

Popular Music Concerts

Tariff 'LP'

As varied by the Performing Right Tribunal on 6 February 1964 and further so varied on 11 November 1966, 24 October 1973, 5 April 1988 and 14 May 2018.

Effective from 11 June 2018 and applying to all events within the scope of this tariff in respect of which the General Sale of tickets began on or after 11 June 2018, provided that the tariff shall in any event always apply to any event taking place on or after 11 June 2019.

Capitalised terms used in this tariff will have the meaning set out in clause 11.

1. Tariff scope

This tariff applies to live Popular Music performances at events such as concerts and festivals where a charge is made for admissions.

This tariff excludes events falling within the scope of other tariffs published by PRS.

2. Application for licence

An applicant for a licence under this tariff must complete the appropriate application form and submit it to PRS no later than 30 days in advance of the first relevant event along with any further information required to enable PRS to decide whether this tariff applies.

If the applicant wishes to apply for a licence for an event that is, or might qualify as, a Qualifying Festival, the applicant must accurately complete the appropriate section of the application form.

The applicant will upon request provide PRS within 14 days with all reasonable information to enable PRS to verify that the event is a Qualifying Festival.

PRS will only issue a licence under this tariff when an application has been made in accordance with this clause.

3. The PRS charge

PRS's charge per event for a licence under this tariff is:

4.2% or

2.7% for a Qualifying Festival

of the Gross Receipts where the licensee elects not to account to PRS in respect of the charges listed in sub-clause (g) of the definition of the Gross Receipts;

alternatively in all other cases,

4% or

2.5% for a Qualifying Festival

of the Gross Receipts.

The above is subject to a minimum charge of £15.00 per event, unless the licensee has fully complied in every respect with the tariff's reporting requirements (as set out in clause 5), in which case the minimum charge will be waived and the relevant charge as outlined above will apply instead.

4. Licence Period

The duration of any licence under this tariff and the terms of any applicable permit for one-off events shall be as set out in the standard licence terms and conditions. Where there is any conflict between the terms of the standard licence terms and conditions and the terms of this Tariff, the terms of this Tariff shall prevail.

5. Reporting requirements

Unless otherwise agreed the licensee will, within 30 days of the end of the event, provide in a standardised format the following information:

- (i) a set list (or lists) from the event confirming the musical works performed, including the performer(s), title(s) and original artist(s);
- (ii) wherever reasonably practical and proportionate, writer(s) and duration of works used at the event; and
- (iii) for each and every element of the Gross Receipts (as set out in clause 11 below), full and accurate accounting, on a category by category basis.

By agreement in advance between PRS and the licensee, in relation to specified events, PRS will undertake collection of the set list information specified in (i) and (ii) above subject to appropriate access to the event being granted by the licensee to a designated PRS representative or representatives.

6. Audit Rights

The licensee grants to PRS the right of entry (upon reasonable prior notice and at a mutually agreed time during regular business hours) by PRS's chosen auditor to the licensee's registered office or principal place of business (or as necessary the relevant licensed venue or event) for the purpose of carrying out an audit in accordance with this clause 6.

The licensee will maintain and PRS will be entitled to inspect, by the auditor, the Audit Records. The licensee will retain the Audit Records for each year of the licensee's licence until the earlier of:

- (i) 6 years after the end of the licence year to which they relate; or
- (ii) 2 years after the end of the licence.

The Licensee will make available to the auditor the Audit Records. The auditor will be entitled to inspect and take copies of the information made available, and to carry out such work as is in their reasonable opinion necessary to verify the royalty due to PRS in accordance with this tariff. The licensee will promptly provide the auditor with any assistance reasonably requested in relation to the audit.

The licensee will make available the Audit Records within 30 days of written notice from PRS of an intended audit.

PRS will not require an audit more than once in any calendar year except where an audit has revealed an underpayment of more than 7.5% in the aggregate across the events audited in the relevant calendar year.

PRS will use any information obtained from an audit only for the purposes of verifying the royalty due and will keep such information confidential.

If an audit reveals any under-payment of the royalty then, without prejudice to PRS's other rights (howsoever arising), the licensee shall pay to PRS within 14 days of a written demand:

- (i) the amount of the under-payment;
- (ii) interest on the amount of the under-payment in accordance with the terms of the licensee's licence; and
- (iii) PRS's reasonable costs of the audit, where the audit reveals that the licensee has underpaid by more than 7.5% of the correct royalty for the calendar year or any other financial period to which the audit relates.

7. VAT

Every licensee under this tariff will pay to PRS Value Added Tax calculated at the relevant rate on the royalty payable.

8. Inflation adjustment

The minimum charge in clause 3 will be adjusted annually for inflation as follows:

$$\text{Existing minimum charge} * \frac{RPI_T}{RPI_{T-1}}, \text{ where}$$

- (i) RPIT (the numerator) is the Retail Prices Index for the latest month prior to each Tariff Anniversary Date for which an index value is published; and
- (ii) RPIT-1 (denominator) is the corresponding Retail Prices Index value of one year before.

The resulting new charge will be rounded to the nearest pound and the rounded sum will be the minimum charge applied from the Tariff Anniversary Date in each year.

9. Public domain works

This tariff does not apply to events at which 90% or more of the musical works performed are in the public domain (namely they do not qualify for copyright protection), subject to the following:

- (i) The licensee must provide written notice to PRS at least 30 days prior to the event date that their event may fall within the above threshold so that the parties can agree appropriate licensing terms for the event to take effect should the reporting required under 9. (ii) confirm that the threshold has been met; and
- (ii) Assuming such terms have been agreed, the licensee must provide to PRS within 30 days of the end of the event complete and accurate details of the title(s) and writer(s) for all musical works performed including public domain works, and any other information reasonably required, in order to confirm that the 90% threshold has been met.

In the event that the licensee has not complied with (i) and (ii) above, the terms of this Tariff LP will apply.

10. Direct Licensing Mechanism

Appendix 2 sets out the mechanism by which PRS will adjust its charge to licensees under this tariff at live events where certain works which would ordinarily be in PRS's repertoire are withdrawn from

PRS (or one or more of its affiliate societies) to be "directly licensed" for public performance (and, in this context, the use of the phrase "Direct Licensing" (and its variants) in this tariff

means royalty collection schemes operated as a result of such withdrawal by, for example, the artist or songwriter or a third party on their behalf).

11. Definitions

Admissions means the unavoidable cost of admission to an event or series of events for the ticket(s) purchased by the consumer, but excluding the costs components set out at Appendix 1(ii) if these are separate from the unavoidable cost of admission.

Affiliate means a licensee's parent, subsidiary, group companies (including other subsidiaries of parents) including any entity in which the licensee has directly or indirectly any share of ownership and/or control.

Audit Records means records and books of account including the invoices, receipts and relevant nominal ledger reports from the licensee's accounting systems that pertain to ticket sales and all other income receipts to the licensee (whether from direct ticket sales, Affiliates or third parties, including the promoter) that are covered by the definition of Gross Receipts necessary for the purposes of calculating the PRS charge under this tariff, provided that (except as provided in the following sentence) the licensee shall demonstrate that its financial accounts have been the subject of an unqualified external audit opinion by independent auditors for the financial year in question. Where a licensee is exempt (including, without limitation, under section 477 of the Companies Act 2006) from the requirement to provide audited accounts, however, it will be sufficient for it to provide the documentation listed above, without having to demonstrate that its financial accounts have been audited by independent auditors for the financial year in question.

Facilities Fees / Restoration Levies means a fee described as a facility fee, restoration levy, heritage fund contribution or theatre fund contribution that is charged to the consumer as part of the cost of an Admission to an event that is held at licensed premises and where: (i) the amount of the fee is publicly stated; (ii) the proceeds from the fee are accounted for separately in the books of the licensed premises' legal entity; (iii) the purpose of the proceeds is for capital expenditure relating to the restoration, maintenance and improvement of the licensed premises; and (iv) in relation to which proceeds PRS has a right, on request, to obtain an annual statement prepared on behalf of the licensed premises (certified by a suitably qualified auditor, save where the licensee is exempt from providing audited accounts) which states for the relevant year (a) the total value of the proceeds and

(b) confirmation that any use of the proceeds that year has been for the purpose stated in (iii) above.

General Sale means the offering of tickets (whether for sale or for free) to the general public, excluding pre-sales to fan club members and members of exclusive ticketing arrangements only available to persons affiliated to or customers of a particular product or service.

Gross Receipts means:

all monies paid or payable by the consumer in respect of Admissions charges specified in (a) to (g) below, irrespective of whether such monies are received or receivable by the licensee or an Affiliate, or by a third party with a contractual relationship with the licensee:

- a. the total price paid by consumers for Admissions purchased across any and all primary sales platforms;
- b. the total price paid by consumers for Admissions purchased on secondary sales platforms which have been directly allocated on such secondary sales platforms (without having been initially purchased via primary sales platforms), whether by the licensee or an Affiliate, or by third parties acting on behalf of the licensee, including the promoter;

- c. the total price of any single event Admissions to boxes and suites, where hospitality such as food and/or drink and/or other private and exclusive facilities are provided within the ticket price, at the price of the highest class of single event Admissions in the immediate vicinity of the relevant boxes and suites, multiplied by the number of seats actually sold in such boxes and suites for the Admissions concerned;
- d. the total cost of any multi-event pre-purchase Admissions arrangement such as boxes and suites (to be declared at (i) the annual cost of the arrangement divided by the average annual number of performances in the previous three calendar years, the product then divided further by the total number of seats in the arrangement and finally that product multiplied by the number of tickets issued under the arrangement for the relevant performance; or at the election of the licensee (ii) the price of the highest class of single event Admissions in the immediate vicinity of the relevant boxes and suites, multiplied by the number of tickets issued for the relevant performance). For the avoidance of doubt, non-Tariff LP events are chargeable under the applicable PRS tariff for the event of that kind;
- e. complimentary or discounted Admissions that are part of any commercial arrangement from which revenues are earned by the licensee or Affiliate shall be declared on an event by event basis at the price of the equivalent single event Admissions cost. For the avoidance of doubt, PRS will not charge a royalty in respect of complimentary Admissions provided to any workers attending the event for work purposes as a result of any such commercial arrangement;
- f. insofar as not included within the Admissions, any optional features purchased by the consumer that have a nexus with the public performance of PRS repertoire (examples are set out at Appendix 1(i));
- g. all booking, administration, service, handling or like fees and charges (but excluding Facilities Fees / Restoration Levies), whether charged to the consumer by the licensee or an Affiliate, or by any third party engaged by the licensee, or charged to the licensee by any third party engaged by the licensee, unless the licensee has elected not to report on these under clause 3 above;

but shall never include: ticket agent and party booking discounts; refunds (where the event is cancelled or rescheduled); any booking fees, administration, service, handling or like fees or charges charged to a consumer or the licensee in respect of any ticket for which a refund has been given (where the event is cancelled or rescheduled); the actual postage/courier delivery and packaging charges where separately itemised; and VAT or any other government tax or imposition of like nature for the time being in force. PRS will not charge a royalty in respect of complimentary Admissions that are not part of any underlying commercial arrangement under which revenues are earned directly by the licensee. Complimentary Admissions allocated and/or utilised by the licensee, the promoter, the venue or the artist shall be deemed not to be part of any underlying commercial arrangement and shall be marked on the ticket as either "complimentary", "not for general sale" or "zero value".

Qualifying Festival means a single event offering a series of music performances or music and other entertainments which is marketed as a festival and is held at a predominantly outdoor site using temporary infrastructure which is (i) erected for the purposes of that festival (including as a minimum all of the following: the construction of infrastructure relating to performance areas, the presence of temporary perimeter fencing or controlled access by other temporary means and the provision of toilet facilities and a clean water supply), (ii) used mainly for the purposes of that festival, and (iii) substantially dismantled after the festival. A Qualifying Festival must take place over consecutive days (but no more than ten in any calendar year) with at least twenty unique music performances in the official line up (or at least ten if the event is held over no more

than four days) and where a charge is made for admission which allows entry to any performance areas holding performances of artists listed in the official line up.

Popular Music means all copyright music and all copyright words or lyrics set to music and includes what is called "classical jazz" but does not include what is usually known as "classical".

PRS means the Performing Right Society Limited. Any references in the tariff to PRS will apply equally to any agent or representative of PRS acting on its behalf.

Tariff Anniversary Date means 11 June of each year.

Appendix 1

(i) Examples of optional Admissions features that have a nexus with the public performance of PRS repertoire:

- pre-event performance
- soundcheck
- upgraded or enhanced seating or standing in a controlled area with a view stage/performance area
- VIP viewing platform
- Q&A session with artist(s) including a music performance

(ii) Examples of optional Admissions features that do not have a nexus with the public performance of PRS repertoire

- accommodation
- travel
- parking
- dining
- food
- beverage
- merchandise
- event laminates
- Q&A, meet & greet or photograph session with artist(s) where there is no music performance
- access to pre-purchase tickets via a pre-sale or sales channel separate to general public sale (including, for example, pre-sales to fan club members) other than on an event by event basis
- "add on" non-music related experiences at an event (including, without limitation, access to leisure and/or sports facilities and/or activities)

Appendix 2

Direct Licensing Mechanism

1. At live events licensed under Tariff LP where certain works are Directly Licensed, the charge under Tariff LP that would be made by PRS if there were no Directly Licensed public performances i.e. the standard PRS royalty payable under Clause 3 of the tariff, will be reduced by an amount equivalent to the PRS royalty distribution payment that PRS would have paid to its Member(s) in respect of those performances (before the deduction of PRS's commission) in accordance with PRS's royalty distribution policy in force from time to time.
2. In alignment with current PRS royalty distribution policy, the charge adjustment mechanism will vary in relation to concerts and festivals as follows:
 - 2.1.1 at concerts it will be based only on the aggregate performance duration of the PRS licensed works and the directly licensed works respectively; and
 - 2.1.2 at festivals it will be based on the aggregate duration as well as the respective stage capacities where the PRS-licensed and the directly licensed performances are given.
3. PRS Members proposing to Directly License their live public performance rights will need to obtain a re-assignment of rights from PRS in accordance with the process set out by PRS in the guidance document "*Administering your own live public performance rights*", which is available in the Members' area of the PRS website. In particular, the re-assignment must be requested at least 15 working days before the live event(s) at which it is proposed to Directly License the rights.
4. Licensees under Tariff LP for events at which Direct Licensing occurs will need to provide to PRS the official stage capacities at festivals, as well as the reporting required under Clause 5 of the tariff.
5. Subject to compliance by PRS Members and licensees respectively with the requirements set out in paragraphs 3 and 4 above (or, in the case of affiliate society members, where they are entitled to license directly and have notified PRS), PRS will make the proposed adjustment calculation so that the invoice for the Tariff LP event at which Direct Licensing operated alongside the revised Tariff LP terms is adjusted before it is issued to the licensee.