a given territory outside of such publisher's principal place of business, concluded a Subpublishing Agreement. User A person or entity which requires a copyright licence.

- 2. Unless the context otherwise requires, the words and phrases:
  - a. defined in the Statutes; and
  - b. used in both the Statutes and in the Binding Resolutions

shall have the meaning given to them in the Statutes.

## Interpretation

- 3. Subject to clause 4, the English version of the Binding Resolutions shall be the only authorised text. The Director General shall have translations in French and Spanish made and circulated to the appropriate Members, provided that if there is any divergence or conflict in the wording, the English text shall be authoritative.
- 4. To the extent that there is any conflict between, or ambiguity relating to, any or all of the Binding Resolutions and the Statutes, the wording of the Statutes shall prevail.
- 5. Article headings in the Binding Resolutions are for ease of reference only and shall not affect the interpretation of the Binding Resolutions.

## Application

- 6. For the avoidance of doubt, the Binding Resolutions apply to Musical Societies which are Members and, as the case may be, to Client RMEs. Binding Resolutions applicable to Client RMEs are listed in the terms and conditions for Client RMEs defined by CISAC. In such cases, the Binding Resolutions shall be deemed to refer both to Members and Client RMEs.
- 7. Each Musical Society shall comply with the procedures described in the Principles for Binding Resolutions and Best Practices for the implementation of the Binding Resolutions.

## IPI

- 8. Each Member shall:
  - a. ensure that it enters Affiliate Information in respect of each of its Affiliates into the IPI System and that such Affiliate Information is comprehensive, accurate and up-to-date;
  - b. ensure that it enters the IPI Number in respect of the Affiliates of its Sister Societies into its Database;
  - c. use the IPI Number contained within the IPI System as the basis of any Documentation and Affiliate Information exchange between it and each Sister Society;
  - d. refrain from allocating a new IPI Number to any Interested Party who already has an existing IPI Number contained within the IPI System; and
  - e. use the IPI System in accordance with the IPI General Description and Business Rules.

## ISWC

- 9. Where:
  - a. a CISAC Member administering the performing right makes Documentation of a Musical Work which falls within its Repertoire available to a Sister Society; and
  - b. a Creator of such Musical Work is one of such Member's Affiliates, or
  - c. a CISAC Member administering the mechanical right makes Documentation of a Musical Work which falls within its Repertoire available to a Sister Society, providing that
    - (i) there is no Member administering the performing right, or
    - (ii) the Member administering the performing right either does not have the means to assign an ISWC or has simply not assigned an ISWC at the point when all creators in the work can be identified; and
  - d. The CISAC Member is able to identify all Creators associated with such Musical Work,

then such CISAC Member shall:

- e. ensure that an ISWC has been assigned to such Musical Work; and
- f. abide by the ISWC Business Rules.

## **Contribution to CIS-Net**

- 10. Where a Member is in possession of Minimum Mandatory Information on a Musical Work which either falls within its Repertoire, or has been used within its territory, it shall ensure that:
  - a. it enters such Minimum Mandatory Information into CIS-Net; and
  - b. such Minimum Mandatory Information is comprehensive, accurate and up-to-date.

## Consultation of Databases and other relevant sources of Documentation for Musical Works

- 11. Where a Member has received Royalties from a User in respect of the Exploitation of a Musical Work, such Member shall use its reasonable endeavours to identify the Interested Parties in such Musical Work by consulting one or several of the following:
  - a. its Database;
  - b. any Documentation supplied to such Member by an Affiliate;
  - c. any Documentation made available on CIS-Net by its Sister Societies in accordance with the CIS-Net Business Rules.

# Consultation of Databases and other relevant sources of Documentation for Musical Works within an Audio-visual Production

- 12. Where a Member has received Royalties from a User in respect of the Exploitation of a Musical Work in an Audio-visual Production, such Member shall use its reasonable endeavours to identify the Interested Parties in such Musical Work within an Audio-visual Production by consulting one or several of the following:
  - a. its Database;
  - b. any Documentation supplied to such Member by an Affiliate;
  - c. any Documentation supplied to such Member by a broadcasting organisation or a production company;
  - d. any Documentation made available on CIS-Net AVI by its Sister Societies in accordance with the CIS-Net Business Rules.

## Adaptations and Arrangements

- 13. In respect of Royalties which it receives for the communication to the public, public performance, broadcasting and transmission by cable of a Musical Work, a Member shall, subject to clauses 14 and 15:
  - a. endeavour to distribute such royalties as accurately as possible to the Interested Parties in the original version ("Original Work") or in the adaptation or arrangement ("Adapted Work") of such Original Work,
  - b. use its Distribution Rules to allocate Royalties to the Interested Parties
- 14. Clause 13 shall only apply where a Member is able to establish that the Adapted Work:
  - a. has been made with the prior written authorisation of the Interested Parties in the Original Work;
  - b. contains sufficient originality to attract copyright protection in such Member's territory of operations; and
  - c. is the version of the Original Work which has been exploited.
- 15. A Member shall use all reasonable endeavours to identify the version of the Musical Work which has been used (the Adapted Work or Original Work).
  - a. Where a member is uncertain, and there is no clear evidence to identify which version has been used, it will distribute royalties to the Interested Parties in the Original Work.
  - b. Interested Parties in the Adapted Work are entitled to receive a share of royalties only if:
    - (i) the adaptation was authorized by the Interested Parties in the Original Work;
    - (ii) it has been confirmed and there is clear evidence that the Adapted Work has been used;

(iii) royalties will be distributed according to the agreement between the Interested parties in the Original Work and the Adapted Work.

## **Sub-Publication Distribution Keys**

16. In respect of the Royalties which it receives from a User for the communication to the public, public performance, broadcasting and transmission by cable of a Sub-published Work, a Member shall allocate a maximum of 50% of such Royalties to the publisher or sub-publisher of such Sub-published Work.

### **Distribution Rules and Methods Template**

- 17. On a regular basis, and in any event no less than once in each calendar year, each Member shall ensure that, in respect of each of its Distribution categories, it makes available comprehensive, accurate and up-to-date details of its Distribution Rules and Distribution Methods as per the CISAC Distribution Rules and Methods Template.
- 18. Each Member shall consult the information made available by a sister society in the CISAC Distribution Rules and Methods Template before requesting any information from such Sister Society in respect of such Sister Society's Distribution Rules and Distribution Methods.

#### **Best Practices**

19. Each Member shall have due regard to, but shall not be bound by, the best practices described in the Principles for Binding Resolutions and Best Practices.

## **Debit / Credit Payment Adjustments**

20. When an Original Remitting Society is aware of an error as regards to a previous distribution towards a Sister Society (Receiving Society), this Original Remitting Society shall initiate Debit/ Credit Payment adjustments in a coming distribution process and shall, depending on thresholds, inform the Receiving Society of the amount and the reasons for the adjustment using the adjustment codes used in the CRD format.

The Original Remitting Society and the Receiving Society shall also comply with the procedure described in the Principles for Binding Resolutions and Best Practices.

#### **Unidentified Uses**

21. If, at the time of Distribution, no right holder is identified for a use in the Original Society's territory, this Original Society, after consulting its proprietary database, its Members and CIS-Net, shall generate and circulate an Unidentified Use ("UP") file, using the CISAC standard UP format.

The Original Society and the claiming society shall also comply with the procedure described in the Principles for Binding Resolutions and Best Practices.

## **Insufficient Documentation**

- 22. If, at the time of a Distribution and after consulting both its proprietary database and CIS-Net, there is a use of a work with insufficient Documentation (no documentation or partial documentation), the Original Society shall distribute:
  - a. All the royalties accruing to the work to the Receiving Society, if one of the original right holders can be identified as a member or copyright owner belonging to the Receiving Society OR;
  - b. Alternatively, if one or more original right holder(s) and their respective corresponding share(s) can be identified as belonging to one or more Sister Society(ties), then the royalties accrued for said work can be distributed to the respective Sister Society(ties) in accordance with their respective shares.

The Receiving Society shall also comply with the procedure described in the Principles for Binding Resolutions and Best Practices when receiving the insufficient Documentation Royalties.

## **Fees in Error**

23. If a Receiving Society discovers that a payment was made by an Original Remitting Society in error, the Receiving Society should return the payment as promptly as possible to the Original Remitting Society. The Receiving Society should not forward royalties to the Intended Society. However, where the Intended Society is known, the Receiving Society should send a report in a defined format to both the Original Remitting Society and the Intended Society.

The Receiving Society, Original Remitting Society and Intended society shall also comply with the procedures described in the Principles for Binding Resolutions and Best Practices.