

| Public Performance T | ariff V1: Fitness Classes |
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| Effective Date | This Tariff applies from 1 July 2018 |
| What is licensed under this Tariff? | Protected Sound Recordings (see definition of Sound Recordings below) |
| What uses are covered by this Tariff? | This Tariff covers the use of Sound Recordings accompanying a Fitness Class conducted by: a Fitness Centre employing fitness instructors; or a Freelance Fitness Instructor. This Tariff does not cover the public exhibition of music video clips, including DVD or any other similar medium (covered by Tariffs W and/or WE). This Tariff also does not cover any other use of Sound Recordings in a Fitness Centre, including without limitation: as a general amenity, or as background music, in the free weights area, specialised exercise equipment area, change rooms or other public areas of the Fitness Centre (covered by Tariff V2); or in a restaurant or cafe operating within the Fitness Centre (covered by Tariff R1). Terms used in this Tariff have the following meanings: Fitness Centre means a fitness centre operating on a commercial basis as a business (including, without limitation, gymnasiums, health clubs, aquatic centres, recreation centres, leisure centres, sport centres, incidental fitness amenities and specialty centres) including offering periodic or casual memberships (whether called by that name or any other name) which entitle its members to attend Fitness Classes. Fitness Class means a structured form of exercise conducted in a class environment on a commercial basis whether at a Fitness Centre or by a freelance fitness instructor, which is: directed (whether by a fitness instructor, video instruction or otherwise); and included in a published time-table or advance notification to potential participants, and includes, without limitation, the following types of classes: aerobics, circuit, dance, cycle/spin, strength/resistance, hybrid, boxing/combat, flexibility/stretching/abdominal, including yoga and pilates, specialty, aqua and agelifestyle. Fitness Class Use means the use of Sound Recordings to accompany Fitness Classes. Freelance Fitness Instructor means a fitness instructor who provides fitness instruction on a commercial basis as a business, otherwise than at a Fitness Centre or as an employee |

What are the Licence Fees? The fee for the year 1 July 2018 to 30 June 2019 is: Single Rate per PPCA Class: \$2.66 OR Two Tiered Rate per PPCA Class:-With 10 or fewer participants: \$1.61 With more than 10 participants: \$3.74 Fees for subsequent years can be found on the PPCA website at www.ppca.com.au. Additional terms used in this section of the Tariff have the following meanings: PPCA Class means a Fitness Class in which Sound Recordings comprising part of the PPCA repertoire are used either for the entirety of the class, or part only. Licence Year means the 12 month period following the date the licence commences. Licence Period Annual (but Licence Fees are payable quarterly, as noted in the Special Conditions A) Special conditions applicable This Tariff is subject to the Special Conditions. to this Tariff Special Condition A A person who wishes to obtain a licence to play Sound Recordings in a Fitness Class must advise PPCA upon application for a new licence agreement: (a) if it wishes to pay according to Single Class Rate or the Two Tiered Rate, and (b) if it is liable to pay more than \$1000 in the Licence Year, if it wishes to pay quarterly. **Special Condition B** If a Licensee wishes to change any election notified under Special Condition A it must do so in writing at least 40 days before the licence's annual renewal date. Any such changed election will take effect in the following Licence Year and apply for the whole of that Licence Year.

Special Condition C

Licence fees are payable in advance and shall be based on the number of PPCA Classes to be held in the Licence Year as advised by the Licensee in writing and in accordance with these Special Conditions or PPCA's Standard Terms and Conditions.

The Licensee must advise PPCA of any variation to the number of PPCA Classes in the Licence Year in accordance with the Standard Terms and Conditions. Where a reassessment of the licence reduces the annual fee to an amount less than that already paid, PPCA's refund policy will apply.

Special Condition D

Where licence fees are payable pursuant to the two tiered rate set out above, the licensee is to provide PPCA on a quarterly basis month by month reports indicating the number of attendees in Fitness Classes conducted by the licensee, the number of attendees in PPCA Classes conducted by the licensee and any other supporting documentation PPCA may reasonably require to verify the two tiered participant per class rate applicable to the licensee.

Special Condition E

- (1) The licensee agrees that PPCA may notify the licensee in writing that it wishes, on a day specified in the notice, being an ordinary working day of the licensee specified in the notice not earlier than 7 days after the day on which the notice is given, to do such of the following things as are specified in the notice:
 - (a) assess the amount of public performance of Sound Recordings;
 - (b) inspect all the relevant records that relate to the public performance of Sound Recordings;
 - (c) inspect such other records as are relevant to the assessment of the amount of equitable remuneration payable by the licensee to PPCA.
- (2) Where PPCA gives a notice, a person authorised in writing by PPCA may, during the ordinary working hours of the relevant licensee on the day specified in the notice (but not before 10 a.m. or after 3 p.m.), carry out the assessment, or inspect the records, to which the notice relates and, for that purpose, may enter the premises of the licensee.
- (3) The licensee shall take all reasonable precautions, and exercise reasonable diligence, to ensure that a person referred to in paragraph (2) of this Special Condition E who attends at the premises of the licensee for the purpose of exercising the powers conferred by that paragraph is provided with all reasonable and necessary facilities and assistance for the effective exercise of those powers.

ALL AMOUNTS ARE INCLUSIVE OF GST.

NOTE: Tariff V1 licences will be issued subject to PPCA's Standard Terms and Conditions for Licences for the Public Use of Protected Sound Recordings