

COMPOSERS AND AUTHORS SOCIETY OF SINGAPORE LIMITED

CODE OF CONDUCT (EFFECTIVE FROM 1 JULY 2003)

1. INTRODUCTION

1.1 Background

(a) COMPASS provides a range of valuable services to both its Members and Licensees. By administering copyright of musical compositions on behalf of its Members, COMPASS:

- (i) promotes the creation and dissemination of copyright musical material;
- (ii) represents the interests of creators and owners of copyright musical material;
- (iii) makes it easier for people to obtain permission to use copyright musical material;
- (iv) streamlines the process of collecting remuneration and/or licence fees for the use of copyright musical material; and
- (v) reduces the transaction costs for both Members and Licensees associated with the use and exploitation of copyright musical material.

(b) COMPASS aspires to:

- (i) achieve best practice in the conduct of its operations;
- (ii) be responsive to the needs of Members and Licensees;
- (iii) ensure transparency and accountability in the conduct of its operations; and
- (iv) achieve efficiency in the process of allocating and distributing payments to Members.

(c) In recognition of the services it provides, COMPASS expects that:

- (i) Licensees and other users of copyright musical material will respect the rights of the creators and owners of that material, and in particular their right to receive fair payment for the use and exploitation of copyright musical material; and

- (ii) Licensees and other users of copyright musical material will use that musical material only in accordance with:
 - A. the terms of a licence or other permission; and/or
 - B. the Singapore *Copyright Act 1987 and all its amendments*, the Copyright (International Protection) Amendments Regulations, any other applicable legislation, relevant decisions of courts or tribunals (including the Copyright Tribunal), and other binding legal requirements, conditions or guidelines.

1.2 Scope

COMPASS has voluntarily elected to apply this Code and its Members have at the Extraordinary General Meeting on 5th January 2002, agreed to be bound by the Code.

1.3 Objectives

The objectives of this Code are:

- (a) to promote awareness of and access to information about copyright and the role and function of COMPASS in administering music copyright on behalf of its Members;
- (b) to promote confidence in COMPASS and the effective administration of copyright in Singapore;
- (c) to set out the standards of service that Members and Licensees can expect from COMPASS; and
- (d) to ensure that Members and Licensees have access to efficient, fair and low cost procedures for the handling of complaints and the resolution of disputes involving COMPASS.

2. OBLIGATIONS OF COMPASS

2.1 Members

- (a) The membership of COMPASS will be open to all Singapore citizens and Permanent Residents and Permit Holders residing in Singapore who are creators of musical copyright material and owns or controls copyright of musical material, in accordance with its Memorandum & Articles of Association.
- (b) COMPASS will treat its Members fairly, honestly, impartially, courteously, and in accordance with its Memorandum & Articles and under any Membership Agreement.
- (c) COMPASS will ensure that its dealings with Members are transparent.
- (d) COMPASS will provide a copy of its Memorandum & Articles of Association to a Member at the time that the Member first joins COMPASS, or at any time on request. COMPASS will also provide a copy of its Memorandum & Articles of Association to a potential Member on request.

2.2 Licensees

- (a) COMPASS will treat Licensees fairly, honestly, impartially, courteously, and in accordance with its Articles of Association and under any licence agreement.
- (b) COMPASS will ensure that its dealings with Licensees are transparent.
- (c) COMPASS will:
 - (i) make available to Licensees and potential Licensees information about the licences or licence schemes offered by COMPASS, including the terms and conditions applying to them, and about the manner in which COMPASS collects remuneration and/or licence fees for the use of copyright musical material;
 - (ii) take reasonable steps to ensure that all licences offered by COMPASS are drafted in plain English and are readily understandable by Licensees; and

- (iii) consult with relevant trade associations in relation to the terms and conditions applying to licences or licence schemes offered by COMPASS.
- (d) Licence fees for the use of copyright musical material will be fair and reasonable. In setting or negotiating such licence fees, COMPASS may have regard to the following matters:
- (i) the value of the copyright musical material;
 - (ii) the purpose for which, and the context in which, the copyright musical material is used;
 - (iii) the manner or kind of use of the copyright musical material;
 - (iv) any relevant decisions of the Copyright Tribunal; and
 - (v) any other relevant matters.

2.3 Distribution of Remuneration and Licence Fees

- (a) COMPASS will maintain, and make available to Members on request, a Distribution Policy that sets out from time to time:
- (i) the basis for calculating entitlements to receive payments from remuneration and/or licence fees collected by COMPASS (**Revenue**);
 - (ii) the manner and frequency of payments to Members; and
 - (iii) the general nature of amounts that will be deducted from Revenue before distribution .
- (b) COMPASS will distribute payments to its Members in accordance with its Articles of Association and Distribution Policy.

2.4 COMPASS Expenses

COMPASS will deduct from its total Revenue:

- (a) the expenses of managing and operating the Society; and
- (b) any other amounts authorised by its Council. These may include, for example, the costs of promotional activities, educational programs, cultural funds, donations in support of creators and owners of copyright musical material, membership of industry associations, or other charitable purposes.

2.5 Governance and Accountability

- (a) The Council of Directors will be elected from among its Members at the Annual General Meeting, except for the Independent Director and Executive Director. The Chairman of the Council will be elected from among the Council Directors and who must be a Full Writer Member. All Elected Directors, except the Independent Director and Executive Director, will not be remunerated for their services rendered to COMPASS, except for attendance fees at Council Meetings, and traveling and hotels expenses that are incurred in the course of rendering such special services approved by the Council.
- (b) All Elected Director will not hold any directorship, employment, and official or consultancy position in any other companies or organizations that are in competition or may have a potential conflict of interest with COMPASS.
- (c) The role of the elected Independent Director is to ensure that policies and financial decisions of the Council are in the general interest of its Members and to reflect the views of the general public and he or she will possess and satisfy the following criteria and qualification:
 - (i) Singapore citizen;
 - (ii) Experience and expertise in managing corporation with an annual turnover of over Five Million Dollars for at least three years;
 - (iii) Appropriate academic qualification;
 - (iv) No commercial interest in connection or dealing with COMPASS.
- (d) The Executive Director, who holds the position of Chief Executive Officer will assume full executive responsibilities and liabilities.

- (e) COMPASS will at all times maintains proper and complete financial records, including in relation to-
 - (i) the collection and distribution of Revenue; and
 - (ii) the payment by COMPASS of expenses and other amounts described in clause 2.4.

- (f) COMPASS will ensure that its financial records are audited at least annually.

- (g) COMPASS will ensure and observe strict privacy and confidentiality of information relating to Members and Licensees.

- (h) COMPASS will include in its Annual Report information about:
 - (i) total Revenue during the reporting period;

 - (ii) the total sum and general nature of expenses and other amounts described in clause 2.4; and

 - (iii) the allocation and distribution of payments to Members in accordance with the Distribution Policy.

2.6 Staff Training

COMPASS will take reasonable steps to ensure that its employees and agents are aware of, and at all times comply with, this Code. In particular, COMPASS will take reasonable steps to ensure that its employees and agents are aware of the procedures for handling complaints and resolving disputes set out in clause 3, and are able to explain those procedures to Members, Licensees and the general public.

2.7 Education and Awareness

- (a) COMPASS will engage in appropriate activities to promote awareness among Members, Licensees and the general public about the following matters:
 - (i) the importance of music copyright;

(ii) the role and functions of COMPASS in administering music copyright generally;
and

(iii) the role and functions of COMPASS in particular;

and will make information about these matters available, on reasonable request, to Members, Licensees and the general public.

(b) Without limiting paragraph (a) or any other obligation in this Code, COMPASS will produce and make available appropriate information about the following:

(i) the eligibility criteria for membership of COMPASS;

(ii) the benefits of membership of COMPASS;

(iii) the responsibilities of Members under the Constitution of COMPASS and any Membership Agreement;

(iv) any policies and procedures of COMPASS that affect Members;

(v) the benefits to Licensees obtaining a licence from COMPASS;

(vi) the responsibilities of Licensees under a licence granted by COMPASS, and under the Singapore *Copyright Act 1987* and other applicable laws; and

(vii) any policies and procedures of COMPASS that affect Licensees.

3. COMPLAINTS AND DISPUTES

(a) COMPASS will develop and publicise procedures for:

(i) dealing with complaints from Members and Licensees; and

(ii) resolving disputes between COMPASS and:

A. its Members; and/or

B. its Licensees.

- (b) The procedures developed under paragraph (a) will apply to any complaint about a matter covered by the Code which adequately identifies the nature of the complaint and the identity of the person complaining.

- (c) The procedures developed under paragraph (a) will have particular regard to the following principles:
 - (i) The procedures should define the categories of complaints and disputes they cover and explain the way in which each will be dealt with.

 - (ii) Information on how to make complaints should be readily accessible to Members and Licensees.

 - (iii) COMPASS should provide reasonable assistance to a Member or Licensee in the formulation and lodgement of a complaint.

 - (iv) The procedures should recognise the need to be fair to both the person complaining and COMPASS to which the complaint relates.

 - (v) The procedures should specify by position who in the first instance will handle complaints on behalf of COMPASS.

 - (vi) The procedures should indicate time frames for the handling of complaints and disputes.

 - (vii) COMPASS should provide a written response to a complaint that is made in writing.

 - (viii) COMPASS should establish appropriate alternative dispute resolution procedures.

 - (ix) COMPASS will ensure that adequate resources are made available for the purpose of responding to complaints and resolving disputes.

- (c) COMPASS will regularly review its complaint handling and dispute resolution procedures to ensure that they continue to comply with the requirements of this Code.

4. PUBLICITY AND REPORTING

(a) COMPASS will:

- (i) take appropriate steps to publicise this Code and the fact that it has agreed to be bound by it; and
- (ii) make copies of the Code available to Members, Licensees and the general public on request.

(b) COMPASS will include in its Annual Report a statement about its compliance with this Code.

5. MONITORING, REVIEW AND AMENDMENTS

5.1 Code Reviewer

(a) COMPASS having agreed to be bound by this Code will appoint a Code Reviewer once every two years with specialist expertise in administrative law, copyright law and/or licensing practices to perform the functions conferred by paragraph (c).

(b) The Code Reviewer will be appointed for a minimum period of one month.

(c) The functions of the Code Reviewer are to:

- (i) Evaluate the level of compliance by COMPASS with the obligations imposed on it by this Code; and
- (ii) conduct a review of the Code in accordance with clause 5.3.

5.2 Annual Compliance Monitoring and Reporting

- (a) For the purposes of performing his or her functions under clause 5.1(c)(i), the Code Reviewer may undertake such consultations as he or she considers appropriate. Without limiting his or her discretion, the Code Reviewer may:
- (i) call for submissions from Members, Licensees and the general public, and from groups representing them, on the level of compliance by COMPASS with the obligations imposed on them by this Code;
 - (ii) convene meetings with such individuals or groups as he or she considers appropriate; and
- (b) In addition to the consultations undertaken in accordance with paragraph (a), COMPASS will report once in every two years to the Code Reviewer on its compliance with this Code, including:
- (i) its training of employees and agents in accordance with clause 2.6;
 - (ii) the activities it has undertaken under clause 2.7(a); and
 - (iii) the number of complaints it has received and how those complaints have been resolved.

To assist COMPASS in complying with this paragraph, the Code Reviewer will develop templates and/or guidelines for the preparation of reports.

- (c) Following his or her consultations, and consideration of COMPASS' reports, the Code Reviewer will prepare a report on compliance generally by COMPASS with this Code. The Code Reviewer will make a copy of the report available to:
- (i) COMPASS;
 - (ii) each individual or group that made a submission to the Code Reviewer; and
 - (iii) members of the public through the official web-site.

5.3 Review and Amendment of the Code

- (a) This Code will be reviewed:
 - (i) within two years of the Code coming into effect; and
 - (ii) at least once within each subsequent three year period.

- (b) For the purposes of a Review of the Code, the Code Reviewer will:
 - (i) invite written submissions on the operation of the Code and on any amendments that are necessary or desirable to improve the operation of the Code;

 - (ii) undertake such other consultations as he or she considers appropriate, including consultations of the kind set out in clause 5.2(a).

- (c) COMPASS will inform its Members and Licensees in an appropriate manner that the Review is being conducted and that they may make submissions to the Code Reviewer.

- (d) The Code Reviewer will allow a period of at least two months for the making of submissions.

- (e) At the completion of the period for the making of submissions, the Code Reviewer will prepare a report of the Review, and will make such recommendations as he or she considers appropriate in relation to the operation of the Code, including recommendations for amendments of the Code.

- (f) The Code Reviewer will make a copy of the report of the Review available to:
 - (i) COMPASS;

 - (ii) each individual or group that made a submission to the Code Reviewer; and

 - (iii) members of the public through the official website.

6. DEFINITIONS AND INTERPRETATION

6.1 Definitions

In this Code:

Constitution means the documents that establish and govern the operations of COMPASS and include its Memorandum and Articles of Association.

Licensee means:

- (a) a person granted permission by COMPASS to use copyright musical material;
- (b) a person entitled to use copyright musical material under a statutory licence in the *Singapore Copyright Act 1987*; and
- (c) a person who requires a licence from COMPASS to use copyright musical material.

Member means a person who creates copyright musical material, or who owns or controls copyright musical material, and who is entitled to be a member of COMPASS under its Articles of Association. This includes creators of copyright musical material, such as authors, publishers, composers, as well as individuals representing organisations to whom the rights in copyright musical material have been assigned.

6.2 Interpretation

- (a) Where there is any doubt about the intent or scope of this Code, it should be interpreted in the light of the objectives set out in clause 1.3.
- (b) Where this Code requires COMPASS to make information or documents available on request, such request is generally satisfied by making the information or documents available on a website. Where a person requiring the information or documents advises that they cannot access the Internet, COMPASS should take reasonable steps to satisfy their request in another way.