

# DISTRIBUTION POLICY

Updated:

**YEAR 2020**



RECORDING PERFORMERS  
MALAYSIA BERHAD

201101036650 (964784-U)

Document no:  
**RPM/20/01**

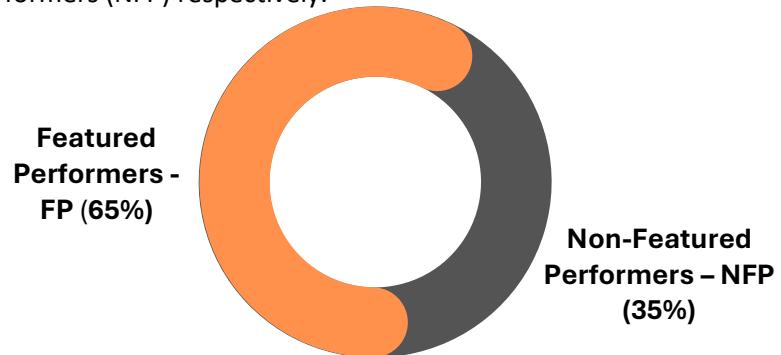
## DISTRIBUTION POLICY PRINCIPLES

1. The RPM Board of Directors is responsible for determining the methods by which RPM revenue is allocated and distributed as outlined in the Memorandum and Article of Association. All aspects of distribution rules and processes to be transparent and easily understood.
2. All royalties collected by the Company in respect of rights granted by Members shall be applied first to payments of all expenses of and incidental to the management and operation of the Company, and then shall be allocated and distributed amongst the Members in accordance with a scheme of distribution to be determined and fixed from time to time by the Board.

## DISTRIBUTION RULES

### 1. Division of Performer Track Allocation Between Performers

- a) The Performer Track Allocation is divided 65/35 between Featured Performers (FP) and Non-Featured Performers (NFP) respectively.



- b) Initial Allocation

- All Featured Performers on the sound recording are allocated equal amounts of the Featured Performer Share, and the value of each such share will be set out.
- All Non-Featured Performers on the sound recording are allocated equal amounts of the Non-Featured Performer Share, and the value of each such share will be set out





### c) Secondary Allocation

- Where the allocations to Non-Featured Performers do not use all of the Non-Featured Performer Share, the balance is allocated between all the performers on the sound recording (including the Featured Performers), in proportion to their initial share of the Performer Track Allocation.
- Share allocation is based on “LINE UP COMPLETE” (total line up of performers in a track).

## 2. Pool Division

Royalties collected in a fiscal year shall be allocated into 3 main pools i.e. Public Performance, Airline, and Broadcast.

## 3. Frequency of Distribution

Royalties shall be distributed once a year.

## 4. Timing of Distribution

Distribute royalties after the end of financial year, which covers royalties collected from 1st January to 31st December of the preceding year. RPM shall endeavour to distribute the royalties within eighteen (18) months from the end of the corresponding financial year. For example, distribution to members for royalties 2017 should be targeted to be made in the year 2018, and not later than June 2019. The distribution to foreign collecting societies shall be made in accordance with the reciprocal arrangements made between RPM and the affiliated societies.

## 5. Minimum Payment

To avoid the unnecessary costs, RPM will not make the payment if, at any distribution, the total amount due is less than RM100.00 for RPM members. However, the payment will be made in the next distribution when the accumulative amount exceeds the above-mentioned amount.



## 6. Calculation of Net Distributable Royalties

The total amount of royalties to be distributed is arrived at as follows: -

	<b>TOTAL REVENUE IN A FISCAL YEAR</b>
LESS	TOTAL ADMIN COSTS
LESS	TAXES AND Marketing Development Fund EXPENSES
LESS/ADD	ADJUSTMENTS, if any
EQUALS	NET DISTRIBUTABLE ROYALTIES

## 7. Unlogged Performance Allocation (UPA)

- a) The UPA is made to compensate for performances that are omitted in our analysis due to sampling and other factors.
- b) UPA amount is fixed by the Board of Directors for each participating RPM member. A participating RPM member is one who was admitted to RPM membership in or before the Distribution Year in question and who earns performing royalty in the Distribution Year.
- c) UPA will be allocated to RPM member who earns royalties (exclusive of UPA) and cease to be allocated to a RPM member who has not earned any royalties for more than 2 years and inactive status will be applied. However, UPA will reapply in the year the member begins to receive royalties again.
- d) No UPA is allocated for overseas societies.
- e) If no successor applies within three (3) years, the deceased's royalties will be ploughed back into the general pool in the 4th year's distribution and allocated proportionally to all parties receiving royalties in the current Distribution Year.

## 8. Payments to Foreign Collecting Societies

- a) Royalties collected by RPM on the basis of an agreement with affiliated societies will be distributed in proportion to music usage based on the information received in question, in accordance with the distribution rules which may be implemented or put in place by the Board.



- 
- b) Foreign Collecting Societies will be responsible for covering the expenses related to taxes and administrative costs (these may include the costs of legal clarifications, translation costs, and costs that arose specifically in the exchange process with the respective country).

## **9. Royalties received from Foreign Collecting Societies**

These royalties are 100% distributed to members on an annual basis. RPM do not deduct any administrative cost for such royalty payments.

## **10. Usage Report**

RPM obtains the usage report or cue sheets from broadcasters and licensees.

# **DISTRIBUTION POLICIES & PROCEDURES**

## **1. Distribution Policy 1**

Recording performer with written mandate to RPM and have already submitted the updated Song List Submission form on or before 31 December each year.

## **2. Distribution Policy 2 - Public Performance Income- Sound Recording**

100% of royalty collected based on full usage returns from all licensed radio stations.

## **3. Distribution Policy 3 - Public Performance Income- Karaoke & Music Video Recordings**

100% of royalty collected based on 'Usage' returns from major licensed karaoke outlets.

## **4. Distribution Policy 4 - Broadcast Income- Radio & Television**

- a) Based on individual licensed Radio & TV station income.
  - b) Usage reports from licensed Radio & TV broadcasters.
    - For radio stations, 100% actual usage by individual station income.
    - If there is no usage report, the income will be parked under common public performance pool.
    - For TV stations (terrestrial & satellite), 50% based on actual TV reports and 50% of proportionate allocations by actual radio income value.
  - c) Manual Cue sheets processing based on sampling.
  - d) Computerized report- 100%
- 



## 5. Distribution Policy 5 - Miscellaneous Income

- a) Public performance full annual usage returns from airlines.
- b) 100% based on usage returns where applicable.

## 6. Distribution Policy 6 - UPA - Cash Sharing

Each RPM member will be paid Unlogged Performance Allocation (UPA) based on Board of Director's discretion for the year of distribution.

### CLAIM SONG LIST

1. Featured Performers (only for solo singers and duets)
  - a) Songs under this category will be automatically claimed based on the information available in the usage report.
  - b) ONLY eligible roles or instruments are ACCEPTED. Please refer to the list of eligible roles or instruments. (APPENDIX 1)
2. Bands/Groups/Collaborations and Non-Featured Performers (including musicians, backing vocals etc.)
  - a) Recording performers under this category are REQUIRED to submit the claimed song list on their own.
  - b) ONLY eligible roles or instruments are ACCEPTED. Please refer to the list of eligible roles or instruments. (APPENDIX 1)
  - c) All claims under this category MUST be accompanied with supporting documents for each song claimed.
3. Ratio for calculation: -

	Featured Performer (FP)	Non-Featured Performer (NFP)
Ratio	65%	35%
Default No. of Pax	4	6



RECORDING PERFORMERS  
MALAYSIA BERHAD

201101036650 (964784-U)

- 
- 
4. Total number of songs submitted:
    - a) Verified – proceed for payment.
    - b) Suspense – Conflict / Pending for Documents
  5. Claim will be kept in Suspense Account for 1 year, after which will be placed under Reserved Fund for distribution later to other eligible members.

## APPENDIX 1

### List of Eligible Roles or Instruments

<b>1</b>	<b>ACCORDION</b>	<b>35</b>	<b>GAMELAN</b>	<b>69</b>	<b>SAPE</b>
<b>2</b>	<b>ACOUSTIC GUITAR</b>	<b>36</b>	<b>GENDANG / KENDANG</b>	<b>70</b>	<b>SAXOPHONE</b>
<b>3</b>	<b>ALTO SAXOPHONE</b>	<b>37</b>	<b>GLOCKENSPIEL</b>	<b>71</b>	<b>SCRATCHES</b>
<b>4</b>	<b>ANGKLUNG</b>	<b>38</b>	<b>GONG</b>	<b>72</b>	<b>SEQUENCER</b>
<b>5</b>	<b>BACKING VOCALS</b>	<b>39</b>	<b>GUITARIST</b>	<b>73</b>	<b>SHAKER</b>
<b>6</b>	<b>BAGPIPES</b>	<b>40</b>	<b>HANDCLAP</b>	<b>74</b>	<b>SHEHNAI</b>
<b>7</b>	<b>BASSIST</b>	<b>41</b>	<b>HARMONICA</b>	<b>75</b>	<b>SITAR</b>
<b>8</b>	<b>BEATS</b>	<b>42</b>	<b>HARMONIUM</b>	<b>76</b>	<b>STRINGS</b>
<b>9</b>	<b>BOWGER</b>	<b>43</b>	<b>HARP</b>	<b>77</b>	<b>STRINGS ARRANGEMENT</b>
<b>10</b>	<b>BRASS</b>	<b>44</b>	<b>HIT - HAT</b>	<b>78</b>	<b>SUONA</b>
<b>11</b>	<b>CAJON</b>	<b>45</b>	<b>HORN</b>	<b>79</b>	<b>SYNTH BASS</b>
<b>12</b>	<b>CARITAS</b>	<b>46</b>	<b>KALIMBA</b>	<b>80</b>	<b>SYNTHESIZER (KEYBOARDIST)</b>
<b>13</b>	<b>CELLO</b>	<b>47</b>	<b>KAZOO</b>	<b>81</b>	<b>SYNTHESIZER ARRANGEMENT</b>
<b>14</b>	<b>CHIMES</b>	<b>48</b>	<b>KEYBOARD PAD</b>	<b>82</b>	<b>TABLA PLAYER</b>
<b>15</b>	<b>CHINESE BAWU</b>	<b>49</b>	<b>KEYBOARDIST</b>	<b>83</b>	<b>TAMBORINE</b>
<b>16</b>	<b>CHOIR</b>	<b>50</b>	<b>KOMPANG</b>	<b>84</b>	<b>TENOR SAXOPHONE</b>
<b>17</b>	<b>CHORUS</b>	<b>51</b>	<b>KULINTANGAN</b>	<b>85</b>	<b>TIMBALASE</b>
<b>18</b>	<b>CLARINET</b>	<b>52</b>	<b>LOOPS</b>	<b>86</b>	<b>TRIANGLE</b>
<b>19</b>	<b>CONGO</b>	<b>53</b>	<b>MAGAGUNG</b>	<b>87</b>	<b>TROMBONE</b>
<b>20</b>	<b>COWBELL</b>	<b>54</b>	<b>MANDOLIN</b>	<b>88</b>	<b>TRUMPET</b>
<b>21</b>	<b>CYMBALS</b>	<b>55</b>	<b>MARACAS</b>	<b>89</b>	<b>TURNTABLES</b>
<b>22</b>	<b>DHOL</b>	<b>56</b>	<b>MELODICA</b>	<b>90</b>	<b>UKULELE</b>
<b>23</b>	<b>DJ</b>	<b>57</b>	<b>MIDI PROGRAMMER</b>	<b>91</b>	<b>VEENAI</b>
<b>24</b>	<b>DJEMBE</b>	<b>58</b>	<b>MONOLOGUE</b>	<b>92</b>	<b>VIOLA</b>
<b>25</b>	<b>DRUMMER</b>	<b>59</b>	<b>NARRATOR</b>	<b>93</b>	<b>VIOLINIST</b>
<b>26</b>	<b>ELECTRIC BASS</b>	<b>60</b>	<b>ORGAN</b>	<b>94</b>	<b>VOCAL SCAT</b>
<b>27</b>	<b>ELECTRIC DRUM</b>	<b>61</b>	<b>PADS</b>	<b>95</b>	<b>VOCALIST</b>
<b>28</b>	<b>ELECTRIC GUITAR</b>	<b>62</b>	<b>PERCUSSIONIST</b>	<b>96</b>	<b>VOCODER</b>
<b>29</b>	<b>ERHU</b>	<b>63</b>	<b>PIANIST</b>	<b>97</b>	<b>WHISTLE</b>
<b>30</b>	<b>FENDER RHODES</b>	<b>64</b>	<b>PIPA</b>	<b>98</b>	<b>WIND</b>
<b>31</b>	<b>FLUGELHORN</b>	<b>65</b>	<b>QUQIN</b>	<b>99</b>	<b>WOOD WIND</b>
<b>32</b>	<b>FLUTE</b>	<b>66</b>	<b>RAPPER</b>	<b>100</b>	<b>XYLOPHONE</b>
<b>33</b>	<b>FLUTE BAMBOO</b>	<b>67</b>	<b>REBANA</b>	<b>101</b>	<b>SYNTHESIZER</b>
<b>34</b>	<b>GAMBUS</b>	<b>68</b>	<b>SAMPLING</b>	<b>102</b>	<b>GHUZENG</b>



## APPENDIX 2

### RPM Licensing Tariff

Standard Public Performance Tariff – Annual License			
No	Category	Type of Music	Tariff
1	Executive KTV Lounge, Discotheque, Nightclub & Multi-Entertainment Concept	<u>Featured Music Entertainment</u> First 50 persons (min fee) Each additional person	RM 2,800.00 RM 280.00
2	Non-Executive Karaoke	<u>Featured Music Entertainment</u> First 50 persons (min fee) Each additional person	RM 2,500.00 RM 25.00
3	Karaoke Kiosk Box, Jukebox	<u>Featured Music Entertainment</u> Each unit	RM 150.00
4	Karaoke Singing / Training Centre	<u>Featured Music Entertainment</u> First 50 persons (min fee) Each additional person	RM 450.00 RM 4.50
5	Community Singing Centre, Music Retailer Shop	<u>Featured Music Entertainment</u> Flat Fee	RM 150.00
6	Pub, Bar, Restaurant & Bar, Beer Garden, Bistro, Lounge	<u>Featured Music Entertainment</u> First 50 persons (min fee) Each additional person  <u>Non-Featured Music Entertainment</u> First 50 persons (min fee) Each additional person  <u>Surcharge</u> Each TV monitor Each video wall / multiple screen Each stand-alone karaoke	RM 1600.00 RM 16.00  RM 750.00 RM 7.50  RM 100.00 RM 500.00 RM 500.00
7	Restaurant, Café, Coffee House, Cyber Café, Gaming Centre	<u>Featured Music Entertainment</u> First 50 seats (min fee) Each additional seat  <u>Non- Featured Music Entertainment</u> First 50 persons (min fee) Each additional person  <u>Surcharge</u> Each TV monitor Each video wall / multiple screen Each stand-alone karaoke	RM 650.00 RM 6.50  RM 400.00 RM 4.00  RM 100.00 RM 500.00 RM 500.00





## Standard Public Performance Tariff – Annual License

No	Category	Type of Music	Tariff	
8	Food Court, Fast Food Joint, Canteen	<u><b>Featured Music Entertainment</b></u> First 100 seats (min fee) Each additional seat  <u><b>Non- Featured Music Entertainment</b></u> First 100 seats (min fee) Each additional person  <u><b>Surcharge</b></u> Each TV monitor Each video wall / multiple screen Each stand-alone karaoke	RM 500.00	5.00
			RM 350.00	3.50
			RM 100.00	
			RM 500.00	
			RM 500.00	
9	Budget Eatery Outlet	<u><b>Featured Music Entertainment</b></u> Flat Fee	RM 180.00	
10	Hotel, Resort, Motel, Serviced Apartment, Homestay	<u><b>2 Stars and below</b></u> Each guest room / suite Minimum Fee  <u><b>3 Stars and above</b></u> Each guest room / suite Lobby / Reception  <u><b>Surcharge</b></u> Each TV monitor Each video wall / multiple screen Each stand-alone karaoke	RM 8.00	80.00
			RM 10.00	
			RM 150.00	
			RM 100.00	
			RM 500.00	
			RM 500.00	
11	Ballroom, Banquet Hall, Function Room, Private Hall *Subject to a single premise	<u><b>Non- Featured Music Entertainment</b></u> First 50 persons (min fee) Each additional person  <u><b>Surcharge</b></u> Each TV monitor Each video wall / multiple screen Each stand-alone karaoke	RM 400.00	4.00
			RM 100.00	
			RM 500.00	
			RM 500.00	
12	Members Club	<u><b>Non- Featured Music Entertainment</b></u> Each guest room Lobby / Reception / Waiting Area / Common Area  <u><b>Surcharge</b></u> Each TV monitor Each video wall / multiple screen Each stand-alone karaoke	RM 9.00	150.00
			RM 100.00	
			RM 500.00	
			RM 500.00	



Standard Public Performance Tariff – Annual License

No	Category	Type of Music	Tariff
13	Hospital, Medical Centre	<u>Non- Featured Music Entertainment</u> Each patient room Lobby / Reception  <u>Surcharge</u> Each TV monitor Each video wall / multiple screen	RM 9.00 RM 150.00  RM 100.00 RM 500.00
14	Clinic	<u>Non- Featured Music Entertainment</u> Each Clinic	RM 150.00
15	Recreation Centre, Amusement Centre, Theme Park, Skating Rink	<u>Non- Featured Music Entertainment</u> First 2,000 sq ft (min fee) Next 5,000 sq ft (per sq ft) Each additional sq ft thereafter	RM 500.00 RM 0.15 RM 0.10
16	Departmental Store, Supermarket, Shopping Centre, Hypermarket, Retail Shop, Financial Institution, Office Premise, Factory, Petrol Service Station, Recording Studio, Showroom, Workshop, Terminal, Public/Common Area	<u>Non- Featured Music Entertainment</u> First 2,000 sq ft (min fee) Each additional sq ft	RM 300.00 RM 0.10
17	Cinema, Fitness Centre, Aerobic Centre, Gymnasium, Saloon, Beauty Centre, Spa & Health Centre, Video Arcade, Bowling Centre, Snooker Centre, Dance School, Music School	<u>Non- Featured Music Entertainment</u> First 2,000 sq ft (min fee) Each additional sq ft  <u>Surcharge</u> Each TV monitor Each video wall / multiple screen Each stand-alone karaoke	RM 300.00 RM 0.10  RM 100.00 RM 500.00 RM 500.00
18	Stand-alone Retail Kiosk	<u>Non- Featured Music Entertainment</u> Each Kiosk	RM 90.00
19	Carpark	<u>Non- Featured Music Entertainment</u> First 2,000 sq ft (min fee) Each additional sq ft	RM 150.00 RM 0.05
20	Bus, Coach, Food Truck, Boat, Ferry, Cruise Ship Train, Commercial Limousine, Elevator	<u>Non- Featured Music Entertainment</u> Each unit / Coach  <u>Surcharge</u> Each TV monitor Each video wall / multiple screen Each stand-alone karaoke	RM 50.00  RM 50.00 RM 500.00 RM 500.00



## Standard Public Performance Tariff – Annual License

No	Category	Type of Music	Tariff
21	Music-On-Hold Telephone System	<u>Non- Featured Music Entertainment</u> Per Switch Board	RM 250.00
22	Aircraft	<u>Non- Featured Music Entertainment</u> Boarding & Disembarkation Music (per aircraft) Inflight Entertainment (per passenger)	RM 350.00 RM 0.08
23	Casual Music at Concourse and Common Area, Road Show <i>*Subject to per day / event / venue</i>	<u>Music Entertainment</u> Flat Fee	RM 200.00
24	One-Off Music Event such as Dinner & Dance, Luncheon or Dinner Show, Graduation, Product Launch, Family Day, Carnival, Fashion Show, Beauty Pageant, Free Concert <i>*Subject to per day / event / venue</i>	<u>Music Entertainment</u> First 100 persons (min fee) Each additional person	RM 300.00 RM 1.50
25	Concert, Marathon, Run Event, Sport & E-Sport Event <i>*Subject to per day / event / venue</i>	<u>Music Entertainment</u> First 1,000 persons (min fee) Each additional person Maximum Fee	RM 500.00 RM 0.50 RM 5,000.00
26	Exhibition, Seminar, Conference <i>*Subject to per day / event / venue</i>	<u>Music Entertainment</u> Flat Fee	RM 350.00
27	Wedding Function <i>*Subject to per day / event / venue</i>	<u>Music Entertainment</u> Flat Fee	RM 200.00
28	Blanket Licence for One-Off Music Event <i>*Subject to unlimited events coverage per concourse / ballroom / event hall</i>	Per Annum	RM 20,000.00
29	Online Media <i>*Subject to per day / event / venue</i>	<u>Music Entertainment</u> Flat Fee	RM 300.00
<b>Broadcast License – Radio &amp; TV</b>			
<b>2% of the gross revenue, subject to minimum guarantee of RM15,000 per annum.</b>			

