



PHONOGRAPHIC
PERFORMANCE LTD.

Code of Conduct

INTRODUCTION

Phonographic Performance Limited (PPL) is an Indian company limited by guarantee. It was incorporated in 1941 and registered under the provisions of the Companies Act, 1913, as an association of its members (Music Labels) and with no share capital limited by guarantee. It is acknowledged that PPL provides a range of valuable services both to the Member Music Labels and for users. We make it easier for potential users to use sound recordings legally and streamline the process of collecting remuneration and/or licence fees for the use thereof.

PPL is also a member of International Federation of Phonographic Industries (IFPI) which represents the recording industry worldwide. IFPI has over 1,300 record company members in 61 countries, and affiliated Industry Associations (including collective management organisations such as PPL) in about 57 countries.

Currently over 270 music labels/companies across India, owning copyright in numerous sound recordings are the Members of PPL. Monetization of their music is an important means of livelihood to the music labels.

PPL constantly works to improve standards and performance of the collective management of the Member Music labels (public performance and broadcast) throughout the Country establishing best practice for collective management. We work to ensure maximum transparency, accountability and good governance in their operations. PPL has with the assistance and guidance of IFPI, developed a Code of Conduct and Rules Guidelines.

The PPL Code provides information about our standards of integrity and explains our legal and ethical responsibilities. It does not address every specific situation or a rule that will answer every question. Rather, it is intended to provide guidance on our responsibilities and to assist in making the correct business decisions, and we aspire to achieve best practices in the conduct of our operations. This Code of Conduct is applicable to PPL, its employees and others acting on behalf of PPL.

I. GENERAL PRINCIPLES

1. Applicable Laws

We are familiar with and comply with all applicable laws and regulations of India, *inter alia* the Copyright Act, 1957 and Copyright Rules, 2013 and shall not act in contravention of the same.

2. Business ethics

We shall act in the best interests of all Member Music labels we represent, and shall offer our services and conduct our operations in a fair, effective and non-discriminatory manner and in compliance with the laws of India. We shall refrain from any illegal, dishonest, un-professional or unethical conduct.

3. Activity

We shall strive to effectively collect remuneration or license fees on behalf of our Member Music Labels and distribute the royalty fees to correct right holders expeditiously and accurately and refrain from any activity which is beyond the scope of our work

4. Confidentiality and Non -Disclosure

We shall not divulge or disclose any information that is come across to us in the course of our activities, including information about customer/ licensees/prospective customer/ licensees. We shall maintain business confidentiality in the utmost manner.

5. Respect for and at the workplace

We shall refrain from using violence and / or profanity with our colleagues and/or licensees.

We shall not do any act that may damage or potentially damage the business and/or reputation of PPL.

We shall use good and professional judgment in situations arising during performance of our activities.

We shall refrain from keeping company with those or known to be associated with illegal activities, including music piracy.

II. *RELATIONS WITH MEMBER MUSIC LABELS*

1. We shall allow Member Music Label to determine the scope (rights, uses, repertoire and territory) and character (exclusive or non-exclusive) of the rights they give to us without restrictions, and as provided for under the law and our Articles of association.

2. We shall allow the member Music labels to terminate the management of their rights wholly or in part with reasonable notice period as provided in the terms of agreement entered therein and subject to the PPL Regulations.

3. We shall keep and maintain up-to-date records of the member music labels, we represent in electronic form, in compliance with applicable laws on data protection and privacy.

4. We shall accept new member music labels and/or provide services to all sound recording right holders on a non-discriminatory basis and according to principles of equal treatment, unless we have objectively justified reasons to refuse our services or differentiation is absolutely necessary and based on justified and objective criteria as laid down by our Articles of Association.

III. *RELATIONS WITH OTHER Music Licensing Companies (MLC)*

1. We will strive to conclude reciprocal representation agreements with respect to the rights we may administer with other MLC's, subject to such other MLC's complying with this Code and any requirements of international law, in order to establish a network of agreements between PPL and other MLCs that facilitate multi-repertoire and in appropriate cases multi-territory rights licensing.

2. Both PPL and MLC are to manage the rights it is mandated to administer by virtue of a reciprocal representation agreement in a transparent and non-discriminatory manner. They shall provide to each other the right holders and/or Member Music labels they represent and to other MLCs with which they have bilateral agreements, royalty statements itemised per track and in respect of revenues at least per usage sector (such sectors may include commercial radio, private radio broadcasting, public performance, etc.)

V. RELATIONS WITH USERS/ LICENSEES

1. Meetings

We shall endeavour to take prior appointments while meeting licensees or prospective licensees. When appointments are taken, be punctual to attend the same.

2. Proof of Authority

We shall courteously show our Identity card and/or Letter of Authority whenever requested.

3. Proof of Content

We shall be able to provide detailed information within a reasonable timeframe on the repertoire and rights we represent, following a justified and sufficiently detailed request from a licensee or entity engaged in license negotiations.

4. Tariff/ Licence Fees

We shall not make any false or mis-leading representation about facts or tariff rate or about PPL to the customer/ licensee.

We shall establish tariffs that are transparent and based on objective criteria and that fairly reflect both the value of Member Music Label's rights in trade and the benefits to users of our service.

5. Legal Remedies and Action

We have the right to enforce copyright and protection of the same on behalf of our Member Music labels, including but not limited to granting licenses for public performance and terrestrial radio broadcasting of such sound recordings,

collecting royalties for the same and initiating legal proceedings against infringement thereof.

In the course of collecting such evidence, if any, we shall maintain peace and decorum with the customer/licensee, free of aggressive or violent or intimidation or threatening or abusive or foul or insulting language or behaviour.

PPL employees shall not enter any premises without consent of the owner/authorised personnel administering such premises. Upon a failure of a licensee or entity/premises, which is liable in law to secure a license prior to exploitation of PPL Sound Recordings, PPL employees shall not exercise individual force, forcible entry into a premises for such reason but will repose our faith in and file proceedings in the appropriate legal forum of enforcement authority such as the local Police in order to ensure compliance with the law by such person/entity/ premises.

6. Zero- Tolerance Policy

We maintain a zero-tolerance policy regarding all forms of discrimination, harassment or abuse; it is disrespectful to make derogatory remarks about a person, group, religion or caste or cast defamatory aspersions on any person.

7. Anti- Bribery Policy

We shall not attempt to, offer, instigate, induce, demand or suggest or accept any bribe, gratification or gift or such like with the customer/ licensee/prospective customer/ licensee, nor shall we indulge in any corrupt or un-ethical activities.

8. Reporting Usage

We shall require users to report the use of all sound recordings promptly and accurately using a standardised electronic format and where possible using industry standard recording identifiers, unless reporting would be commercially unreasonable and economically unviable considering in particular the value of the license in question.

V. TRANSPARENCY

1. Disclosure

We shall make available upon request, to all Member Music Labels, that have mandated with us either directly or through a bi-lateral agreement with another MLC to manage their rights, a list of recordings where the owner of the relevant rights has not been identified. Before providing this information, we shall first have concluded reasonable identification procedures.

We shall establish and communicate a fair and effective policy for dealing with competing Royalty claims, and to publish a dispute resolution procedure(s).

VI. DISTRIBUTION AND MANAGEMENT OF ROYALTY

1. Update of New Content by Member

We encourage each Member Music Label to put in place processes to provide, in a standardised electronic format, accurate, complete and timely information on their rights, catalogue, and new recordings, including use of industry standard recording identifiers.

2. Identification

We shall strive to accurately identify the use of individual sound recordings in performance Activities and to distribute monies to all the Member Music Labels at track level based on actual use and usage reports insofar as it is economically reasonable.

3. Actual Usage Distribution

The distribution rules and practices applied by us shall be based on the principle of individual distribution according to actual use of the sound recordings and they may not directly or indirectly discriminate between Member Music Labels on the grounds of region, ownership, genre, or otherwise, without objectively justifiable reasons, or otherwise as provided for in the Annual General Body Meeting resolutions.

4. Distribution Of Royalty

We shall distribute collected royalty in accordance with the decision made by the members in the Annual General Body Meetings

5. Operational Costs

We shall deduct from the collected sums only the appropriate costs of operating the Company. We shall provide details of such deductions to member music labels and indicate whether these are statutory or voluntary.

6. Unclaimed Royalty

After having used our best efforts to identify and locate the correct recipients, unless prohibited by applicable legislation, we shall distribute unidentified and unclaimed monies as per resolutions passed by members in the Annual General Body Meetings.

VII. CONCLUDED

Any employee or representative of PPL who violates stated legal or ethical responsibilities will be subject to appropriate discipline, which may include dismissal. Non-compliance with certain aspects of the PPL Code and/or the Business Conduct and Compliance also may subject the individual offender and PPL to civil and/or criminal liability

