



February 12, 2013

Dear Valued Member/ Cher membre:

Many hoteliers have been contacted by Re:Sound with an invoice for past due music royalties. Re:Sound (www.resound.ca) is a bona fide organization and they are sanctioned by the federal Copyright Board of Canada. Re:Sound is separate and distinct from SOCAN which collects license fees on behalf of composers and music publishers. Re:Sound collects fees on behalf of record companies and performers.

The HAC has worked diligently to research, review and consider the May 2012 Copyright Board of Canada decision on Re:Sound Tariff 5. HAC negotiated an exemption of fees under Tariff 5A, 5B and 5C for the period of January 1, 2008 to December 31, 2009. (However hotels, where applicable, have responsibility for the fees for 2010 forward.) After further discussion with Re:Sound and many of our members Re:Sound has agreed to extend the deadline for payment and fee exemption of October 31, 2012 to the new date of March 31, 2013. Therefore in order to receive the exemption of the years 2008 and 2009 payment must be made by March 31, 2013.

Over the years the multitude of music tariffs emanating from SOCAN and Re:Sound has continued to grow. Some of our members have requested further background on the variety of tariffs and the process that the HAC engages on your behalf. To this end we commissioned legal council Fasken Martineau to provide a summary piece.

The summary piece is comprised of the four (4) components noted below. All components are accessible for download on the HAC FAQ page at <http://www.hotelassociation.ca/site/news/faq.htm> under the question "Where can I find further background on the variety of RE:Sound and SOCAN tariffs?"

1. A memo summarizing in some detail the tariffs that are most likely to apply to HAC members;
2. A one-page chart that summarizes the tariffs;
3. A one-page fact sheet of copyright obligations; and 4. A one-page timeline of the tariff certification process.

Please feel free to circulate this material to your properties. If you have any questions, please do not hesitate to contact me.

Kind regards,

A handwritten signature in black ink, appearing to read 'APollard', with a horizontal line underneath.

Anthony P. Pollard

President, HAC/Président, AHC
pollard@hotelassociation.ca

Hotel Association of Canada 1206 - 130 Albert Street Ottawa, ON K1P 5G4 T: 613-237-7149 www.hotelassociation.ca