

MCPS 'KAR' Licensing Scheme for Karaoke Products



SUMMARY OF KEY TERMS AND CONDITIONS (subject to contract)

	Description of Terms and Conditions
Purpose	Licence for the inclusion of MCPS members' musical works into karaoke products manufactured in the UK or produced in the UK and custom pressed in the EU for retail distribution, where the lyrics are reproduced graphically on screen as the music plays and which are specifically designed for members of the public to sing the repertoire works as the music plays.
Rights	Mechanical and synchronisation.
Formats	CD+G, NEO+G, DVD, DivX, VHS, Karaoke Chips; and/or any other format expressly agreed by MCPS
Royalty basis	<ul style="list-style-type: none"> A royalty rate of 12 % of PDP (Published Dealer Price) The published dealer price is defined as the highest dealer price applied to a product in a quarter.
Minimum Rates	A minimum PDP of £3.00 is applied to the royalty calculation for each disc
Track Limits	A maximum of 30 tracks per disc can be included under the 12% of PDP rate
Accounting	Quarterly shipments in arrears; returns off-set against same catalogue number; 10% retentions (25% for TV advertised product); export provisions.
Prior approval	<p>Products are subject to prior approval where;</p> <ul style="list-style-type: none"> the product title names featured artists or groups and/or featured composer(s) / writer(s), and/or the packaging or supporting campaign for any product names or graphically depicts featured artists or groups and/or featured composer(s)/writer(s), and/or the product includes content depicting an artist(s) associated with one or more of the tracks (unless the artist(s) or the artist(s)'s management has approved this use) The product is a 'Single Artist Karaoke Product' and comprises in excess of <u>5</u> tracks written by one single composer or writer or song writing partnership or associated with a single performing artist or band.
Main Exclusions	<p>The use of unauthorised arrangements, adaptations, parodies, burlesques and dramatico-musical works.</p> <p>The use of commercial musical works in contexts which the licensee ought reasonably to consider as being prejudicial to the public standing of the composer, artist featured or relevant copyright owners.</p> <p>Any karaoke products compromising discs containing more than 30 tracks, hardware samplers, karaoke products which are games, karaoke products which are imports.</p>

This constitutes a summary of certain terms of the scheme and producers are advised to refer to the KAR Scheme licence terms and conditions for full details of rates and other matters relating to the licensing of products under the KAR Scheme. In the event of any inconsistency between this summary and the KAR1 Scheme licence terms and conditions, then the terms of the KAR Scheme shall prevail.