



SUMMARY OF THE DISTRIBUTION AGREEMENT

SOCAN acknowledges that all remaining assets of SODRAC will be distributed, subject to the approval of the members of SODRAC 2003 inc., to the SPACQ Foundation.

SOCAN also recognizes that SODRAC has invested amounts to defend and obtain the opportunity to collect royalties for the exploitation of rights in accordance with its usual practices.

The distribution agreement therefore provides that these amounts will be reimbursable to the SPACQ Foundation and will come from a 15% deduction from the gross royalties received from users and for which investments have been made. These repayments will continue until full payment of the amounts invested plus any interest payable by users on these revenues.

The SPACQ Foundation undertakes to receive these amounts in order to pursue objectives analogous or similar to those of SODRAC, particularly the defense and promotion of copyright for the benefit of right holders in Canada.

Any payment to the SPACQ Foundation will be made within thirty (30) days of receipt of royalties payable plus interest and will be accompanied by a report detailing the source of royalties, the applicable calculation and the balance of refundable amounts.