CPCC REGISTRATION AGREEMENT BUYER ZERO-RATED PROGRAMME

REGISTRANT:	Full legal name:
	Address:
	Main Tel:
	Main Fax:
	Email:
	Website:
	Contact Name:
	Contact Title:
	Contact Address:
	Contact Tel:
	Contact Fax:
	Contact Email:
CPCC:	Care dian Private Convince Collective
CPCC:	Canadian Private Copying Collective 150 Eglinton Avenue East
	Suite 403
	Toronto, Ontario M4P 1E8

Email: buyers@cpcc.ca Website: www.cpcc.ca

WHEREAS, pursuant to Part VIII of the *Copyright Act*, every person who, for the purpose of trade, manufactures certain blank audio recording media in Canada or imports such media into Canada is liable to pay a Levy (as defined below) set by the Copyright Board in the Tariff (as defined below) on selling or otherwise disposing of such media in Canada, unless the media are

destined for export or unless they are sold to a society, association or corporation that represents persons with a perceptual disability;

WHEREAS, the Copyright Board has determined that the Canadian Private Copying Collective ("CPCC") is the collecting body to whom the Levy is to be paid;

WHEREAS, CPCC has chosen to waive the Levy on sales to certain businesses, government departments, government agencies, crown corporations or non-commercial organizations purchasing certain blank audio recording media provided that those businesses, government departments, government agencies, crown corporations or non-commercial organizations do not use such media to reproduce musical works, performer's performances of musical works, or sound recordings embodying musical works or performer's performances of musical works embodied in sound recordings, otherwise than pursuant to necessary valid licences from the copyright owners or copyright holders thereof and that such businesses, government departments, government agencies, crown corporations or non-commercial organizations comply fully with the terms and conditions of this Agreement;

WHEREAS, this waiver will only apply to Zero-Rated Media (as defined below); and

WHEREAS, those businesses, government departments, government agencies, crown corporations or non-commercial organizations wishing to apply for the waiver must enter into an agreement with CPCC at CPCC's website (www.cpcc.ca) regarding the waiver in accordance with the following terms and conditions;

NOW, THEREFORE, CPCC and the Registrant agree as follows:

- 1. **DEFINITIONS:** In this agreement (this "Agreement"),
 - (a) "Certificate Number" means the certificate number granted to the Registrant by CPCC to purchase or otherwise acquire, directly from a Distributor, Zero-Rated Media on a Levy-free basis:
 - (b) "Distributor" means a manufacturer, importer or Special Distributor of Zero-Rated Media that has been certified by CPCC to sell or otherwise dispose of Zero-Rated Media on a Levy-free basis;
 - (c) "Effective Date" has the meaning ascribed to it in Paragraph 10 of this Agreement;
 - (d) "Existing Tariff" means the Interim Tariff of Levies to Be Collected by CPCC, in 2003, on the Sale of Blank Audio Recording Media, in Canada, in Respect of the Reproduction for Private Use of Musical Works Embodied in Sound Recordings, of Performer's Performances of Such Works and of Sound Recordings in Which Such Works and Performances Are Embodied;

- (e) "Levy" means the private copying levy or levies within the meaning of Section 82 of the *Copyright Act*;
- (f) "New Tariff" means the Tariff of Levies to Be Collected by CPCC in 2003 and 2004 for the Sale of Blank Audio Recording Media, in Canada, in Respect of the Reproduction for Private Use of Musical Works Embodied in Sound Recordings, of Performer's Performances of Such Works and of Sound Recordings in Which Such Works and Performances Are Embodied and its successor tariffs, certified and published by the Copyright Board in accordance with subsection 83(10) of the Copyright Act;
- (g) "Registrant" means the business, government department, government agency, crown corporation or non-commercial organization certified by CPCC to purchase or otherwise acquire Zero-Rated Media under the terms and conditions of this Agreement;
- (h) "Report" has the meaning ascribed to it in Paragraph 8(b) of this Agreement;
- (i) "Special Distributor" means a distributor of Zero-Rated Media who sells or otherwise disposes of Zero-Rated Media that such distributor did not manufacture or import and who, in the sole opinion of CPCC, regularly sells or otherwise disposes of a substantial quantity of Zero-Rated Media on a Levy-free basis;
- (j) "Tariff" means the Existing Tariff and/or the New Tariff (as the case may be);
- (k) "Term" has the meaning ascribed to it in Paragraph 10 of this Agreement; and
- (1) "Zero-Rated Media" and its variants (with the appropriate grammatical changes to conform to the context) means the following blank audio recording media covered by the Tariff: audio cassettes (1/8 inch tape) of 40 minutes or more in length.
- 2. TYPES OF MEDIA: The Registrant hereby undertakes to CPCC that the Registrant intends in good faith to purchase on a Levy-free basis hereunder only audio cassettes (1/8 inch tape) of 40 minutes or more in length.
- 3. STATUS: The Registrant hereby warrants and represents to CPCC that the Registrant is (check applicable item):
 - □ a for-profit corporation.
 - a sole proprietorship, partnership (general, limited or limited liability) or association registered to do business in the Province or Territory where the Registrant is located.
 - other for-profit entity that is authorized to conduct business in the Province or Territory where the Registrant is located. The Registrant is a(n) (please specify the type of entity).
 - □ a Crown Corporation.
 - a non-profit corporation or charity.
 - □ a government department or agency.

- other non-commercial entity. The Registrant is a(n) (please specify the type of entity).
- **4. TYPE OF BUSINESS / ORGANIZATION:** The Registrant hereby warrants and represents to CPCC and undertakes to CPCC that the Registrant is, and, during the Term of this Agreement, intends in good faith to remain in the following industry(ies) or area(s) (check applicable item(s)):
 - Accounting
 - □ Advertising
 - Broadcasting
 - □ Conference and/or Training
 - Consulting
 - Court, Judicial or Quasi-Judicial Board or Tribunal
 - □ Crown Corporation
 - Duplication Services
 - Education
 - □ Music, Film, Video or Audio-Visual
 - □ Financial Sector
 - □ Government Department or Agency
 - □ Insurance
 - □ Law Enforcement
 - □ Legal Services
 - Manufacturing
 - Medical Services
 - Performing or Fine Arts
 - Publishing
 - □ Professional or Industry Association
 - □ Religious Organization
 - □ Natural Resources
 - □ Software
 - □ Technology
 - Telecommunications
 - □ Telemarketing
 - Other business or non-commercial organization using Zero-Rated Media for its business or organizational purposes
- **5. CERTIFICATE NUMBER:** Upon receipt by CPCC of a fully completed copy of this Agreement, and provided that CPCC is satisfied that the warranties, representations and undertakings of the Registrant hereunder are true, CPCC will issue to the Registrant a Certificate Number entitling the Registrant to purchase or otherwise acquire Zero-Rated Media directly from a Distributor, free from the Levy, but subject to the express condition that the Zero-Rated Media purchased or acquired on a Levy-free basis are exclusively for the use of the Registrant and will not at any time be used other than in accordance with this Agreement. In order to benefit from the waiver offered to the Registrant under the terms and conditions of this Agreement, the Registrant will identify itself as a participant in the zero-rating programme to a



Distributor prior to any purchase or acquisition of Zero-Rated Media and provide the Registrant's valid Certificate Number to such Distributor. The Registrant specifically acknowledges that not all Distributors are willing to make such Levy-free sales, and that CPCC shall have no liability arising from any such unwillingness to sell.

The Registrant will use its best efforts not to disclose the Registrant's Certificate Number to any third party except when contacting CPCC or its agents, or as required to identify the Registrant as eligible to purchase or otherwise acquire Zero-Rated Media directly from Distributors. The Registrant will take all reasonable steps to ensure the safe-keeping of the Certificate Number so as to avoid the disclosure of the Registrant's Certificate Number to third parties. Should the Registrant become aware that: (i) a third party has disclosed, is using, or is proposing to use, the Registrant's Certificate Number to purchase or otherwise acquire (for itself or for others) Zero-Rated Media on a Levy-free basis, or (ii) the Registrant's Certificate Number is not being used according to the terms and conditions of this Agreement, then the Registrant will immediately contact CPCC and advise CPCC of the facts and circumstances surrounding the same. Failure to advise CPCC of such disclosure or unauthorized use of the Registrant's Certificate Number may result in the immediate termination of this Agreement by CPCC.

- 6. PURCHASES & RESTRICTIONS ON USE: The Registrant hereby warrants and represents to CPCC and undertakes to CPCC that any Zero-Rated Media purchased or otherwise acquired by the Registrant on a Levy-free basis will be used exclusively by the Registrant and will not be used other than in accordance with the terms of this Agreement. Notwithstanding the generality of the foregoing, the Registrant hereby warrants and represents to CPCC and undertakes to CPCC that the Registrant will not, nor will (as applicable) its officers, directors, members, partners, employees or agents:
 - (a) sell or rent out, or by way of trade expose or offer for sale or rental, or distribute, whether or not for the purposes of trade, any Zero-Rated Media purchased or otherwise acquired on a Levy-free basis;
 - (b) use any Zero-Rated Media purchased or otherwise acquired on a Levy-free basis for the purpose of reproducing, communicating to the public by telecommunication, performing, or causing to be performed in public, any musical works, performer's performances of musical works, or sound recordings embodying musical works or performer's performances of musical works embodied therein, otherwise than pursuant to valid licences from the copyright owners or copyright holders thereof or pursuant to a specific exception under the *Copyright Act*; or
 - (c) use the Zero-Rated Media for personal use, convert such media to personal use, or allow use of the Zero-Rated Media for anything but the Registrant's exclusive use.
- 7. INFORMATION & AUTHORITY: The Registrant hereby warrants and represents and undertakes to CPCC that: (i) all the information and documentation that the Registrant has and must provide to CPCC in connection with this Agreement is accurate and true and that the Registrant will promptly inform CPCC of any changes thereto; and (ii) the Registrant has the full right, power and authority to enter into this Agreement. Reasonable discovery by CPCC that the

Registrant's warranties, representations or undertakings under this Agreement are inaccurate, untrue or not well founded will result in refusal of the Registrant's application, and, where the application has already been accepted by CPCC, may result in the immediate termination of this Agreement by CPCC.

- (a) Records: The Registrant hereby warrants and represents to CPCC and undertakes to 8. CPCC that the Registrant will maintain, at the Registrant's address, records regarding the Zero-Rated Media the Registrant purchased or otherwise acquired on a Levy-free basis during the Term of this Agreement. The Registrant will maintain such records for a period of no less than 2 years from the date of the purchase or acquisition of such Zero-Rated Media. The Registrant will maintain such records until the end of the calendar year in the last year that the Registrant is required to keep them. Such records will include purchase receipts of the Zero-Rated Media, the name of the Distributor, the date of the purchase or acquisition, and the type and quantity of Zero-Rated Media purchased, sufficient to confirm the validity of the warranties, representations and undertakings of the Registrant under this Agreement. At any time when so requested by CPCC, the Registrant will promptly forward to CPCC copies of such records or parts thereof as requested by CPCC. Furthermore, the Registrant hereby irrevocably grants to CPCC the right to inspect and audit such records and to verify the use of the Zero-Rated Media at any time upon 10 business days' notice and during normal business hours, to confirm the Registrant's compliance with the terms and conditions of this Agreement.
- (b) Annual Reporting: Notwithstanding the generality of Paragraph 8(a) hereof, 30 days prior to the end of the Term or 15 days following the termination of the Term of this Agreement, the Registrant will report and warrant in an electronic form acceptable to CPCC the name of the Distributor(s), the date(s) of purchase or acquisition, and the type(s) and quantity(ies) of Zero-Rated Media purchased or otherwise acquired during the Term of this Agreement (the "Report") by the Registrant. In the Report, the Registrant will be given the opportunity to report and pay the Levy for any Zero-Rated Media it purchased or otherwise acquired on a Levy-free basis that have been used otherwise than as provided under the terms and conditions of this Agreement. Failure by the Registrant to provide a proper and timely Report to CPCC may result in the immediate cancellation of the Registrant's Certificate Number. Prior to being allowed to again purchase or otherwise acquire Zero-Rated Media on a Levy-free basis, such Registrant will be required to provide CPCC with a proper Report, and, in CPCC's sole discretion, such Registrant may be required to re-apply to CPCC for a new Certificate Number.
- (c) Confidentiality: CPCC acknowledges that the records of the Registrant and the Report may contain confidential trade information. CPCC will not disclose or use on CPCC's behalf or on behalf of any other person any confidential facts or trade information obtained from any Report or from any inspection of the Registrant's records hereunder, other than for the purposes of this Agreement or in any dispute (i) for failure to comply with the terms and conditions of this Agreement, or (ii) for failure to comply with the Tariff.
- (d) Survival: The parties' obligations under this Paragraph will continue after the Term or termination of this Agreement for as long as the Registrant is required to maintain the records described in Paragraph 8(a) above.

- 9. RENEWAL: Prior to the end of the Term of this Agreement, CPCC will send the Registrant written notice that this Agreement may be renewed by the Registrant upon confirmation of the information provided by the Registrant in this Agreement, receipt of the Report by CPCC pursuant to Paragraph 8(b) and the payment of any applicable fee and/or Levy amounts. If the Registrant should choose not to renew this Agreement, its Certificate Number will be cancelled and the Registrant must cease to purchase or otherwise acquire Zero-Rated Media on a Levy-free basis. In no event will the Registrant be allowed to renew this Agreement, or to enter into a new agreement with CPCC to purchase or otherwise acquire Zero-Rated Media on a Levy-free basis, if the Registrant has not provided a proper and timely Report to CPCC pursuant to Paragraph 8(b) of this Agreement.
- 10. TERM, TERMINATION AND REVOCATION: This Agreement will come into effect (the "Effective Date") upon the earlier of: (i) September 1, 2003; or (ii) the date the New Tariff first comes into effect; provided that, should the date that this Agreement is accepted by CPCC be later than September 1, 2003, then the Effective Date will be deemed to be the date that this Agreement is accepted by CPCC (as evidenced by the date set forth by CPCC under its signature). Notwithstanding the foregoing, should the Effective Date of this Agreement pre-date the coming into effect of the New Tariff, this Agreement will be deemed not to include the New Tariff until such time as the New Tariff is in effect. For the Registrant with an existing valid certificate from CPCC, that certificate should continue to be used to purchase or otherwise acquire blank audio recording media (as that term is defined in the applicable agreement) under the terms and conditions of that certificate until the Effective Date. After the Effective Date, this Agreement will be the only agreement between the Registrant and CPCC regarding the subject matter hereof and Distributors will only accept the Registrant's Certificate Number under this Agreement for the purchase or acquisition of Zero-Rated media on a Levy-free basis. The Registrant and CPCC agree that any valid certificate the Registrant may have held prior to the Effective Date will cease, along with the terms and conditions of the agreement related to that certificate, upon the Effective Date. Subject to the terms and conditions of this Agreement, the Certificate Number and this Agreement will remain in force for one year from the Effective Date Notwithstanding the foregoing, and except as otherwise provided in this Agreement: (I) either party may terminate the Certificate Number and this Agreement at any time, without cause, on 30 days written notice to the other party; and (II) CPCC may terminate this Agreement and revoke the Certificate Number at any time, upon 15 days written notice to the Registrant, in any of the following events of default (provided such event of default is not cured within such 15 day notice period):
 - (a) the Registrant willfully or negligently discloses its Certificate Number to a third party in breach of Paragraph 5,
 - (b) the Registrant fails to supply CPCC with the Report (as defined in Paragraph 8(b) above), copies of the Registrant's records or excerpts therefrom, or to permit audits and inspections of such records or of uses of Zero-Rated Media, as required under this Agreement,

- (c) the Registrant fails to promptly supply updated information and documentation regarding the Registrant in breach of Paragraph 7,
- (d) the Registrant fails to supply updated information verifying the status of the Registrant or of any of the Registrant's warranties, representations, undertakings or agreements under this Agreement, promptly when requested by CPCC,
- (e) the Registrant or any person or entity controlled by, controlling or under common control with the Registrant breaches or has at any time breached any other CPCC registration agreement,
- (f) any of the Zero-Rated Media purchased or otherwise acquired pursuant to the Certificate Number are used contrary to the terms of this Agreement,
- (g) the Registrant otherwise breaches this Agreement, or
- (h) CPCC in its reasonable opinion is not satisfied that the Registrant is otherwise in full compliance with the requirements of the Certificate Number or of this Agreement.
- 11. ACKNOWLEDGEMENT: The Registrant specifically acknowledges and agrees that:
 - (a) the use of Zero-Rated Media purchased or otherwise acquired by the Registrant on a Levy-free basis, otherwise than pursuant to a specific exception under the *Copyright Act* or pursuant to the terms and conditions of this Agreement, and
 - (b) reproduction by the Registrant of any musical works, performer's performances of musical works, or sound recordings embodying musical works or performer's performances of musical works embodied in sound recordings, otherwise than pursuant to valid licences from the copyright owners or copyright holders thereof

constitute serious offences which may result in civil liability, statutory damages and/or criminal prosecution.

- 12. NOTICE: Any demand, notice or other communication ("Notice") to be given in connection with this Agreement will be given in writing and may be given by personal delivery, by next-business day delivery service (such as Federal Express), by facsimile, by regular postal service or by email addressed to the recipient at the address set forth in this Agreement, or such other address as may be designated by a party to the other. Notice given by personal delivery, facsimile or email will be deemed given on the day of actual delivery thereof, if by next-business day delivery service, on the next business day (provided that next-business day delivery was requested and was available), or, if by regular postal service, five business days after deposit of the Notice in the mail.
- 13. GENERAL: The Certificate Number and this Agreement may not be assigned by the Registrant without the prior written consent of CPCC. The parties agree to execute and deliver such further documents and to do such acts as may reasonably be required to give effect to or to

better evidence or perfect the terms and intent of this Agreement. This Agreement will enure to the benefit of and be binding upon the respective heirs, executors, administrators, representatives, successors and licensees of the parties hereto. No waiver of any breach of any provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the waiver and, unless otherwise provided in the written waiver, will be limited to the specific breach waived. The parties acknowledge that they have been advised or had the opportunity to be advised by their own independently selected counsel and other advisors in connection with this Agreement and enter into this Agreement solely on the basis of that advice and/or on the basis of their own independent investigation of all of the facts, laws and circumstances material to this Agreement or any provisions thereof, and not in any manner or to any degree based upon any statement or omission by the other party and/or its representatives or counsel. This Agreement sets forth the entire agreement between the parties regarding its subject matter and supersedes all prior negotiations, understandings and agreements between the Parties concerning its subject matter. No amendment of this Agreement or addition hereto will be valid or binding unless set forth in writing and duly executed by both of the parties hereto. This Agreement will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. Paragraphs 6, 12 and 13 will survive the expiration or termination of the Term of this Agreement.

14. COUNTERPARTS: This Agreement may be signed in one or more counterparts, each of which (including facsimile, photo or electronic copies) shall be deemed an original, but all of which together shall constitute one and the same instrument.

