

Distribution Policy

Table of Contents

1. Introduction	3
2. Legal Background	3
3. Types of Licenses	6
4. Policy Framework	7
5. Operating the SoundSys distribution platform	8
6. Process of Establishing Distribution Rules	9
7. MRSS Members’ Ingestion	9
8. Reports from users/usage	11
9. Claiming	12
10. Funds and Fund Management	14
11. Proxies	14
12. Distribution schedule and how it works?	15
13. How to contact MRSS?	15
14. AI Generated Sound Recordings and Copyright Protection	15
15. Change to this Policy	15

1. Introduction

Music Rights (Singapore) Public Limited

Music Rights (Singapore) Public Limited (UEN 201824573H), also known as MRSS is a Collective Management Organization (CMO) incorporated in 2018 and registered under the provisions of the Companies Act. MRSS represents the majority of music producers in Singapore and collects Sound Recordings, Karaoke and Music video copyright license fees on behalf of the rights holders. We make it easier to license individuals and companies to legally use copyrighted sound recordings and music videos.

MRSS currently represents 36 Music Labels in the territory of Singapore.

MRSS is committed to maximizing transparency, accountability and good corporate governance which are fundamental principles of effective collective management and which underpin the IFPI (International Federation Phonograms Industry) MLC (Music Licensing Companies) Code of Conduct.

License fees collected are distributed back to MRSS members after the deduction of operation costs. In this way, the rights of copyright owners are safeguarded and fair business practices in the music industry are upheld.

Standard Distribution Principles

These standard principles aim to ensure that MRSS offers high-quality services in Singapore. Harmonising the principles applied to distribution rules under IFPI will allow MRSS to share resources and increase efficiency and transparency. This document sets out the standards to be met by the distribution policies of MRSS.

2. Legal Background

The new Copyright Act, which is in force from 21 November 2021, replaces the existing Copyright Act (Cap. 63).

The Act updates and enhances our copyright regime to take account of the technological developments which have immensely impacted how copyright works are created, distributed, accessed, and used. It also seeks to future-proof our regime to cater for future technological developments.

The changes implemented by the Act ensure that our copyright regime continues to provide an environment that benefits both creators and users. The Act introduces new rights and remedies to provide more recognition for creators to further incentivise the creation of works. It also creates new exceptions for users, allowing copyright works to remain reasonably available for the benefit of society.

The new Act is a complete rewrite of the existing Copyright Act in plain English and has a more intuitive structure to make the law clearer and more accessible to the public.

All changes introduced through the Act will take effect once the Act comes into force on 21 November 2021, save for provisions on the collective management organisation regulatory framework, which we will continue to consult the public on.

One of the main aims of copyright is to incentivise the creation and dissemination of new works by giving authors, artists, musicians, performers, photographers, and other creators the exclusive right to control specific uses of their works for a limited period.

Copyright protects the following types of material:

- **literary** works (e.g. books, articles in journals or newspapers, lyrics in songs, source codes of computer programs);
- **dramatic** works (e.g. scripts for films or drama (as applied), choreographic scripts for shows or dance routines);
- **musical** works (e.g. melodies);
- **artistic** works (e.g. paintings, sculptures, drawings, engravings, photographs, buildings or models of buildings, works of artistic craftsmanship such as designer furniture that is not mass produced);
- **published editions** of literary, dramatic, musical, or artistic works (e.g. typographic arrangements of a published work);
- **sound recordings** (e.g. podcasts, music, or audiobooks contained in a digital file);
- **films** (e.g. movies or videos);
- **television and radio broadcasts** (i.e. broadcasting by way of television or radio);
- **cable programmes** (i.e. programmes (with visual images and sound) included in a cable programme service sent using telecommunication system); and
- **performances** (e.g. performances by musicians, singers, and comedians).

Old position (under the Copyright Act 1987)	New position (under the Copyright Act 2021)
<ul style="list-style-type: none"> • Creators and performers currently do not have a right to be identified whenever their works or performances are used. • They have only a right to prevent false identification (i.e. where their work or performance is falsely claimed to have been created or performed by someone else). 	<ul style="list-style-type: none"> • Anyone who uses an authorial work (i.e. a literary, dramatic, musical, or artistic work) or a performance in public (e.g. depending on the work or performance, by sharing it online, publishing it, or including it in corporate collaterals) must identify its creator or performer. • This identification must be clear and reasonably prominent, and in the manner that the creator or performer wishes to be identified (e.g. the creator or performer may require the use of a pseudonym instead of their name).

<p style="text-align: center;">Old position (under the Copyright Act 1987)</p>	<p style="text-align: center;">New position (under the Copyright Act 2021)</p>
<ul style="list-style-type: none"> • Sound recording companies currently have a right to control only how sound recordings are made available to the public via digital audio transmissions. • They do not have any right in relation to when sound recordings are heard in public via other means. 	<ul style="list-style-type: none"> • Sound recording companies have a new right to collect license fees for the broadcast or public performance of commercially published sound recordings. This fee may be collected by collective management organisations. • Businesses that play recorded music in a physical venue (e.g. restaurants, hotels, retail shops), will need to obtain a license for the public performance of the sound recordings. This is in addition to a license for the public performance of the underlying music (i.e. the musical composition and lyrics) in the sound recording. • However, this right does not arise in certain circumstances, where the public performance is carried out by receiving a broadcast (e.g. by playing music through the radio); • where the public performance of the sound recording constitutes fair use; and • where the sound recording is performed by students or staff of an educational institution, in the course of that institution’s activities, to an audience limited to those directly connected with that institution.

3. Types of Licenses

MRSS is able to issue licenses to organisations and individuals in the following broad categories:

Type of License	Description of License Required
Broadcasting of Sound Recordings	Broadcasting of sound recordings refers to the transmission of recorded audio content over radio, television, or online streaming platforms. It involves the dissemination of sound recording content to a wide audience.
Broadcasting of Music Videos	Broadcasting of music videos involves the transmission of visual content set to music over television channels, online streaming platforms, or other media outlets.
Simulcasting	Broadcast of radio content simultaneously over the internet.
Public Performance of Sound Recordings	Playing music in a commercial setting is a public performance of that sound recording.
Reproduction of Sound Recordings	Making a physical or digital copy of a sound recording into a CD, USB or any other digital device to play that music.
Public Performance of Music Videos	The screening of public music videos, such as in entertainment outlets, restaurants, retail shops and shopping malls.
Public Performance of Karaoke	The screening of public karaoke videos, such as in entertainment outlets, restaurants, retail shops and shopping malls.
Reproduction of Music Videos	An entertainment outlet such as a karaoke or a pub that plays videos-on-demand on a TV monitor for its patrons. This applies to any form of music videos that have been re-recorded and reproduced onto a hard disc or a computerized storage system.
Reproduction of Karaoke	An entertainment outlet such as a karaoke or a pub that plays videos-on-demand on a TV monitor for its patrons. This applies to any form of karaoke videos that have been re-recorded and reproduced onto a hard disc or a computerized storage system.
Reproduction of Karaoke / Music Videos for Home	Retailers for home karaoke systems whose content has been licensed by MRSS.
Webcasting	Broadcast or stream content over the internet (e.g. "catch- up streaming", IPTV services and podcasting).

4. Policy Framework

MRSS will apply the following principles when allocating revenues to right holders:

Track-Level Distribution: Revenues must be distributed to all right holders at the track level. This means that each track's revenue is allocated among the respective right holders.

Actual Use Basis: Revenues are distributed based on the actual use of the tracks in the services to which the revenue is related. This ensures that right holders receive compensation proportional to the usage of their tracks on the specified services, as long as it is economically reasonable and not otherwise stated in the Standard Distribution Principles document.

Furthermore, MRSS is obligated to allocate and distribute revenues solely to eligible and protected recordings. The criteria for eligibility for collections and distributions must be clearly explained and made available on the MRSS's websites, ensuring transparency and clarity for all stakeholders involved.

Radio

Revenues shall be distributed based on actual use.

Revenues shall be allocated for each station or channel separately, taking into the account:

- the distributable amount for the station or channel;
- the cumulative reported duration of all recordings broadcast on that station or channel; and
- the cumulative reported duration of usage of each recording; revenues should be allocated per recording.

Public Performance

MRSS obtained reports from background music providers to identify the use of recordings. MRSS take into the account statistical usage information from a representative number of certain users (e.g. discotheques) or allocates under market shares. MRSS use audio broadcast data as a proxy for (part of the) public performance usage. There is currently no universally applied method for allocation established by MRSS.

Revenues collected from public performance shall be distributed based on actual use and usage reports as far as they are available.

Considering that not all users can provide usage reports or usage reports are not available at all, MRSS will allocate the collected revenues as closely as possible to the actual use and take into account the following or a mix of potential sources for obtaining data on the actual use and the relevant proxies (in the order of preference), considering the value of the use of sound recordings in the different sectors:

- a. Reports from users
- b. Statistically representative samples where relevant
- c. Reports from background music providers
- d. Radio reports.
- e. RIAS charts
- f. Digital Market shares

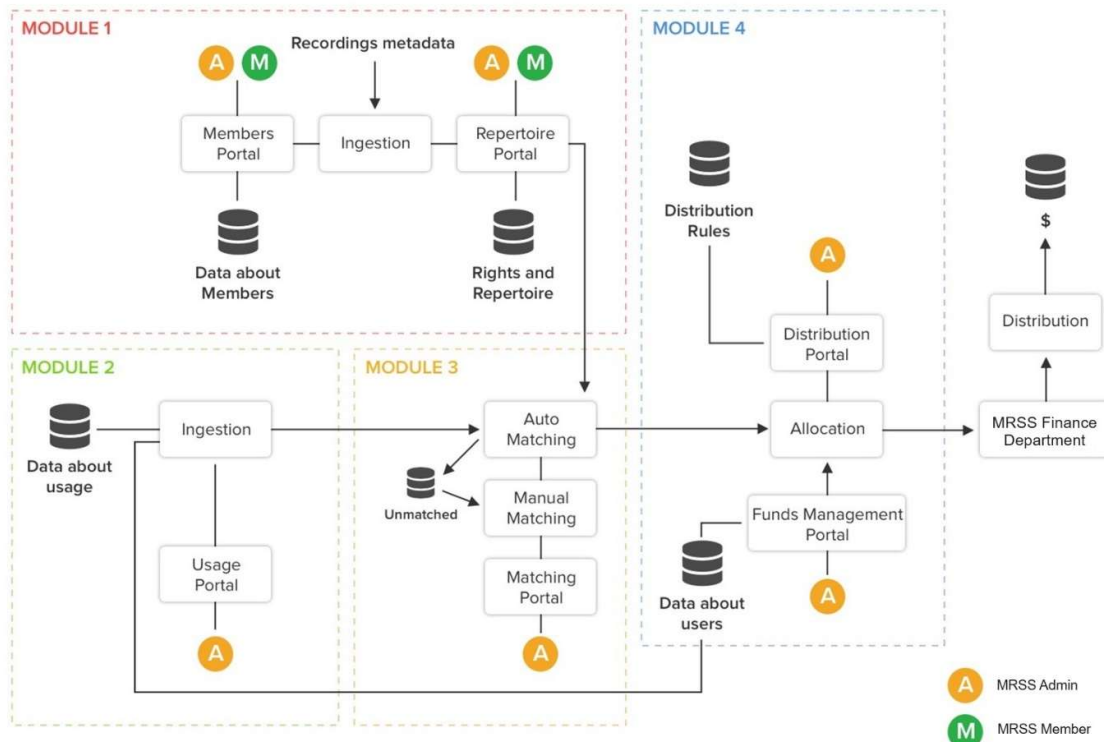
Fair and equitable application of distribution rules

The distribution rules and their implementation shall be overseen by the Board committee and our SoundSys system.

5. Operating the SoundSys distribution platform

The SoundSys distribution platform provides technical versatility, enabling effortless configuration to adapt to diverse distribution rules and policies mandated by MRSS.

Please refer to the following diagrams which illustrate this process at a high level.



6. Process of Establishing Distribution Rules

Distribution rules shall be aligned with the approach set out in IFPI’s ‘Standard Distribution Principles’ document. This includes using the best practice approach where possible and using alternative approaches only if it has not yet been possible to establish the basis for best practices.

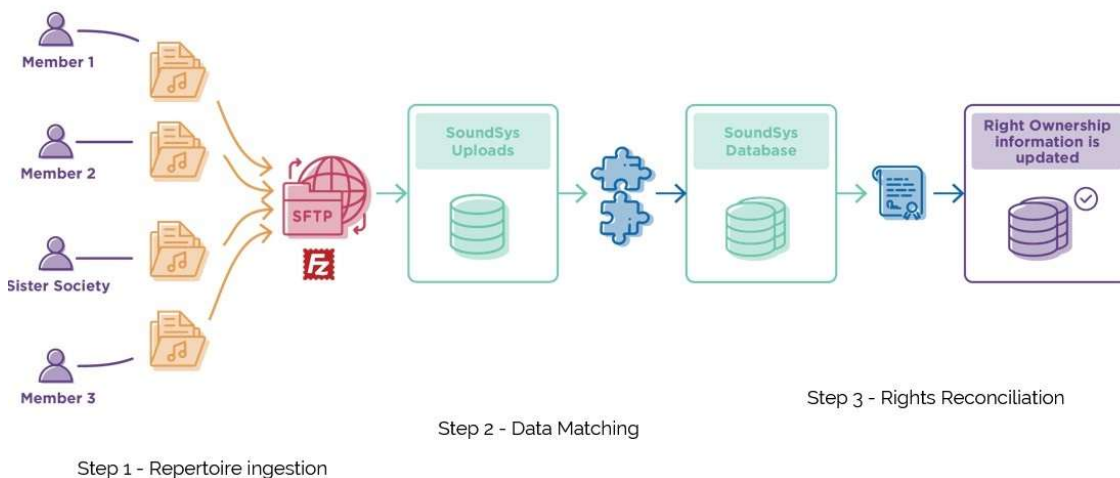
MRSS strives to make its distributions as accurate as possible and ensure that license fees received from each licensee are allocated directly to the recording or music video performed. Increasingly technology has allowed greater volumes of data to be provided and processed via SoundSys.

Distribution Methodologies

1. Direct Allocation: where fees from an individual licensee, or group of connected licensees are distributed across the sound recordings and videos based on the usage report to MRSS.
2. Statistical Sampling: involves selecting a high-quality log that meticulously records usage patterns resembling those of the unavailable source.
3. Proxy: due to the unavailability of direct allocation from usage, the proxy is applicable and subject to the MRSS Board’s approval.

7. MRSS Members’ Ingestion

SoundSys allow members to login and upload their repertoire into the database.



MRSS members have an ongoing obligation to keep their sound recordings and/or music videos up to date in SoundSys, including essential metadata such as:

Category	Field	Comments
Recording	Proprietary ID	This would be the proprietary ID used by the data provider, i.e. the record company. It should be specified at the recording level.
	Display artist band	Display artist name as it is in the package and only use the separator if really necessary.
	Title	Song title
	Version title	This shall be in-lined with the title and provide as a separate field. This should be mandatory where available, so as to avoid confusion in cases where the recordings would otherwise look to be the same recording.
	ISRC	This is a unique alphanumeric code consisting of 12 characters. This field is mandatory.
	Duration	Mandatory where available. Duration can help distinguish between different recordings of the same song, e.g. live vs radio edit.
	Year of recording	
	Country of recording	
	Language of performance	
	Composer	It is mandatory for classical music; classical music should be submitted on a separate sheet with the composer field.
	Conductor	It is mandatory for classical music; classical music should be submitted on a separate sheet with the conductor field.
	Original release year	
	Original release label	History of brand identification
	Sub label	Current info on rights and licensing
	Product data	Display release names
Alternative language		
Recording territory details	Alternative language display artist band	
	Alternative language title	
	Alternative language version title	
	Genre	It is mandatory for classical and devotional music. "Classical" and "Devotional" are the expected values respectively
	Type	This is mandatory. SR for Sound Recording and MV for Music Video.

Category	Field	Comments
	Alternative language composer	It is highly recommended for classical music
	Alternative language conductor	It is highly recommended for classical music
Rights ownership	Rights owner	This would be mandatory for data provided by record companies, but generally cannot be provided for data sourced from e.g. legacy databases. For record companies, if this data is not provided we will assume that ownership is with the submitting record company, which can cause double claims. We will apply the rights ownership template according to the Mandate setup unless instructed otherwise at the recording level. For the avoidance of doubt, MRSS cannot pay out unless the rights owner information is present.
	Payee	If empty, we will use the right owner as a payee
	Start date of rights	
	End date of rights	
	Share of rights	If empty, we will use 100%

8. Reports from users/usage

Contracts with users should stipulate that they are obliged to provide a mandatory minimum data set regarding their use and the recordings used. Small-scale public performance users may be exempted from reporting this obligation, but they should at least be obliged to report the source of background music used.

In Singapore, users have a legal obligation to report to MRSS.

When engaging with a service provider, MRSS shall ascertain that:

the service provider has the repertoire to cover the usage monitored or can obtain it within a reasonable period, and the use of the service is cost-effective.

Despite the aforementioned guidelines, it's important to acknowledge that some usage logs may be of poor quality and may not be cost-effective to process. MRSS must strike a balance: avoiding the wasteful expenditure of resources on un-processable logs while endeavouring to maximise the accuracy and coverage of distribution by including all relevant usage when economically feasible. It's important to note that not all logs or log lines will necessarily be processed, but efforts will be made to optimize distribution effectiveness within reasonable economic constraints.

9. Claiming

The repertoire claiming processes within the SoundSys distribution platform encompass four specific areas:

- **General Registration of Repertoire:** This involves the overall process of registering repertoire within the system
- **Exposing Unmatched Usage to Members for Claiming:** Dedicated process for exposing recordings with unmatched usage to members for claiming. These are recordings where the repertoire has not been supplied or where the repertoire is stuck in manual validation due to data quality issues.
- **Handling Unclaimed and Placeholder Recordings:** Dedicated process for exposing unclaimed and placeholder recordings, where partial repertoire is present in SoundSys but lacks rights data linked to right holders.
- **Handling Recordings with Rights Claim Issues:** Dedicated process for handling recordings with rights claim issues, such as under-claimed or claims conflicts.

MRSS has several policies and SoundSys tools which they can deploy in the 'claiming' context:

- **Data Quality Policy Tools:** These tools aim to boost the quality of repertoire data and minimize manual validation issues.
- **Distribution 'Dry Runs':** These are used to create reports containing unmatched/unclaimed recordings prioritized by value, which can be circulated to members
- **Usage Matching UI Tool:** This tool allows exporting of unmatched lists that can be circulated to members.
- **Distribution Rules and Policies:** These dictate how unclaimed recordings are handled during the distribution run, including options such as holding revenue for future claims or discarding unmatched/unclaimed recordings eg;
 - A window of time for circulating unmatched/unclaimed lists to members
 - Option to use 'usage' distribution rule which discards unmatched/unclaimed. This would likely be implemented after a claiming period.
 - Option to carry out the distribution with the finance department holding money for unmatched/unclaimed revenues in case of future claims by members

- **Discard low-quality logs:** This causes unmatched usage to arise, and/or demands users supply better- quality logs. Higher quality ‘proxy’ logs or panels can be used where appropriate.

Unmatched and unclaimed usage

MRSS shall minimize the occurrences of unmatched/unclaimed repertoire by establishing a data quality policy setting out required data and by utilizing good data matching technology that is effective in generating accurate matches/candidate matches and which accommodates spelling alternatives and errors.

Rights conflicts solution

Technical support – SoundSys for early detection of claims conflicts prior to distribution, flagging them to the parties, and amending errors may dramatically reduce the number of conflicts and held revenue.

- MRSS will implement fair and transparent procedures for resolving claims conflicts, including robust processes and reasonable deadlines for the processing of double claims by right holders. If the ownership is contested with credible claim and proof of ownership, MRSS shall not pay out monies for the recordings in question until the claim has been resolved
- MRSS shall evaluate the rights data of recordings to determine if there are rights conflicts taking into the account the time period, use-type and territory. MRSS shall work to achieve early detection/resolution of claims conflicts wherever possible.
- If there is a right conflict the two rightsholders will have to solve the conflict in accordance with the MRSS’s disputes policy before the MRSS will register the rights holder to the track.
- MRSS shall, when claims are resolved, update their records with the authoritative data and not retain or promulgate incorrect recording claims data. The same obligation is applicable to the parties to the dispute and those who may still hold copies of inaccurate data.
- MRSS shall employ a data quality policy to ensure high quality of registered data and shall ensure that recording version and corresponding ISRC data is provided to achieve clarity on different versions of recordings. Clarity on versions can reduce the occurrence of ‘false’ claims conflicts. In appropriate circumstances, MRSS should split revenue between different versions of a recording.

10. Funds and Fund Management

MRSS shall segregate the funds for each revenue stream. The method for preparing each fund for distribution shall be set out within the distribution rules.

The method shall clearly establish processes for:

- deducting operating costs/fees;
- deductions of applicable taxes;
- any other authorised deductions;
- any additional sources of revenue, such as interest, income arising from investments of rights revenue etc; and
- any reserves for redistribution

MRSS shall maintain information about the funds in a manner that enables these details to be reported to members as a part of the distribution schedule.

Operating costs and fees

MRSS shall deduct from any revenue collected such handling charges corresponding to its true and direct collection and distribution costs.; MRSS is however not entitled to deduct in excess of 25% in operating.

11. Proxies

MRSS strives to make its distributions as accurate as possible and ensure that license fees received from each licensee are allocated directly to the recording if it is economically feasible to do so. Increasingly technology has allowed greater volumes of data to be provided and processed, and new sources of information to be identified. MRSS is, however, committed to ensuring that the cost of collection of usage data, and the cost of processing that information for distribution purposes, is in proportion to the value of the license fees received. MRSS's distribution arrangements utilise the followings:

- Digital Sales
Audited digital recording sales from the members
- RIAS Chart
Aggregated data result from Apple Music, Deezer, Spotify, and YouTube.
- Combined Radio Playlist
Collective radio playlist
- Distribution pool (cash sharing)

12. Distribution schedule and how it works?

The frequency of distribution are structured as follows: three quarterly advance payments (within the year), with a final pay-out (after audited).

Yearly Pay-Out Schedule



13. How to contact MRSS?

If you want further information about any aspect of this Distribution Policy, or if you have a question about your entitlement to receive a payment, you can contact us by one of the following methods:

By call (during business hours): +65 6475 1181

By email: feedback@mrss.com.sg

By post: Feedback

Music Rights (Singapore) Public Limited

3 Irving Road #05-01/02 Tai Seng Centre

Singapore 369522

14. AI Generated Sound Recordings/Music Video and Copyright Protection

Copyright protection is premised on the existence of human authorship and creativity. As purely AI-generated works lack the requisite human intellectual contribution, they are unlikely to qualify as “works” protected under MRSS.

Music Rights Singapore Public Limited (MRSS) similarly does not extend copyright coverage and represent to wholly AI-generated content, to remain consistent with the prevailing legal framework governing copyright protection in Singapore. MRSS will not collect and distribute any AI-generated royalties.

15. Change to this Policy

From time to time, MRSS may need to amend this Policy to reflect changes to its operations or to take account of legal changes (e.g. amendments of the Copyright Act, or a decision of a court or the Copyright Tribunal). This Policy will only be amended by a formal resolution of the MRSS Board, and we will ensure that a copy of the revised Policy is made available to all members and on the MRSS Website as soon as possible after any changes. Any such amendment will only be made in line with the terms of the MRSS Constitution.

This Policy was updated on 18 June 2026.