



THE MLC

2022 ANNUAL REPORT

THE MLC
MECHANICAL
LICENSING
COLLECTIVE

The Mechanical Licensing Collective (The MLC) is responsible for administering a new blanket compulsory license created by The Music Modernization Act of 2018 (MMA) that covers the use of musical works by U.S. interactive streaming and download services. As of January 2021, The MLC began collecting these digital audio mechanical royalties from the digital services operating under the blanket license and distributing those royalties on a monthly basis at no cost to its Members: music publishers and administrators; ex-U.S. collective management organizations (CMOs); and self-administered songwriters, composers and lyricists.

The MLC has four guiding principles that underpin our work, our team and our operations:

We strive for **EXCELLENCE**

We set clear standards for our team. We measure our performance regularly. We value collaboration, innovation, and continuous improvement. By doing so, we will lead and shape the future of the music industry.

We embrace **DIVERSITY**

We are passionate about building a diverse and inclusive team of people with different backgrounds, views, and experiences. We know this makes our team stronger and better enables us to serve the needs of our diverse Membership.

We are committed to **TRANSPARENCY**

By approaching our work with integrity, communicating honestly, and welcoming feedback, we will build and maintain the trust of those we serve.

SERVICE is at the heart of everything we do

We approach each interaction with enthusiasm and empathy. We define success one person at a time. We recognize that each of our Members is unique.

The MLC, The MLC logo, Connect to Collect, and Play Your Part are trademarks or registered trademarks of the Mechanical Licensing Collective in the U.S., other countries, or both.

The MLC 2022 Milestones

Q1

January: The MLC completes its first year administering the blanket license.

February: The MLC launches its new Claiming Tool for Members and its Public Search API.

Q3

July: The MLC releases its new Catalog Export Tool.

September: The MLC launches its first-of-a-kind Distributor Unmatched Recordings Portal (DURP).

Q2

May: The MLC completes its initial efforts to match the first set of historical unmatched royalty data and makes the remaining unmatched data available for Members to search using The MLC's Matching Tool.

June: The MLC distributes the first set of matched historical royalties alongside its regular monthly distribution of blanket royalties.

Q4

October: The MLC holds its second Annual Membership Meeting and announces results of Board of Directors elections.

December: The MLC completes its 12th monthly royalty distribution of the year and 21st monthly royalty distribution overall, all of which were on time or early. In total, The MLC distributed more than \$540 million in blanket royalties for usage reported to The MLC in 2022.

REFLECTING ON YEAR TWO AT THE MLC:

A Conversation

WITH BOARD CHAIR ALISA COLEMAN
AND CEO KRIS AHREND



Alisa: After wrapping up our second full year of operations at The MLC, we are excited to share some notable milestones from the year. The final royalty distribution for 2022 usage (which we completed in March 2023) brought us to 24 total monthly distributions — two full years of paying songwriters and their publishing partners the royalties they have earned. I know how hard the entire MLC team worked with writers, publishers and DSPs to make that happen. As a publisher Member, we can truly appreciate what a monumental achievement and benefit this is to our industry.

Kris: We're so proud that in that time we were able to successfully complete every single distribution either on time or early, and we're grateful for all of the support we've received from songwriters, publishers and so many others with whom we work. Our success continues to be the ultimate "team effort."

Alisa: One of the most significant milestones for the year was the last distribution of 2022 usage, which brought the cumulative total royalties The MLC has distributed since launching full operations to nearly \$1 billion. A big contributor to reaching that first billion was the growth in membership over the last year.

Kris: Yes, by the end of 2022 we had surpassed 23,000 Members, an increase of over 7,000 individuals in one year. The entire MLC team has worked hard to locate, educate and help self-administered songwriters join The MLC. The more Members we have, the more people we can pay. By participating in The MLC process, our Members have also helped us achieve even higher match rates, which enabled us to distribute even more in royalties.

Alisa: Additionally, we began to distribute the first set of royalties that The MLC has been able to match from the historical royalties that 21 DSPs transferred to The MLC. Can you tell us more about that?

Kris: Yes, we began running the historical data through our internal matching processes in the spring of 2022. In May 2022, we were able to make the first set of remaining unmatched data for these historical uses available for our Members to search using our Matching Tool, and we included our first set of matched historical royalties in our June 2022 royalty distribution.

Alisa: The team has continued to distribute matched historical royalties in each monthly royalty distribution since then and has done a great job of clearly identifying these historical royalties on our statements so Members can distinguish between them and our regular blanket royalties. The MLC's Matching Tool does a great job with the unmatched historical and blanket uses, and we're starting to see the results for Phonorecords II. However, the status of the historical unmatched royalties covered by the Phonorecords III rate period is still being held. We've put together a plan for distribution, but when will Members expect to start receiving matched royalties from that period?

Kris: Like you, we have been waiting for the Copyright Royalty Board (CRB) to finalize the Phonorecords III rates, so that the DSPs can then redeliver any data related to their historical unmatched royalties from this rate period that they will need to change in order to comply with the final rates. Roughly \$373.6 million of the \$426.9 million in historical unmatched royalties transferred to The MLC relates to uses that took place during 2018, 2019 and 2020 — the first three years of the Phonorecords III rate period. The good news is that the CRB did finally issue a rate determination for the Phonorecords III rate period this spring (2023), so we're hopeful those rates will be finalized quickly so that DSPs can begin redelivering their data. Once we have that data, we'll begin processing it and then distributing matched historical royalties from the Phonorecords III rate period.

Alisa: In the meantime, what can Members do to ensure they stand to receive their share of the historical unmatched?

Kris: The same things they've already been doing: checking their data in The MLC's Portal and using the tools we have created to help them, like our Matching and Claiming tools. All of our remaining unmatched data — for both the blanket royalties we've processed and all of the historical royalties we received — is now available for Members to search in the Matching Tool. By making all of this data available, The MLC has fully "illuminated" the black box of digital audio mechanicals for the first time. We hope all of our Members will use our tools to make sure their data is accurate and complete, so we can pay them all of the digital audio mechanical royalties they've earned.

Alisa: Now that year two is in the books it looks like writers and publishers have a lot to look forward to in year three and beyond.

Kris: We're sincerely grateful for the support that we've received from the Board, our Advisory Committees and our Members. We look forward to continuing to serve you all in the years ahead.

ALISA COLEMAN
Board Chair

KRIS AHREND
Chief Executive Officer

2022 By The Numbers

In The MLC's second year of full operations, we continued to distribute digital audio mechanical royalties to our Members on a monthly basis, completing a total of 12 distributions for uses reported in 2022 — all of which we completed on time or early. Here are some of our key metrics from 2022.

50 DSPs Operating under the Blanket License

5.8+ Million Songs Added in The MLC's Database

8+ Million Registrations Received and Processed

7,000+ New Members

17,000+ New Social Media Followers

21,000+ Inquiries Addressed

\$540+ Million in Blanket Royalties Distributed for Usage Reported to The MLC in 2022

Outreach and Education

Helping Creators Connect to Collect®

Service is at the heart of everything we do. Our team strives to ensure that our Members receive the mechanical royalties they have earned accurately and on time. Any music publisher, administrator, CMO or self-administered songwriter who has a right to receive mechanical royalties in the U.S. can become a Member of The MLC. Signing up is easy — prospective Members can begin the process by visiting our website and clicking on the blue *Connect to Collect®* button on the top right side of the homepage.

Once prospective Members have completed the membership process and registered their musical works, they are eligible to start receiving more mechanical royalties for uses of their songs on interactive streaming and download services than rightsholders have ever received before. This is thanks to The MLC's historically high match and payout rates, as well as the fact that The MLC doesn't deduct any administration fees from the royalties we distribute to our Members.

Reaching Songwriters, Composers and Lyricists

Our extensive outreach efforts to find prospective Members continued in 2022, as we welcomed the return to in-person events. Team members of The MLC attended more than 70 events, partnering with numerous industry organizations. We also spoke on dozens of panels at industry events, gave interviews for articles and podcasts, maintained an active presence on all of our social media channels, and continued to publish our monthly newsletter for Members and our quarterly industry newsletter for others interested in tracking our progress. By the end of the year, we had grown the circulation for our Member newsletter to more than 24,000 subscribers and our

industry newsletter to more than 7,000 subscribers. We also grew our presence on social media to more than 33,000 social media followers — more than double the number of followers we had in 2021. Finally, we added more than 7,000 new Members — an average of almost 600 per month — bringing our total membership to more than 23,000.

Engaging Diverse Creator Communities

Because our Members represent songs from every genre of music, and because the songwriters we serve come from every corner of the world, we believe it is imperative that our outreach efforts reflect the diversity of the Members we serve. We continued to cultivate our partnerships with community-based organizations, hosting outreach and educational events aimed at reaching the Asian American and Pacific Islander, Black, Latinx and LGBTQ+ creator communities. We also added new multilingual educational and outreach materials to ensure that Members could access our educational resources in their preferred language.

Missing Members Outreach

We continued to expand our efforts to identify and contact specific rightsholders who had not yet become Members. We regularly reviewed our pending royalties to try and identify those rightsholders for whom we had accrued royalties. Once we identified a rightsholder who was not yet a Member (a "missing Member"), we used the extensive networks of our leadership team and other team members to try and contact them. Thanks to these targeted outreach efforts, we were able to find and enroll nearly 200 missing Members and pay them almost \$1 million in accrued royalties.



Additionally, last year we launched our "Missing Member Lookup" — a publicly available tool on our website where rightsholders can search for their names and/or the names of their publishing entities to see if The MLC has royalties waiting for them.

Educating Rightsholders About The MLC

Education has always been a key theme in our outreach efforts. We offer extensive educational resources on our website (themlc.com) aimed at helping current and prospective Members understand how The MLC works and how they can participate in The MLC process to produce the best possible results for themselves. Members who are interested in learning how to *Play Your Part™* in The MLC process can visit our website to find these educational resources and learn more. We also offer translated versions of a number of these educational resources in Spanish and in French. Members who prefer to use those translated materials can access them by visiting our Spanish-language (elmlc.com) and French-language (lamlc.com) resource pages.



We continued to host and participate in a variety of online educational workshops, panel discussions and webinars to support new and existing Members. We participated in more than 60 webinars that reached more than 2,500 individuals. Many of these webinars and panels were recorded, and videos of those events, as well as all of our educational videos, are available to be watched on-demand on our website and on our official YouTube channel.

Members of The MLC team attended and spoke at more than 70 in-person events held in 14 states and 4 countries. We also welcomed current and prospective Members to our Nashville office to attend a variety of workshops, events, meetings and more. It was wonderful to begin meeting current and prospective Members in person for the first time, and these events provided lots of opportunities for our team to share helpful information about The MLC.

Our Educator Ambassadors continued to utilize our Educator Toolkit — a collection of educational materials about The MLC and the blanket licensing system designed to be incorporated directly into their course curricula. During the year, we released our second version of the Educator Toolkit, and by the end of the year we had made it available to more than 160 educators across the U.S. and beyond.

Finally, in August 2022, The MLC launched a new Student Ambassador program intended to complement our existing Educator Ambassador program. Together, these two Ambassador programs provide educators and college students with a framework to certify their expertise and educate others about what The MLC does, how The MLC works and the benefits of membership.



Connecting Rightsholders to Their Royalties

At The MLC, we strive to ensure songwriters, composers, lyricists and music publishers receive their mechanical royalties from streaming and download services in the U.S. accurately and on time.

Our Royalty Collection and Distribution Processes

Every month, The MLC receives digital audio mechanical royalties and usage data from the U.S. digital service providers (DSPs) who operate under the blanket license that The MLC administers. Over a 75-day period after each usage month ends, The MLC ingests and processes this usage data from each DSP, attempts to match those sound recording uses to the musical works data in our public database and then distributes the resulting matched royalties to our Members.

We also reprocess any pending royalties from previous usage periods that we initially were not able to distribute using the most recent version of the data in our database to try and pay out as much of those remaining royalties as possible. The MLC distributed more than \$515 million in newly reported blanket royalties for usage that took place during 2022 and an additional \$51.5 million in royalties as a result of reprocessing the remaining unmatched data from earlier periods, bringing the total amount of royalties distributed in those distributions to \$566.7 million.

2022 Royalties Distribution Schedule

USAGE MONTH	ROYALTY DISTRIBUTION DATE	INITIAL AMOUNT DISTRIBUTED
January	April 2022	\$ 41.4M
February	May 2022	\$ 38.9M
March	June 2022	\$ 40.9M
April	July 2022	\$ 44.2M
May	August 2022	\$ 43.2M
June	September 2022	\$ 42.5M
July	October 2022	\$ 45.5M
August	November 2022	\$ 41.9M
September	December 2022	\$ 42.2M
October	January 2023	\$ 45.3M
November	February 2023	\$ 42.9M
December	March 2023	\$ 46.3M
Royalties Distributed: Initial Processing		\$ 515.2M
Reprocessing (All Blanket Usage Periods)		\$ 51.5M
Total Royalties Distributed		\$ 566.7M

Illuminating the “Black Box” for Digital Audio Mechanicals

In 2021, 21 DSPs transferred \$426.9 million in unpaid royalties that they had accrued for uses of songs between 2007 and 2020. The MLC’s immediate release of this total, along with its subsequent publication of a month-by-month, DSP-by-DSP summary of these unpaid royalties (which is still available on The MLC’s website) provided the first clear look at what the music industry had previously referred to as the “black box” of digital audio mechanical royalties.

In 2022, The MLC launched several tools for Members intended to help illuminate the black box and enable Members to take specific actions intended to eliminate the black box. The MLC’s Claiming Tool allows Members to search those works registered by other Members that have not been fully claimed and then edit those registrations to add any missing share they are entitled to claim. The MLC’s Matching Tool allows Members to search the remaining unmatched sound recording data that The MLC has not been able to match to a work registered in our database and then propose matches of specific groups of unmatched recordings to works they have

registered. As of the publication date of this report, The MLC has made all of the data for the remaining unmatched historical uses available to be searched in the Matching Tool. By doing this, The MLC has “illuminated” the black box, enabling every Member of The MLC to search this data and propose matches to the works they have registered.

The greater transparency that these tools provide is one way The MLC is fulfilling its mission to serve rightsholders and ensure that they receive all of the royalties they are due. By providing Members with both visibility into this data and the ability to act on it directly, these tools empower our Members to improve the data related to their works and obtain the best possible results.



Fulfilling The MLC Mission With Transparency

Reprocessing Unmatched Data

After The MLC completes each monthly royalty distribution, our Matching team continues to attempt to match any remaining unmatched data using newly available song data we have received from our Members. We also review all of the matches proposed by Members in the Matching Tool. The Matching team uses a blend of custom workflows, automated tools, analytic dashboards, over 40 public databases and other research sources to support their matching efforts.

Any new matches the team makes or confirms are then used when we reprocess the remaining unmatched usage data from previous distributions — which allows us to pay out millions of dollars in additional royalties each month.

Thanks to these reprocessing efforts from April 2022 to March 2023, we were able to distribute more than \$34 million in additional royalties for the 2021 usage, reducing our remaining unpaid royalties for 2021 by that same amount. This increased the total amount of royalties The MLC had distributed to Members for 2021 usage from \$519 million to \$553 million.

Impact of Royalty Reprocessing (\$ in millions)

TOTAL 2021 USAGE DISTRIBUTED	AS OF MARCH 2022	AS OF MARCH 2023
Royalty Pools Processed by The MLC	\$ 674.0	\$ 674.0
Less Royalties for Voluntary Licenses	(\$98.2)	(\$100.7)
Royalties Collected by The MLC	\$ 575.8	\$ 573.3
Royalties Directly Distributed by The MLC	\$ 421.3	\$ 453.2
Royalties Pending Distribution	\$ 154.5	\$ 120.0
Royalties Distributed	\$ 519.5	\$ 553.9
Royalties Directly Distributed by The MLC	\$ 421.2	\$ 447.4
Royalties Matched for Distribution by DSPs Under Voluntary Licenses	\$ 98.2	\$ 100.7
Royalties Matched for Adjustment Distribution	\$ 0.1	\$ 5.8
Royalties Pending Distribution	\$ 154.5	\$ 120.0
Unmatched Royalties	\$ 91.8	\$ 63.6
Unclaimed Royalties	\$ 59.8	\$ 54.5
Matched Royalties on Hold	\$ 2.9	\$ 1.9
Current Avg. Match Rate (for all 2021 Usage distributed)	86.4%	90.6%

\$34.5
MORE

\$34.5
LESS

4.2%
BETTER

Our Match Rates and Distribution Rates Show We Are Making Things Better

The MLC has already achieved historically high match rates. As of our completion of the March 2023 royalty distribution, our current average match rate for 2021 usage had risen to more than 90%, while our current average match rate for 2022

usage had risen to more than 88% — not far behind our 2021 average, even though we've had 12 more months to reprocess the 2021 distributions. These match rates continue to improve each month thanks to the additional data Members are submitting and The MLC's continued reprocessing of any pending royalties that remain after we've completed each initial royalty distribution for a given usage month.

Match Rates

MATCH RATES	2021 USAGE	2022 USAGE	TOTAL
Current Average Match Rate	90.6%	88.2%	89.4%
Initial Average Match Rate	83.1%	84.9%	84.0%

Distribution Rates

2018	80.6%
2019	78.0%
2020	72.5%
THE MLC ESTABLISHED	
2021	82.2%

When comparing the percentage of royalties distributed by DSPs (before the blanket license became effective) with the percentage of royalties distributed by The MLC (after the blanket license became effective), it is evident that The MLC has improved the administration of digital audio mechanicals. The MLC's total royalties distributed as a percentage of total royalty pools processed for our first 12 monthly



distributions from 2021 usage (i.e., for our April 2021 to March 2022 distributions) is already higher than the percentages achieved for the last three years of usage before The MLC began administering the blanket license.

Technology Tools & Resources to Support Matching Efforts

The MLC demonstrates its commitment to transparency by making its data accessible to both our Members and the public in a number of different ways. The MLC released several new tools and resources in 2022 that made it even easier for Members and others to access and use The MLC's public data — improving the accuracy of that data and furthering our mission to pay creators their royalties.

Member Tools

The MLC Portal allows Members to register, edit and review their musical works data; create and submit registrations for any new musical works; manage and update their contact information, banking details and tax forms; and invite other users to set up their own user accounts under their MLC Member profile.

The Claiming Tool was launched in 2022 and allows Members to search the data for unclaimed shares of registered works in The MLC's database so Members can claim shares of those songs that they control.

The Matching Tool allows Members to search the data for the unmatched royalties The MLC has received so Members can propose matches of those uses to songs they have registered.

The Catalog Export Tool was launched in 2022 and allows Members to download all (or a portion) of the musical works data they have registered with The MLC on-demand in an Excel-compatible file.

The Top Unmatched Recording List provides Members with another way to search unmatched data and look for uses of their musical works. Every month, The MLC emails an updated Excel spreadsheet containing the top 3,000 unmatched sound recording uses, based on their calculated royalty value, to Members.

Public Data Access Tools

The Public Search API was launched in 2022 and allows music publishers and administrators, DSPs, CMOs, music technology companies and any member of the public to retrieve information about musical works in The MLC database.

The Public Work Search allows the public to view musical work ownership information. It is available free of charge and without the need for a login. The information includes musical works ownership shares and matched sound recordings.

The Bulk Data Access Subscription enables The MLC's musical work database to be available in a bulk, machine-readable format. The feed includes data about musical works, parties, sound recordings, products, and more. This resource is available to DSPs, music publishers, CMOs, record labels, metadata companies and any member of the public.

The Distributor Unmatched Recording Portal (DURP) was launched in 2022 to support sound recording distributors in leveraging the publicly available data for the unmatched recordings they've released, helping their customers who are also musical works rightsholders to claim any unmatched royalties that The MLC has accrued for their musical works.

Tools Launched in 2022



Member Support

We recognize that the experience and needs of each of our Members can be unique. That's why we offer such extensive individualized support to our Members. Whether a rightsholder is a self-administered songwriter, a publisher, an administrator or a CMO, we have support teams and contacts at The MLC trained to meet your specific needs.

The MLC Support Team: Helping Rightsholders Navigate the Member Journey

The MLC's Support Team is available 10 hours a day, 5 days a week, via chat, phone and email, to provide one-on-one support to Members and prospective Members alike. Contacting the Support team is often the first interaction new Members have with The MLC, and at that critical juncture our team has proved highly effective in

helping those individuals set up their user accounts, navigate the membership process, register their songs, and then access and understand their first royalty statements from The MLC. In 2022, our Support Team continued to provide support to our Members and prospective Members, handling more than 21,000 inquiries.

Supporting Publishers, Administrators and CMOs

The MLC's Rights Management and Publisher Relations teams continued to offer operational support tailored to our music publisher, administrator and collective management organization (CMO) Members. These teams continued to offer regularly scheduled, periodic check-in meetings with interested Members, providing ongoing support and answering questions related to royalty statements, the works registration process, conflicts and disputes, and more.

As of the end of 2022, The MLC's International Relations lead had engaged with nearly 100 CMOs around the world,

along with a variety of other industry organizations based outside the United States. These efforts allowed us to further expand our global outreach efforts to Members and prospective Members based outside the United States. As a result of this outreach, 99 CMOs were connected to The MLC, either directly as Members or through an administration partner they had selected to represent them at The MLC. These CMOs allowed The MLC to reach and pay rightsholders in 118 countries around the world.



Looking Ahead

Processing Historical Unmatched Royalties

In early 2021, pursuant to the MMA, DSPs transferred nearly \$425 million in historical unmatched royalties related to prior years to The MLC. DSPs delivered the final set of data files related to these royalties to The MLC in the fall of 2021. The MLC then ingested and reviewed these data files in order to identify any issues with them that required resolution. Starting in May of 2022, The MLC began running the data from these files through internal matching processes and then made the remaining data available to be searched by our Members using the Matching Tool in The MLC's Portal. The MLC began distributing matched historical royalties for uses that took place between 2007 and 2017 in our June 2022 royalty distribution.

The historical unmatched royalties transferred to us cover a span of fourteen years (between 2007 and 2020), and there are three different sets of rates that apply to these uses. These rates are all established by the Copyright Royalty Board (CRB), a panel of judges appointed by the Librarian of Congress. The chart below shows the years covered by each of the rate periods, along with the amount of historical unmatched royalties transferred to The MLC for each period.

RATE PERIOD	YEARS COVERED	TOTAL AMOUNTS TRANSFERRED
Pre-Phono I	2007	Included in Phono I amount below
Phono I	2008-2012	\$ 477.0K
Phono II	2013-2017	\$ 52.8M
Phono III	2018-2022	\$ 373.6M
Total		\$ 426.9M

Because the rates for the Phonorecords III rate period have still not been finalized, The MLC started by distributing matched royalties for historical uses that took place during the earlier rate periods for which the rates had been finalized (i.e., the uses that took place from 2007 to 2017). We began with fully unmatched uses, where no payment had been made to any rightsholder. We worked through almost all of these uses by the end of 2022, distributing approximately \$11.4 million (or 21.6%) of the roughly \$53.4 million in unmatched royalties we received for these older periods. We then expanded to include partially unmatched uses for which DSPs had paid some, but not all, of the royalties. As of June 2023, we have increased the matched royalties that we have distributed for these older uses to more than \$24 million, or 45% of the royalties we received for these older periods.

The MLC Prepares for Next Steps After Phonorecords III Rates Are Finalized

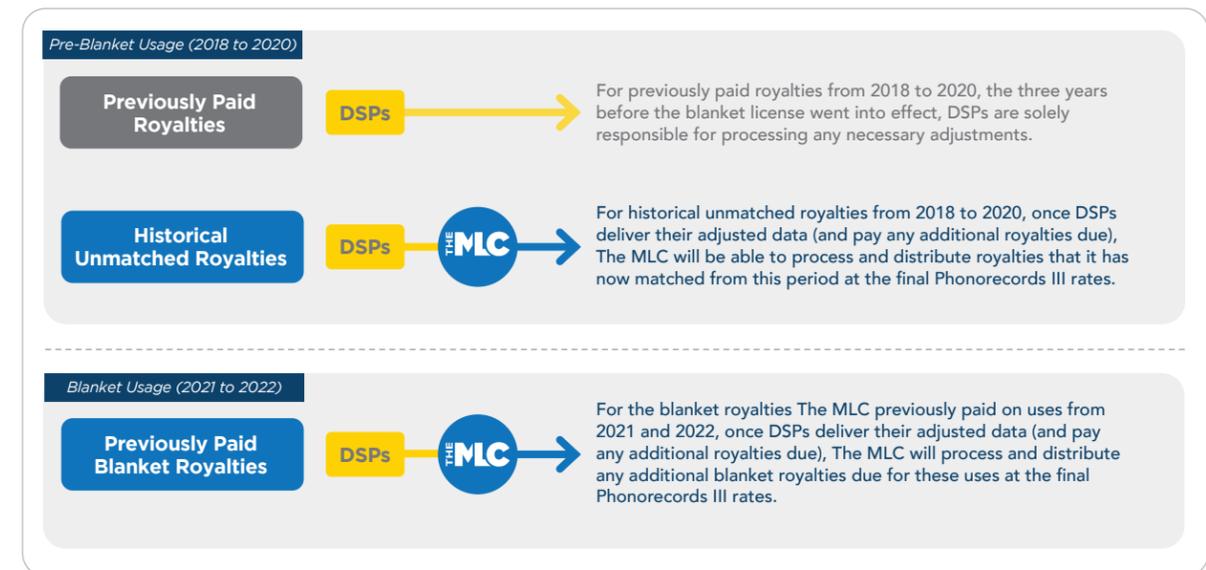
As discussed above, the final rates for the Phonorecords III period from 2018-2022 have not been published and made effective yet, after extended appeal and then remand proceedings. Under guidance from the U.S. Copyright Office, The MLC has collected and paid out blanket royalties for 2021 and 2022 at the lower, interim rates applicable to the previous Phonorecords II rate period.

While the CRB issued a ruling describing new rates in July 2022, a final determination was not issued until May 2023, and as of the publication of this report, the last step of formalizing and making those final rates effective has still not occurred. Once it occurs, DSPs will have 6 months to deliver revised data and any additional royalties that may be due for those years. Because these rates have not yet been finalized, The MLC has been unable to begin distributing matched historical royalties for uses that took place during the Phonorecords III period. The unmatched royalties from this period represent

approximately \$373.6 million of the \$426.9 million in historical unmatched royalties transferred by DSPs to The MLC. The MLC has also been unable to adjust the blanket royalties for 2021 and 2022 that it initially distributed at the lower, interim rates.

Once the Phonorecords III rates have been finalized, there are three categories of adjustments that will need to be made — one of which will be handled solely by DSPs and two of which will involve DSPs and The MLC.

Phonorecords III - Adjustment Categories



Phonorecords IV Rates

In December 2022, the CRB set forth the royalty rates payable for the Phonorecords IV rate period (2023 through 2027). With these rates finalized, DSPs began reporting royalties at the new rates starting with January 2023 usage, and The MLC began distributing royalties to Members at these higher rates starting in our April 2023 distribution.

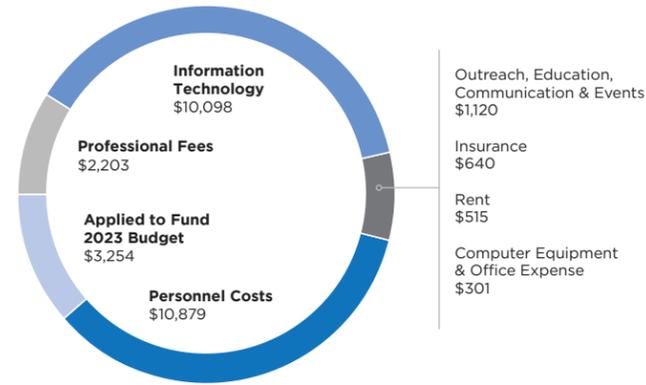


Financial Summary

(In Thousands)

2022 Operating Expenditures

Personnel Costs	\$ 10,879
Information Technology	10,098
Professional Fees	2,203
Outreach, Education, Communication & Events	1,120
Insurance	640
Rent	515
Computer Equipment & Office Expenses	301
Applied to Fund 2023 Budget	3,254
Total 2022 Expenditures	\$ 29,009
Total 2022 Assessment	\$ 29,355
(Over)/Under	\$ 346

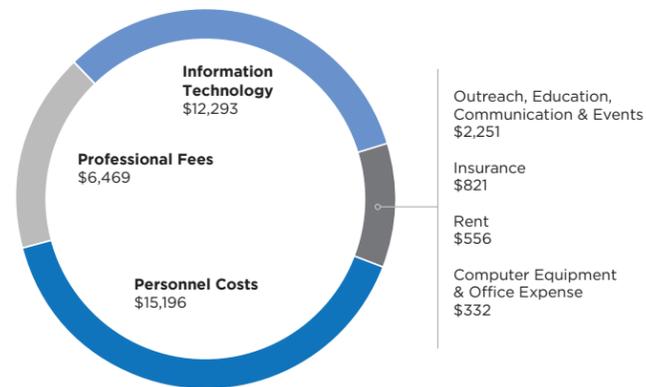


The above table reflects actuals through December 2022 and a forecast spend for post 2022 that was applied toward the 2023 Assessment.

The MLC is using the remaining uncommitted funds towards an operating cashflow reserve for liquidity purposes.

2023 Budget

Personnel Costs	\$ 15,196
Information Technology	12,293
Professional Fees	6,469
Outreach, Education, Communication & Events	2,251
Insurance	821
Rent	556
Computer Equipment & Office Expenses	332
Total 2023 Budget	\$ 37,918



For further details about the MLC's Financial information please refer to the enclosed Appendix.

Leadership Team

Andrew Mitchell
Head of Analytics and Automation

Dae Bogan
Head of Third-Party Partnerships

Ellen Truley
Chief Marketing Officer

Ilene Weintraub
Chief Financial Officer

Indi Chawla
Head of International Relations

Joya Carmichael
Head of Operations

Kris Ahrend
Chief Executive Officer

Kristen Johns
Chief Legal Officer

Leigh McCorkle
Chief People Officer

Lindsey Major
Head of Customer Experience

Maurice Russell
Head of Rights Management

Monique Benjamin
Head of Member Finance

Richard Thompson
Chief Technology Officer

Serona Elton
Head of Educational Partnerships

Board of Directors

Alisa Coleman
ABKCO Music & Records

Bart Herbison*
Nashville Songwriters Assoc. Intl.

Bob Bruderman
Kobalt Music

Claire McAuley
Warner Chappell Music

Craig Wiseman
Songwriter

Danielle Aguirre*
National Music Publishers' Association

David Kokakis
Universal Music Publishing Group

Garrett Levin*
The Digital Media Association (DiMA)

Jeff Brabec
BMG

Kara DioGuardi
Songwriter

Kevin Kadish
Songwriter

Michael Abitbol
Sony Music Publishing

Mike Molinar
Big Machine Music

Oak Felder
Songwriter

Rell Lafargue
Reservoir

Scott Cutler
Pulse Music Group

Tim Cohan
Peermusic

* Nonvoting Board Member

Advisory Committees

Unclaimed Royalties Oversight Committee

Ben Glover (Songwriter)
Bruce Wayne (Songwriter)
Dale Esworthy (Sony Music Publishing)
Dan Navarro (Songwriter)
Erika Nuri Taylor (Songwriter)
Frank Liwall (The Royalty Network)
Kathryn Ostien (TRO Essex Music Group)
Kay Hanley (Songwriter)
Michael Eames (PEN Music Group)
Patrick Curley (Third Side Music)

Dispute Resolution Committee

Aimée Allen (Songwriter)
Amanda Green (Songwriter)
David Quiñones (Songwriter)
Debbie Rose (Sundae Songs)
Ed Leonard (Daywind)
Gary Burr (Songwriter)
Jason Rys (Wixen Music)
Jennifer Schott (Songwriter)
Matthew Skiba (Vydia)
Sean McGraw (Downtown)

Operations Advisory Committee

Alan Jennings (Amazon)
Alex Winck (Pandora)
Ana Ruiz (Drive Music Publishing)
Brandon Shevin (Beatport)
Ed Arrow (Universal Music Publishing Group)
Eric Scott (BMG)
Jen Rosen (Google)
Lisa Cohn (Spotify)
Melanie Santa Rosa (Word Collections)
Michael Lau (Laud Music)
Robert Brode (Apple)
Scott Farrant (Kobalt Music)

Board and Advisory Committee Lists are as of 06/1/2023



THEMLC

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APPENDIX TO THE
2022 ANNUAL REPORT

Appendix to the 2022 Annual Report

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(A) Operations and Licensing (37 C.F.R. § 210.33(b)(1))

(1) The MLC's current structure and organization

The MLC has over 110 team members, most of whom are based in Nashville, Tennessee, where The MLC is headquartered. The corporate structure comprises 14 functional teams, each led by a member of The MLC's Leadership Council, which is chaired by the CEO. See Attachment A for The MLC's most current Staffing Chart.

(2) The MLC's major departments, groups, and other subdivisions

Analytics & Automation: The Analytics and Automation team oversees the design and implementation of business intelligence reporting, develops strategies and tools for analyzing reporting data, and manages the manual sound recording and musical works matching processes (including the Matching Team). Andrew Mitchell serves as The MLC's Head of Analytics and Automation.

CEO: The CEO sets the vision for The MLC's operations, chairs The MLC's Leadership Council, and leads the organization's overall effort to fulfill its mission and mandate set forth in the Music Modernization Act and its implementing regulations. Kris Ahrend serves as The MLC's Chief Executive Officer.

Customer Experience: The Customer Experience team designs, implements, and manages The MLC's customer experience strategy and serves as the primary point of contact for The MLC's diverse and growing Membership. Lindsey Major serves as The MLC's Head of Customer Experience.

DSP Relations: The DSP Relations team provides direct support to more than 50 Digital Music Providers (DMPs or DSPs) that operate under the license described in 17 U.S.C. §115. The DSP Relations team engages with blanket licensees and significant nonblanket licensees to encourage and support timely reporting, facilitates the onboarding process for prospective licensees, and provides resources to assist all DMPs in fulfilling their statutory and regulatory obligations. The team is comprised of members of the Analytics & Automation, Finance, Legal, Operations and Technology teams.

Educational Partnerships: The Educational Partnerships team creates educational materials for The MLC's members and prospective members and leads The MLC's efforts to engage current and future members and music industry professionals who attend or work at colleges and universities around the world. Serona Elton serves as The MLC's Head of Educational Partnerships.

Finance: The Finance team manages accounting, finance, treasury, tax, budgeting, and reporting. Additionally, this team oversees all corporate and royalty accounting-related activities and aligns all financial decisions to the overarching strategies and goals of the organization. Ilene Weintraub serves as The MLC's Chief Financial Officer and Monique Benjamin serves as The MLC's Head of Member Finance.

Human Resources & Administration: The Human Resources and Administration team develops and manages all aspects of The MLC's human resources strategies and manages the day-to-day operations of The MLC's office in Nashville. Leigh McCorkle serves as The MLC's Chief People Officer.

International Relations: The International Relations team leads The MLC's outreach and educational activities aimed at collective management organizations (CMOs), music publishers, self-administrated songwriters, and other rightsholders based outside the United States who are entitled to receive royalties for musical works used on services that operate under the blanket license. Indi Chawla serves as The MLC's Head of International Relations.

Legal: The Legal team manages the organization's legal matters, including compliance with the obligations set forth in the Music Modernization Act and its implementing regulations. Kristen Johns serves as The MLC's Chief Legal Officer.

Operations: The Operations team coordinates and manages The MLC's end-to-end royalty distribution process and leads various process documentation and improvement initiatives for the company. Joya Carmichael serves as The MLC's Head of Operations.

Outreach & Education: The Outreach and Education team develops and executes all The MLC's marketing campaigns, brand strategy, digital initiatives, advertising, and public relations, with the aim of engaging both current and prospective members of The MLC and members of the music industry at large. Ellen Truley serves as The MLC's Chief Marketing Officer.

Rights Management: The Rights Management team leads the organization's rights management functions. This area includes The MLC's Publisher Relations team, which provides recurring and individual support to more than 150 music publisher and administrator Members. Maurice Russell serves as The MLC's Head of Rights Management.

Technology: The Technology team leads the development, launch, and management of The MLC's technology and data systems and tools, including The MLC's publicly accessible musical works database, The MLC's Portal for Members, and the systems and tools The MLC uses to manage its usage processing and royalty distribution process. Richard Thompson serves as The MLC's Chief Technology Officer.

Third-Party Partnerships: The Third-Party Partnership team leads the organization's efforts to engage third-party entities throughout the music and technology industries who seek to serve the needs of music publishers, administrators, self-administered songwriters, and others in the music industry who interact with those categories of individuals. This engagement supports initiatives in rights administration, data management, operations, and Membership services. Dae Bogan serves as The MLC's Head of Third-Party Partnerships.

(3) Major policies, practices, and procedures implemented and/or updated in 2022

Ownership Dispute Policy: This policy outlines the procedures The MLC follows when processing royalties for musical works subject to ownership claims or disputes between or among copyright owners. The MLC first published this policy in February 2021.¹

Statutory Terminations Policy: This policy outlines the procedures The MLC uses to: (a) analyze notices of statutory termination claims received from rightsholders, and (b) determine how to administer royalties for works and shares of works subject to statutory

¹ The Ownership Dispute Policy is available on The MLC's website at: <https://www.themlc.com/dispute-policy>

termination claims or disputes. This policy is currently suspended, pending the outcome of the rulemaking proceeding initiated by the U.S. Copyright Office in its Notice of Proposed Rulemaking published on October 25, 2022.² In the interim, The MLC is holding all royalties correlated with musical works that are subject to statutory termination claims.³

Conflicts of Interest Policy: This internal policy establishes guidelines for managing actual, potential, or perceived conflicts of interest. The policy applies to all MLC Directors, Advisory Committee members, employees and subcontractors.⁴

Investment Policy: This policy covers the investment of royalty and assessment funds, respectively, and sets forth The MLC's goals and objectives in establishing policies to implement The MLC's investment strategy. The anti-comingling policy required by 17 U.S.C. § 115(d)(3)(D)(ix)(I)(cc) is contained in The MLC's Investment Policy.⁵

Guidelines for Adjustments: These guidelines outline the procedures The MLC follows when processing adjustments to royalties.⁶

(4) DMP compliance and enforcement-related activities

(a) Specific compliance and enforcement-related activities

Notices of Rejection: The MLC issued written notices of rejection under 17 U.S.C. § 115(d)(2)(A)(ii) in response to notices of license filed by the following DMPs: Amazon Media Venture LLC, Tiki Labs, Inc. f/k/a Audius, Inc., and CryptoCrewz (USA) Inc. All notices of rejection are available via the searchable DSP Notices index on The MLC's website.⁷

Notices of Default: The MLC issued written notices of default to the following DMPs, and unless noted otherwise below, the DMPs cured the defaults at issue:

LiveOne, Inc.(formerly LiveXLive) /dba/ Slacker: Notice sent pursuant to 17 U.S.C. § 115(d)(4)(E)(i)(I-II) for failure to provide required monthly reports of usage and failure to make required monthly royalty payments.

GrooveFox Inc.: Notice sent pursuant to 17 U.S.C. § 115(d)(4)(E)(i)(I-II) for failure to provide required monthly reports of usage and failure to make required monthly royalty payments. GrooveFox notified The MLC that it no longer intends to operate under the blanket license as of October 21, 2022.

Klooma Holdings, Inc.: Notice sent pursuant to 17 U.S.C. § 115(d)(4)(E)(ii)(III) for failure to pay the required administrative assessment payment.

MONYTIZE INC: Notice sent pursuant to 17 U.S.C. § 115(d)(4)(E)(ii)(III) for failure to pay the required administrative assessment payment.

² See 87 FR 64405.

³ The Statutory Terminations Policy and associated forms are available on The MLC's website at: <https://www.themlc.com/dispute-policy>

⁴ The Conflicts of Interest Policy is available on The MLC's website at: <https://www.themlc.com/governance>

⁵ The Investment Policy was approved by The MLC Board in January 2021.

⁶ The Guidelines for Adjustments are available on The MLC's website at: <https://www.themlc.com/blanket-payments>

⁷ See The MLC's website at: <https://www.themlc.com/dsp-notices>

Artist Technology Group d/b/a PANTHR Music: Notice sent pursuant to 17 U.S.C. § 115(d)(4)(E)(ii)(I) for failure to provide required monthly reports of usage.

2355922 Ontario Incorporated: Notice sent pursuant to 17 U.S.C. § 115(d)(4)(E)(ii)(III) for failure to make required administrative assessment payment. Before engaging in covered activities, the company informed The MLC that it did not intend to operate under the blanket license.

Notices of Termination: The MLC did not issue any Notices of Termination in 2022.

(b) General compliance and enforcement-related activities

As part of its compliance and enforcement efforts, The MLC's DSP Relations team engages with DMPs daily to encourage and support timely usage reporting and fulfillment of payment obligations. The structure for DMP engagement includes direct lines of communication between multiple teams within The MLC and their respective counterparts at each DMP, as well as direct and recurring communication between leaders of The MLC and the Digital Licensee Coordinator (DLC). When The MLC receives a Notice of License, the DSP Relations team engages directly with each blanket license applicant and reviews each incoming Notice of License. In addition, the DSP Relations team investigates, clarifies, or resolves any monthly reporting discrepancies or other issues as and when they arise; sends coordinated notices and reminders to DMPs regarding all applicable regulatory obligations; sends escalating notices to appropriate contacts within DMPs and/or to the DLC as appropriate; and sends quarterly requests for information as permitted under 37 C.F.R. § 210.27(m) to help ensure and confirm reporting accuracy.

(5) How The MLC measures and tracks the level of success of its operations

(a) Key performance metrics for 2022

Blanket Royalties Distributed: The MLC completed all 12 monthly royalty distributions on time or early. The MLC distributed \$566,668,161.46 in royalties related to 2022 and 2021 Usage (\$540,325,393.72 in royalties related to 2022 Usage and \$26,342,767.74 in royalties related to 2021 Usage). The MLC also designated \$8,562,457.51 in matched royalties for distribution when adjustments are processed (\$2,906,881.78 in royalties related to 2022 Usage and \$5,655,575.73 in royalties related to 2021 Usage).⁸

Musical Works Registered: As of December 31, 2022, The MLC's database contained data for more than 29,600,000 musical works, which represents an approximate 24% increase in musical works since January 2022. In 2022 alone, The MLC registered 8,230,200 new musical works.

Digital Service Providers: In 2022, over 50 DMPs operated as blanket licensees and seven DMPs operated as significant nonblanket licensees.

Improvements in Match Rates: The MLC steadily increased its initial match rates for royalties distributed in 2021 and 2022. As a result of reprocessing, by March 2023, The MLC had increased the average 2021 match rate to 90.6% and the average 2022 match rate to over 88%.⁹

⁸ See Section F for a detailed summary of royalty receipts and payments as of March 2023.

⁹ See Section A(5)(b) for breakdown of monthly match and distribution rates.

Membership: As of December 31, 2022, The MLC had over 23,000 Members, an increase of approximately 43% in Membership compared to January 2021.

Customer Support: The MLC responded to more than 21,000 calls, chat inquiries, and emails in 2022 – an average of around 1,750 interactions per month and around 57 interactions per day. Members typically answer survey questions at the conclusion of an interaction and The MLC’s Customer Support team received a confidence score of 88% in 2022.

Webinars: The MLC hosted and/or participated in 64 webinars in 2022, reaching 2,511 attendees from more than a dozen countries globally. Cumulatively, The MLC has hosted and/or participated in a total of 336 webinars since 2020. As of June 2023, The MLC’s YouTube channel has over 47,000 subscribers and is home to almost 100 educational videos and archived webinars including eight videos in French and Spanish.¹⁰ As of the end of 2022, the videos had close to 600,000 views.

In-Person Education: The MLC hosted, sponsored, and/or attended 154 in-person events in 14 states and across the United Kingdom, Spain, and Switzerland.

Educator and Student Ambassadors: MLC Educator Ambassadors are professional educators within the music business community committed to helping educate their campuses and communities about The MLC’s mission.¹¹ In 2022, The MLC added 10 MLC Educator Ambassadors, bringing the cumulative total of Educator Ambassadors to 24. The MLC also continued the Student Ambassador Program, which had 15 Student Ambassadors by the end of 2022. These Student Ambassadors are college students that have volunteered to help educate songwriters, composers, and lyricists in their local communities about The MLC’s mission. The MLC’s Head of Educational Partnerships reviews all applications to each program to confirm eligibility and coordinate Ambassador programs and activities.

Educator Toolkits: Educator Toolkits are packages of materials designed for high school or college educators to use when educating students about The MLC during their music business, songwriting, or music composition courses.¹² As of December 31, 2022, The MLC had distributed a cumulative total of 167 Educator Toolkits.

Outreach and Engagement: As of December 31, 2022, The MLC had more than 33,500 followers across all its social networks. The MLC has two newsletters: one for Members, and one for the music industry at large. The Member Newsletter is sent to over 24,000 individuals monthly. The music industry newsletter, known as The Quarter Note, is sent to approximately 7,500 individuals quarterly. After direct distribution, newsletters are posted on The MLC’s website.¹³

¹⁰ The MLC’s YouTube channel is available at: <https://www.youtube.com/@TheMLC>

¹¹ Information about Educator and Student Ambassadors is available on The MLC’s website at: <https://www.themlc.com/educators>

¹² *Id.*

¹³ See The MLC’s website at: <https://www.themlc.com/newsletter-sign-up>

(b) Initial match rates (initial processing) and current match rates (post-reprocessing)

Match Rates:

2021 Usage (as of March 2023)			2022 Usage (as of March 2023)		
Usage Month	Original Match Rate	Current Match Rate	Usage Month	Original Match Rate	Current Match Rate
Jan-21	79.5%	90.5%	Jan-22	84.9%	90.0%
Feb-21	82.3%	90.5%	Feb-22	85.2%	89.7%
Mar-21	82.8%	90.6%	Mar-22	85.2%	89.7%
Apr-21	83.3%	90.9%	Apr-22	85.2%	89.3%
May-21	82.9%	90.8%	May-22	85.4%	89.2%
Jun-21	83.3%	90.9%	Jun-22	85.0%	89.0%
Jul-21	83.7%	90.9%	Jul-22	85.1%	88.9%
Aug-21	83.5%	90.7%	Aug-22	84.6%	88.1%
Sep-21	83.4%	90.5%	Sep-22	84.3%	87.6%
Oct-21	83.5%	90.5%	Oct-22	84.6%	87.2%
Nov-21	84.2%	90.1%	Nov-22	84.9%	85.8%
Dec-21	84.5%	89.8%	Dec-22	84.6%	84.1%
Average	83.1%	90.6%	Average	84.9%	88.2%

Match Rate Calculation: The MLC’s match rate calculation is measured monthly and stated as a percentage. For the match rate calculation, the numerator is the total amount of royalties matched to musical works registered in The MLC’s musical works database (*i.e.*, total amount of royalties reported less unmatched royalties).¹⁴ The denominator is the total amount of royalties reported by DMPs for an applicable monthly period, which includes royalties for works embodied in both matched and unmatched sound recording uses.¹⁵

Match rates have improved over time due to *reprocessing*, which consists of The MLC repeating the process described in the following “Matching Methodology” section (directly below).

Section F (Royalty Receipts and Payments) includes two sets of royalty figures: (1) royalty figures related to DMP usage that occurred January 2022 through December 2022 (“2022 Usage”) and corresponding royalty distributions that occurred April 2022 through March 2023; and (2) royalty figures related to DMP usage that occurred January 2021 through December 2021 (“2021 Usage”), including corresponding royalty distributions that occurred April 2021 through March 2022 as well as royalties distributed as a result of reprocessing 2021 Usage through March 2023. These royalty amounts are the basis for calculating the Match Rates as of March 2023.

Matching Methodology: The MLC’s methodology for matching sound recordings to musical works consists of a sophisticated, multilayered process. The first step in The MLC process involves the automated use of elastic search technology to pair sound recording information received from DMPs to musical work information in The MLC’s musical works

¹⁴ See Section F(1)(a) for total amount of royalties reported; see Section F(1)(f)(i)(1) for unmatched royalties.

¹⁵ See Section F(1)(a).

database. In the second step, sound recordings not matched via the automated process are reviewed by The MLC’s Matching Team. The 32-member Matching Team utilizes custom-built technology and over 40 public resources to research missing data elements and make manual matches. This step includes a quality-assurance process where selected Matching Team personnel cross-check matches made by the larger team to ensure accuracy. As a third step, The MLC makes unmatched sound recording information available in its Matching Tool, where Members can search for and identify sound recordings and independently propose matches.¹⁶ The Matching Team manually verifies the accuracy of all Member-proposed matches. The MLC repeats each step monthly for all unmatched sound recordings, and this on-going cycle of matching previously unmatched work is generally referred to as *reprocessing*.

The MLC does not use numerical metrics to monitor match rate confidence. Rather, The MLC’s process and multifactor approach balances The MLC’s mandate to accurately distribute royalties and provides transparency to Members by enlisting their feedback to improve their own works registered and MLC data generally.

Distribution Rate:

2021 Usage (as of March 2023)

Usage Month	Original Distribution Rate	Current Distribution Rate
Jan-21	69.4%	82.6%
Feb-21	71.8%	82.7%
Mar-21	72.1%	82.8%
Apr-21	72.9%	82.9%
May-21	73.0%	82.7%
Jun-21	73.2%	82.8%
Jul-21	73.4%	82.6%
Aug-21	73.7%	82.3%
Sep-21	73.0%	82.0%
Oct-21	73.5%	79.5%
Nov-21	74.3%	81.8%
Dec-21	75.1%	81.7%
Average	73.0%	82.2%

2022 Usage (as of March 2023)

Usage Month	Original Distribution Rate	Current Distribution Rate
Jan-22	74.9%	81.5%
Feb-22	75.4%	81.2%
Mar-22	75.5%	81.1%
Apr-22	75.1%	80.4%
May-22	75.7%	80.3%
Jun-22	75.6%	80.2%
Jul-22	75.6%	79.8%
Aug-22	74.9%	78.8%
Sep-22	74.7%	78.2%
Oct-22	74.3%	76.9%
Nov-22	74.6%	75.2%
Dec-22	74.1%	74.1%
Average	75.0%	79.0%

Distribution Rate Calculation: The MLC’s distribution rate calculation is stated as a percentage. For the distribution rate calculation, the numerator is the total royalty amounts matched (*i.e.*, total amount of royalties reported¹⁷ less unmatched royalties¹⁸ less any royalty amounts matched to musical works registered in The MLC’s musical works database that The MLC could not distribute due to unclaimed works or works held¹⁹). The denominator for

¹⁶ See Section H(1)(c) for more information about The MLC’s Matching Tool.

¹⁷ See Section F(1)(a).

¹⁸ See Section F(1)(f)(i)(1).

¹⁹ See Section F(1)(f)(i)(2), (iii).

the distribution rate calculation is the total amount of royalties reported by DMPs for an applicable period, which includes royalties for works embodied in both matched and unmatched sound recording uses.²⁰

Similar to match rates, distribution rates have improved over time due to reprocessing. As noted above, the royalty figures provided in Section F relate to both 2022 Usage and 2021 Usage. These royalty amounts are the basis for calculating the Distribution Rates as of March 2023.

(B) Royalty Collection and Distribution (37 C.F.R. § 210.33(b)(2))

(1) Monthly Royalty Distribution Schedule

Usage Month	Distribution Date	Distribution Day (in 75-day Cycle)
Jan-22	April 15, 2022	Day 74
Feb-22	May 13, 2022	Day 74
Mar-22	June 14, 2022	Day 75
Apr-22	July 14, 2022	Day 75
May-22	August 12, 2022	Day 73
Jun-22	September 13, 2022	Day 75
Jul-22	October 14, 2022	Day 75
Aug-22	November 14, 2022	Day 75
Sep-22	December 14, 2022	Day 75
Oct-22	January 13, 2023	Day 74
Nov-22	February 13, 2023	Day 75
Dec-22	March 16, 2023	Day 75

(2) The MLC’s average processing times for distributing royalties

The MLC processes and distributes royalties monthly. The MLC’s monthly distribution process operates on a 75-day cycle. Day 1 of the cycle is the day after the end of a calendar month for which usage is reported.

As described in 37 C.F.R. § 210.27(g), DMPs must either submit usage files by Day 15 (to receive an invoice for royalties due) or by Day 45 (which is when corresponding royalty payments are due). The MLC reviews all monthly usage data, confirms royalty payment amounts due (including any applicable late fees), and then distributes royalties to Members within a 30-day window after the DMP’s monthly royalty payment due date (*i.e.*, on or before Day 75). Because royalty payment distributions are made monthly, The MLC regularly manages two or three overlapping monthly distribution cycles simultaneously.

In 2022, The MLC made 12 timely distributions of monthly royalties. Of the 12 distributions, 4 were made early, *i.e.*, before the end of the 75-day cycle. Monthly royalties include distribution summary that notes royalties from all licensees that are both included and excluded from a month’s royalty distribution along with a distribution status of the historical unmatched royalties and the Royalty Statement Certification required by 37 C.F.R. §210.29(g).

²⁰ See Section F(1)(a).

(C) Budgeting and Expenditures (37 C.F.R. § 210.33(b)(3))

(1) The MLC’s financial and accounting policies and practices

The MLC prepares financial statements on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America. The MLC has engaged a qualified auditor consistent with responsible corporate practices and on a voluntary basis (before the audit requirements in 17 U.S.C. § 115(d)(3)(D)(ix)(II)(aa) are effective).

(2) Voluntary contributions The MLC received prior to 2023, as described in 17 U.S.C. § 115(d)(7)(B)

The MLC did not receive voluntary contributions as described in 17 U.S.C. § 115(d)(7)(B).

(3) Fees The MLC charged for bulk, machine-readable access to its musical works database

The MLC charged a total of \$22,900.00 in fees for access to its Bulk Database Feed in 2022. Of this total, The MLC received \$21,723.09, with the remaining \$1,176.91 applied to payment processing fees. The fee for initial access to the Bulk Database Feed is \$100 (this fee includes a set-up charge and one month of access) and the fee for continued access is \$25 per month.

(D) Collective Total Costs (37 C.F.R. § 210.33(b)(4))

(1) The MLC’s Collective Total Costs (defined in 17 U.S.C. § 115(e)(6))

(a) Annual expenditures applied against each assessment

Year:	Total Assessed	Annual Expenditures Applied Against Each Assessment*					Total Spend	Operating Cashflow Reserve
		2019-2020	2021	2022	2023	2023+ (Thereafter)		
Start-Up	\$33,500,000	\$24,439,633	\$4,453,696	\$2,569,502	\$566,240	\$1,383,685	\$33,412,756	\$87,244
2021	\$28,500,000		\$21,308,041	\$304,657	\$1,198,000	\$2,885,904	\$25,696,602	\$2,803,398
2022	\$29,355,000			\$25,736,846	\$3,253,967	\$18,500	\$29,009,313	\$345,687
2023	\$32,900,000				\$32,900,000		\$32,900,000	\$0
	\$124,255,000	\$24,439,633	\$25,761,737	\$28,611,005	\$37,918,207	\$4,288,089	\$121,018,671	\$3,236,329

*The Total Assessed amount for 2023 is estimated.

(b) Collective Total Costs for 2022

2022 Operating Expenditures Applied Against All Assessments	
Information Technology ²¹	\$11,597,803
Personnel Costs	\$10,953,628
Professional Fees	\$3,049,055
Outreach, Education, Communication & Events	\$1,176,859
Rent	\$772,068
Insurance	\$639,661
Computer Equipment & Office Expenses	\$421,931
Total 2022 Expenditures	\$28,611,006

(2) Discrepancies between The MLC’s Collective Total Costs and The MLC’s total budget for 2022

There are no significant discrepancies between The MLC’s Collective Total Costs and The MLC’s total budget for 2022.

(3) The MLC’s policies and practices with respect to distinguishing its Collective Total Costs from any added costs incurred by The MLC to provide services under voluntary licenses

The MLC did not provide services under voluntary licenses.

(4) Administrative Fee Ratios

The MLC does not deduct any administrative fee from royalties distributed.

The following administrative fee ratio analysis is for illustrative purposes only. In the chart below, “Fee Ratio” is calculated by dividing the 2022 administrative assessment by each of the 2022 total royalties reported, royalties distributed and royalties matched to voluntary licenses, and royalties distributed, respectively.

Description	2022 Total
2022 Administrative Assessment	\$29,355,000

Description	2022 Total	Fee Ratio
Royalties Reported	\$738,498,735.00	3.97%
Royalties Distributed and Royalties Matched to VLs	\$608,371,565.88	4.83%
Royalties Distributed	\$566,668,161.46	5.18%

²¹ Information Technology includes vendor costs as “vendor” is defined in 37 C.F.R § 210.33(b)(10).

(E) Projected Annual MLC Budget (37 C.F.R. § 210.33(b)(5))

(1) The MLC’s projected annual budget (as defined in 17 U.S.C. § 115(e)(19)) for 2023

The MLC’s 2023 Budget will be funded by the 2023 Assessment of an estimated \$32,900,000 and remaining funds from prior assessments of \$5,018,207.

2023 Budget	
Personnel Costs	\$15,195,819
Information Technology ²²	\$12,293,222
Professional Fees	\$6,468,961
Outreach, Education, Communication & Events	\$2,250,950
Insurance	\$820,652
Rent	\$556,432
Computer Equipment & Office Expenses	\$332,171
2023 Budget	\$37,918,207

(F) Royalty Receipts and Payments (37 C.F.R. § 210.33(b)(6)) related to usage by DMPs

This Section F includes two sets of royalty figures: (1) royalty figures related to DMP usage that occurred January 2022 through December 2022 (“2022 Usage”) and corresponding royalty distributions that occurred April 2022 through March 2023; and (2) royalty figures related to DMP usage that occurred January 2021 through December 2021 (“2021 Usage”), including corresponding royalty distributions that occurred April 2021 through March 2022 as well as royalties distributed as a result of reprocessing 2021 Usage through March 2023.²³

Total Royalty Pools Reported/Royalties Collected: DMPs reported \$738,498,735.00 in royalty pools to The MLC related to 2022 Usage.²⁴ Of the amount reported, The MLC collected \$700,281,385.25. The difference of \$38,217,349.75 was matched to works subject to direct voluntary license agreements (between DMPs and copyright owners).²⁵ After reprocessing, The MLC identified an additional \$1,006,679.05 subject to direct voluntary license agreements and credited that amount to DMPs.²⁶ The net amount of royalties that The MLC collected related to 2022 Usage is \$699,274,706.20.²⁷ For 2021 Usage, after reprocessing in 2022, The MLC identified an additional \$2,479,375.62 related to 2021 Usage subject to direct voluntary license agreements and credited that amount to DMPs. This reduced the amount of royalties collected related to 2021 Usage to \$573,283,389.80.²⁸

²² Information Technology includes vendor costs as “vendor” is defined in 37 C.F.R § 210.33(b)(10).

²³ See Section A(5)(b) for a detailed explanation of reprocessing; see Section B(1) for a schedule of monthly royalty distributions.

²⁴ See Section (F)(1)(a).

²⁵ See Section (F)(1)(b).

²⁶ See Section (F)(1)(d)(i).

²⁷ See Section (F)(1)(d)(ii).

²⁸ See Section (F)(1)(d)(i).

Total Royalties Distributed: The MLC collected a net amount of \$699,274,706.20 in royalties related to 2022 Usage.²⁹ Of the net amount collected, The MLC distributed \$540,325,393.72 in royalties and designated \$2,906,881.78 in matched royalties related to 2022 Usage for distribution when adjustments are processed related.³⁰ Of the \$540,325,393.72 in distributed royalties, The MLC distributed \$515,210,470.28 in initial monthly distributions and an additional \$25,114,923.44 after monthly reprocessing.³¹ After Reprocessing, The MLC also distributed an additional \$26,342,767.74 in royalties related to 2021 Usage bringing the total 2021 Usage distributed to \$447,454,200.87 and designated an additional \$5,655,575.73 in matched royalties related to 2021 Usage for distribution when adjustments are processed bringing the total amount of matched royalties related to 2021 Usage designated for distribution when adjustments are processed to \$5,783,869.67.³²

Total Interest Accrued and Distributed: In accordance with 17 U.S.C. §115(d)(3)(H)(ii)(I), as of March 31, 2023, The MLC accrued a total of \$2,816,674.27 in interest on royalties held related to 2022 Usage and \$4,284,639.35 in interest on royalties held related to 2021 Usage.³³ As a result of reprocessing, as of March 2023, The MLC distributed a total of \$769,773.82 in interest on royalties related to 2022 Usage and \$28,301.92 in interest on royalties related to 2021 Usage.³⁴

Total Royalties Held: The MLC held \$156,042,430.70 in royalties related to 2022 Usage.³⁵ The MLC holds royalties for numerous reasons including, royalties that are unmatched; royalties that are unclaimed; and royalties held from distribution pending the resolution of legal claims, ownership disputes, or other review over eligibility for payment.³⁶ Of the amount held, \$87,362,345.27 is related to unmatched royalties, \$62,106,818.64 is related to unclaimed royalties, and \$6,573,266.79 is related to holds.³⁷

The MLC held \$120,045,319.26 in royalties related to 2021 Usage.³⁸ Of the amount held, \$63,650,426.73 is related to unmatched royalties, \$54,531,998.54 is related to unclaimed royalties and, \$1,862,893.99 is related to holds.³⁹ The \$120,045,319.26 represents a \$34,477,719.10 reduction in royalties held for 2021 Usage as a result of reprocessing as of March 2023.

Total Royalties Undistributed: Of the \$540,325,393.72 in royalties distributed related to 2022 Usage and \$447,454,200.87 distributed related to 2021 Usage, a total of \$17,457,593.69 (\$9,984,016.15 in 2022 and \$7,473,577.54 in 2021), are royalties that The MLC matched and considered eligible for distribution but were deemed undistributable for various reasons by The MLC's third-party payment processor.⁴⁰ Such reasons include royalty amounts lower than the regulatory minimum threshold, copyright holders not providing

²⁹ See Section (F)(1)(d)(ii).

³⁰ See Section (F)(1)(e)(iii-iv).

³¹ See Section (F)(1)(e)(i-ii); see Section A(5)(b) for a detailed explanation of reprocessing.

³² See Section (F)(1)(e)(ii-iv).

³³ See Section (F)(3)(b).

³⁴ See Section (F)(3)(a).

³⁵ See Section (F)(1)(f)(i)-(iv).

³⁶ See Section (F)(1)(f)(ii) for a description of unmatched and unclaimed works.

³⁷ See Section (F)(1)(f)(i)(1-2), (iii).

³⁸ See Section (F)(1)(f)(i)-(iv).

³⁹ See Section (F)(1)(f)(i)(1-2), (iii).

⁴⁰ See Section (F)(1)(f)(iv)(1).

complete or correct payment information, and matched royalties held pending Member registration.

Total Historical Unmatched Royalties Distributed: As of December 31, 2022, The MLC collected \$426,879,731.20 in historical unmatched royalties.⁴¹ Of the amount collected, The MLC distributed \$17,278,932.20 leaving \$409,600,799.00 in historical unmatched royalties.⁴² As a result of reprocessing, included in the remaining amount, The MLC has identified \$1,050,929.78 in royalties matched to public domain and non-musical works and \$10,357,982.91 in royalties matched to works that are unclaimed.⁴³ As explained in detail on The MLC's website, distributed historical unmatched royalties are from periods prior to January 1, 2018.⁴⁴ The MLC will begin distributing historical unmatched royalties from the period spanning January 1, 2018 through December 31, 2020 after the Copyright Royalty Board's Final Determination in the Phonorecords III remand proceeding is published in the Federal Register and DMPs then provide adjusted usage reporting using the new rates.⁴⁵

Total Historical Unmatched Interest Distributed: As of March 31, 2023, The MLC accrued a total of \$14,416,264.85 in interest on royalties held related to historical unmatched royalties.⁴⁶ In accordance with 17 U.S.C. §115(d)(3)(H)(ii)(I), The MLC distributed a total of \$335,078.87 in interest on historical unmatched royalties distributed in 2022.⁴⁷

⁴¹ See Section (F)(1)(f)(iv)(3).

⁴² See Section (F)(1)(f)(iv)(3)(II).

⁴³ See Section (F)(1)(f)(iv)(3)(III).

⁴⁴ Information about historical unmatched royalties is available on The MLC's website at:

<https://www.themlc.com/historical-unmatched-royalties>

⁴⁵ Case details for the Phonorecords III remand proceeding are available on the Copyright Royalty Board's website at: <https://app.crb.gov/case/detail/16-CRB-0003-PR%20%282018-2022%29%20%28Remand%29>

⁴⁶ See Section (F)(3)(c)(i).

⁴⁷ See Section (F)(3)(c)(ii).

(1) 2022 total and month-by-month royalty receipts and payment breakdowns:

(a) Royalties reported by DMPs

Usage Month	Distribution Month	Amount
Jan-22	Apr-22	\$ 60,103,110.59
Feb-22	May-22	\$ 57,417,868.12
Mar-22	Jun-22	\$ 60,177,093.48
Apr-22	Jul-22	\$ 63,601,955.14
May-22	Aug-22	\$ 61,121,803.15
Jun-22	Sep-22	\$ 60,158,561.01
Jul-22	Oct-22	\$ 63,839,204.19
Aug-22	Nov-22	\$ 59,595,801.29
Sep-22	Dec-22	\$ 60,174,094.09
Oct-22	Jan-23	\$ 64,685,734.89
Nov-22	Feb-23	\$ 61,476,823.54
Dec-22	Mar-23	\$ 66,146,685.51
Royalties Reported 2022		\$738,498,735.00
Royalties Reported 2021		\$673,991,530.65
Royalties Reported Total		\$1,412,490,265.65

(b) Royalties having been identified as subject to direct voluntary license agreements between DMPs and copyright owners during initial monthly processing

Usage Month	Distribution Month	Amount
Jan-22	Apr-22	\$ 3,561,609.81
Feb-22	May-22	\$ 4,329,075.66
Mar-22	Jun-22	\$ 4,430,994.65
Apr-22	Jul-22	\$ 3,498,434.21
May-22	Aug-22	\$ 3,040,013.68
Jun-22	Sep-22	\$ 2,919,279.44
Jul-22	Oct-22	\$ 2,755,015.62
Aug-22	Nov-22	\$ 2,729,884.54
Sep-22	Dec-22	\$ 2,713,154.86
Oct-22	Jan-23	\$ 2,722,802.63
Nov-22	Feb-23	\$ 2,854,383.19
Dec-22	Mar-23	\$ 2,662,701.46
2022 Voluntary Royalties		\$ 38,217,349.75
2021 Voluntary Royalties		\$ 93,380,900.34
Total Voluntary Royalties		\$131,598,250.09

(c) Royalties collected from DMPs (net of royalties having been identified as subject to direct voluntary license agreements between DMPs and copyright owners during initial monthly processing)

Usage Month	Distribution Month	Amount
Jan-22	Apr-22	\$ 56,541,500.78
Feb-22	May-22	\$ 53,088,792.46
Mar-22	Jun-22	\$ 55,746,098.83
Apr-22	Jul-22	\$ 60,103,520.93
May-22	Aug-22	\$ 58,081,789.47
Jun-22	Sep-22	\$ 57,239,281.57
Jul-22	Oct-22	\$ 61,084,188.57
Aug-22	Nov-22	\$ 56,865,916.75
Sep-22	Dec-22	\$ 57,460,939.23
Oct-22	Jan-23	\$ 61,962,932.26
Nov-22	Feb-23	\$ 58,622,440.35
Dec-22	Mar-23	\$ 63,483,984.05
Royalties Collected 2022		\$700,281,385.25
Royalties Collected 2021		\$580,610,630.31
Royalties Collected Total		\$1,280,892,015.56

(d) Royalties collected from DMPs (after reprocessing)

(i) Royalties collected from DMPs having been identified as subject to direct voluntary license agreements between DMPs and copyright owners after reprocessing

Usage (as of March 2023)

Usage Month	Amount After Reprocessing
Jan-22	\$ 144,103.55
Feb-22	\$ 148,610.63
Mar-22	\$ 166,851.05
Apr-22	\$ 92,317.97
May-22	\$ 92,102.82
Jun-22	\$ 97,189.99
Jul-22	\$ 78,822.01
Aug-22	\$ 80,693.19
Sep-22	\$ 72,387.47
Oct-22	\$ 56,187.14
Nov-22	\$ 5,506.72
Dec-22	\$ (28,093.49)
Voluntary Royalties for 2022 Usage	\$ 1,006,679.05
Voluntary Royalties for 2021 Usage	\$ 7,327,240.51
Total Voluntary Royalties	\$ 8,333,919.56

The following table represents the increase in royalties having been identified as subject to direct voluntary license agreements related to 2021 Usage as a result of reprocessing that occurred from April of 2022 through March of 2023:

Voluntary Royalties for 2021 Usage as of March 2023	\$ 7,327,240.51
Voluntary Royalties for 2021 Usage as of March 2022	\$ 4,847,864.89
Increase of Voluntary Royalties for 2021 Usage as of March 2023	\$ 2,479,375.62

(ii) Total Royalties collected from DMPs (after reprocessing)

Usage (as of March 2023)

Usage Month	Amount After Reprocessing
Jan-22	\$ 56,397,397.23
Feb-22	\$ 52,940,181.83
Mar-22	\$ 55,579,247.78
Apr-22	\$ 60,011,202.96
May-22	\$ 57,989,686.65
Jun-22	\$ 57,142,091.58
Jul-22	\$ 61,005,366.56
Aug-22	\$ 56,785,223.56
Sep-22	\$ 57,388,551.76
Oct-22	\$ 61,906,745.12
Nov-22	\$ 58,616,933.63
Dec-22	\$ 63,512,077.54
Royalties Collected After Reprocessing 2022 Usage	\$ 699,274,706.20
Royalties Collected After Reprocessing 2021 Usage	\$ 573,283,389.80
Royalties Collected After Reprocessing Total	\$ 1,272,558,096.00

(e) Royalties distributed, broken down based on whether the distribution was pursuant to initial monthly processing, reprocessing, or other subsequent matching or claiming activities

(i) Royalties distributed pursuant to initial monthly processing

Usage Month	Distribution Month	Amount
Jan-22	Apr-22	\$ 41,395,812.62
Feb-22	May-22	\$ 38,910,284.47
Mar-22	Jun-22	\$ 40,936,880.22
Apr-22	Jul-22	\$ 44,205,580.02
May-22	Aug-22	\$ 43,147,180.52
Jun-22	Sep-22	\$ 42,496,399.38
Jul-22	Oct-22	\$ 45,461,776.75
Aug-22	Nov-22	\$ 41,887,348.34
Sep-22	Dec-22	\$ 42,195,385.22
Oct-22	Jan-23	\$ 45,337,829.45
Nov-22	Feb-23	\$ 42,933,074.02
Dec-22	Mar-23	\$ 46,302,919.27
Initial Royalties Distributed 2022		\$ 515,210,470.28
Initial Royalties Distributed 2021		\$ 398,595,855.56
Initial Royalties Distributed Total		\$ 913,806,325.84

(ii) **Royalties distributed pursuant to reprocessing**

Usage (as of March 2023)

Usage Month	Amount
Jan-22	\$ 3,302,194.43
Feb-22	\$ 2,759,316.29
Mar-22	\$ 2,798,278.12
Apr-22	\$ 2,798,681.61
May-22	\$ 2,505,759.34
Jun-22	\$ 2,591,898.58
Jul-22	\$ 2,519,634.86
Aug-22	\$ 2,169,037.35
Sep-22	\$ 1,969,159.92
Oct-22	\$ 1,522,235.69
Nov-22	\$ 395,430.30
Dec-22	\$ (216,703.05)
2022 Usage Reprocessing Royalties Distributed	\$ 25,114,923.44
2021 Usage Reprocessing Royalties Distributed	\$ 48,858,345.31
Reprocessing Royalties Distributed Total	\$ 73,973,268.75

The following table represents the increase in royalties distributed related to 2021 Usage as a result of reprocessing that occurred from April of 2022 through March of 2023:

2021 Usage Reprocessing Royalties Distributed as of March 2023	\$ 48,858,345.31
2021 Usage Reprocessing Royalties Distributed as of March 2022	\$ 22,515,577.57
Increase in 2021 Usage Royalties Distributed due to Reprocessing	\$ 26,342,767.74

(iii) Total Royalties distributed (initial and reprocessing)

Usage (as of March 2023)	
Usage Month	Amount
Jan-22	\$ 44,698,007.05
Feb-22	\$ 41,669,600.76
Mar-22	\$ 43,735,158.34
Apr-22	\$ 47,004,261.63
May-22	\$ 45,652,939.86
Jun-22	\$ 45,088,297.96
Jul-22	\$ 47,981,411.61
Aug-22	\$ 44,056,385.69
Sep-22	\$ 44,164,545.14
Oct-22	\$ 46,860,065.14
Nov-22	\$ 43,328,504.32
Dec-22	\$ 46,086,216.22
2022 Usage Initial & Reprocessing Royalties Distributed	\$ 540,325,393.72
2021 Usage Initial & Reprocessing Royalties Distributed	\$ 447,454,200.87
Initial & Reprocessing Royalties Distributed Total	\$ 987,779,594.59

The following table represents the increase in royalties (initial and reprocessing) distributed related to 2021 Usage as a result of reprocessing that occurred from April of 2022 through March of 2023:

2021 Usage Initial & Reprocessing Royalties Distributed as of March 2023	\$447,454,200.87
2021 Usage Initial & Reprocessing Royalties Distributed as of March 2022	\$421,111,433.13
Increase in 2021 Usage Distributed	\$ 26,342,767.74

(iv) Royalties matched for adjustment distribution

This category consists of certain royalties designated for distribution when adjustments are processed and includes royalties The MLC has determined are associated with uses of public domain works or non-musical works not covered by the blanket license. Royalties in this category, once distributed, raise the effective per play rate for all remaining royalty bearing uses reported for the usage month concerned.

Usage (as of March 2023)	
Usage Month	Amount
Jan-22	\$ 586,350.88
Feb-22	\$ 499,740.09
Mar-22	\$ 487,308.54
Apr-22	\$ 460,502.48
May-22	\$ 242,449.85
Jun-22	\$ 124,398.55
Jul-22	\$ 127,846.60
Aug-22	\$ 117,931.77
Sep-22	\$ 109,779.49
Oct-22	\$ 109,160.65
Nov-22	\$ 41,412.88
Dec-22	\$ -
Royalties matched for adjustment distribution 2022 Usage	\$ 2,906,881.78
Royalties matched for adjustment distribution 2021 Usage	\$ 5,783,869.67
Royalties matched for adjustment distribution Total	\$ 8,690,751.45

This following table represents the increase in certain royalties matched for adjustment distribution related to 2021 Usage as a result of reprocessing that occurred from April of 2022 through March of 2023:

Royalties matched for adjustment distribution 2021 Usage as of March 2022	\$ 128,293.94
Royalties matched for adjustment distribution as of March 2023	\$ 5,783,869.67
Increase in royalties matched for adjustment distribution 2021 Usage	\$ 5,655,575.73

(f) Royalties held

(i) Royalties held as unmatched (i.e., royalties associated with reported uses of sound recordings embodying musical works for which the copyright owners of such musical works (or shares thereof) have not been identified or located)

The charts below display the sum of the information provided in Section (F)(1)(e)(i)(1) (Royalties associated with reported uses of sound recordings that have not been matched to their underlying musical works) and Section (F)(1)(e)(i)(2) (Royalties associated with reported uses of sound recordings that have been successfully matched to their underlying musical works, but for which the copyright owners of such musical works (or shares thereof) have not been identified).⁴⁸

Usage (as of March 2023)

Usage Month	Amount
Jan-22	\$ 10,844,648.00
Feb-22	\$ 10,483,586.82
Mar-22	\$ 11,121,991.72
Apr-22	\$ 12,030,281.08
May-22	\$ 11,615,349.14
Jun-22	\$ 11,521,859.06
Jul-22	\$ 12,446,055.93
Aug-22	\$ 12,180,911.98
Sep-22	\$ 12,673,387.08
Oct-22	\$ 14,098,180.17
Nov-22	\$ 14,212,659.31
Dec-22	\$ 16,240,253.62
Unmatched & Unclaimed Royalties Held 2022 Usage	\$ 149,469,163.91
Unmatched & Unclaimed Royalties Held 2021 Usage	\$ 118,182,425.27
Unmatched & Unclaimed Royalties Held Total	\$ 267,651,589.18

The following table represents the decrease in royalties held as unmatched and unclaimed related to 2021 Usage as a result of reprocessing that occurred from April of 2022 through March of 2023:

Unmatched & Unclaimed Royalties Held for 2021 Usage as of March 2022	\$151,578,093.53
Unmatched & Unclaimed Royalties Held for 2021 Usage as of March 2023	\$118,182,425.27
Decrease in 2021 Usage Held (Unmatched/Unclaimed)	\$ 33,395,668.26

⁴⁸ See Section (F)(1)(f)(ii) for an explanation of The MLC's definitions and applications of "unmatched" and "unclaimed" works.

(1) Royalties associated with reported uses of sound recordings that have not been matched to their underlying musical works

Usage (as of March 2023)	
Usage Month	Amount
Jan-22	\$ 6,018,082.79
Feb-22	\$ 5,888,445.02
Mar-22	\$ 6,204,802.35
Apr-22	\$ 6,789,463.41
May-22	\$ 6,577,975.25
Jun-22	\$ 6,609,193.90
Jul-22	\$ 7,099,629.33
Aug-22	\$ 7,067,422.28
Sep-22	\$ 7,456,910.13
Oct-22	\$ 8,308,927.10
Nov-22	\$ 8,748,076.09
Dec-22	\$ 10,593,417.63
Unmatched Royalties Held (Net of Reprocessing) for 2022 Usage	\$ 87,362,345.27
Unmatched Royalties Held (Net of Reprocessing) for 2021 Usage	\$ 63,650,426.73
Unmatched Royalties Held (Net of Reprocessing) Total	\$ 151,012,772.00

The following table represents the decrease in royalties held as unmatched related to 2021 Usage as a result of reprocessing that occurred from April of 2022 through March of 2023:

Unmatched Royalties Held (Net of Reprocessing) for 2021 Usage as of March 2022	\$ 91,796,802.38
Unmatched Royalties Held (Net of Reprocessing) for 2021 Usage as of March 2023	\$ 63,650,426.73
Decrease in Royalties Held for 2021 Unmatched Usage	\$ 28,146,375.65

(2) Royalties associated with reported uses of sound recordings that have been successfully matched to their underlying musical works, but for which the copyright owners of such musical works (or shares thereof) have not been identified

Usage (as of March 2023)	
Usage Month	Amount
Jan-22	\$ 4,826,565.21
Feb-22	\$ 4,595,141.80
Mar-22	\$ 4,917,189.36
Apr-22	\$ 5,240,817.68
May-22	\$ 5,037,373.89
Jun-22	\$ 4,912,665.17
Jul-22	\$ 5,346,426.60
Aug-22	\$ 5,113,489.70
Sep-22	\$ 5,216,476.95
Oct-22	\$ 5,789,253.07
Nov-22	\$ 5,464,583.22
Dec-22	\$ 5,646,835.99
Unclaimed Royalties Held (Net of Reprocessing) 2022 Usage	\$ 62,106,818.64
Unclaimed Royalties Held (Net of Reprocessing) 2021 Usage	\$ 54,531,998.54
Unclaimed Royalties Held (Net of Reprocessing) Total	\$ 116,638,817.18

The following table represents the decrease in royalties held as unclaimed related to 2021 Usage as a result of reprocessing that occurred from April of 2022 through March of 2023:

Unclaimed Royalties Held (Net of Reprocessing) 2021 Usage as of March 2022	\$ 59,781,291.15
Unclaimed Royalties Held (Net of Reprocessing) 2021 Usage as of March 2023	\$ 54,531,998.54
Decrease in Unclaimed Royalties Held for 2021 Unclaimed Usage	\$ 5,249,292.61

(ii) The subset of held unmatched royalties that have been held for the statutory minimum length of time and which have become statutorily eligible for distribution by market share under 17 U.S.C. § 115(d)(3)(H)(i) and (d)(3)(J)

“Unclaimed accrued royalties” defined in 17 U.S.C. § 115(e)(34) refers specifically to royalties eligible for distribution under subsection 17 U.S.C. § 115(d)(3)(J). The MLC distinguishes between unmatched royalties and unclaimed royalties. The MLC uses the term “unmatched royalties” to refer to royalties for musical works where The MLC has not yet matched the data for a particular sound recording use (reported by DMPs) to a musical work in The MLC’s musical works database. The MLC uses the term “unclaimed royalties” to refer to royalties that it has been able to match to a musical work in its musical works database, but for which less than 100% of the ownership shares for that matched musical work have been claimed by a Member of The MLC. For example, if only 80% of a matched musical work has been claimed, the remaining 20% is unclaimed, and The MLC refers to royalties associated with that unclaimed share as “unclaimed royalties.”

As of June 2023, all historical unmatched royalties received by The MLC beginning in the Pre-Phono I rate period through June 2020 that remain unmatched or unclaimed are considered “unclaimed accrued royalties” within the meaning of 17 U.S.C. § 115(e)(34).⁴⁹ Because this timeframe covered three different rate periods, three different sets of rates apply to the historical royalties received. The chart below shows the years covered by each of those rate periods, along with the amount of historical unmatched royalties DMPs transferred to The MLC for uses that took place during those rate periods. Detailed information about historical unmatched royalties, including month-by-month breakdowns of royalties transferred by each DMP, is available on The MLC’s website.⁵⁰

Rate Period	Years Covered	Total Amounts Transferred
Pre-Phono I	Jun-05	Included in Phono I amount below
Phono I	2008-2012	\$447K
Phono II	2013-2017	\$52.8 million
Phono III	2018-2022	\$373.6 million
Total		\$426.9 million

As of June 2023, The MLC has not distributed any royalties by market share pursuant to 17 U.S.C. § 115(d)(3)(H)(i) and (d)(3)(J).

⁴⁹ See Section (F)(1)(f)(iv)(3) for total historical unmatched royalties distributed.

⁵⁰ See The MLC’s website at: <https://www.themlc.com/historical-unmatched-royalties>

(iii) Royalties held as disputed (i.e., royalties that are neither unmatched nor unclaimed, but rather are held by The MLC pending resolution of a dispute or claim, including but not limited to ownership disputes, legal claims or claims related to statutory terminations)

Usage (as of March 2023)	
Usage Month	Amount
Jan-22	\$ 291,422.46
Feb-22	\$ 278,123.23
Mar-22	\$ 274,520.62
Apr-22	\$ 469,796.63
May-22	\$ 426,922.91
Jun-22	\$ 410,716.54
Jul-22	\$ 432,522.21
Aug-22	\$ 426,247.34
Sep-22	\$ 438,109.15
Oct-22	\$ 834,511.98
Nov-22	\$ 1,034,458.61
Dec-22	\$ 1,255,915.11
Royalties Held as Disputed (Net of Reprocessing) 2022 Usage	\$ 6,573,266.79
Royalties Held as Disputed (Net of Reprocessing) 2021 Usage	\$ 1,862,893.99
Royalties Held as Disputed (Net of Reprocessing) Total	\$ 8,436,160.78

The following table represents the decrease in royalties held as disputed related to 2021 Usage as a result of reprocessing that occurred from April of 2022 through March of 2023:

Royalties Held as Disputed (Net of Reprocessing) 2021 Usage as of March 2022	\$ 2,944,944.83
Royalties Held as Disputed (Net of Reprocessing) 2021 Usage as of March 2023	\$ 1,862,893.99
Decrease in 2021 Usage on Hold from 2021	\$ 1,082,050.84

(iv) Other royalty amounts held

(1) Royalties held as undistributed (e.g., royalties owed to matched copyright owners: (1) that have not yet exceeded the minimum threshold for distribution or (2) that are being held pending registration with The MLC)

Distribution Month	Amount
Apr-22	\$ 658,422.59
May-22	\$ 1,095,353.64
Jun-22	\$ 658,313.01
Jul-22	\$ 761,310.16
Aug-22	\$ 644,927.36
Sep-22	\$ 744,766.66
Oct-22	\$ 650,389.33
Nov-22	\$ 656,097.86
Dec-22	\$ 1,691,174.79
Jan-23	\$ 710,037.98
Feb-23	\$ 535,881.76
Mar-23	\$ 1,177,341.01
Royalties Held as Undistributed 2022	\$ 9,984,016.15
Royalties Held as Undistributed 2021	\$ 7,473,577.54
Royalties Held as Undistributed Total	\$ 17,457,593.69

(2) Royalties held as related to Reports of Adjustment submitted by DMP's in connection with Annual Reports of Usage (ARoU) submitted in 2022 for fiscal year 2021

Received	Amount
Jan-22	\$ -
Feb-22	\$ -
Mar-22	\$ 1,934,945.62
Apr-22	\$ -
May-22	\$ 6,593,553.78
Jun-22	\$ 80,601.98
Jul-22	\$ 297,207.21
Aug-22	\$ -
Sep-22	\$ 461.81
Oct-22	\$ 1,813.26
Nov-22	\$ -
Dec-22	\$ -
Royalties Held related to ARoU 2021	\$ 8,908,583.66

(3) Historical unmatched royalties held

(I) Historical unmatched royalties collected

Received	Amount
2021	\$ 426,861,498.01
Jan-22	\$ -
Feb-22	\$ -
Mar-22	\$ -
Apr-22	\$ 18,233.19
May-22	\$ -
Jun-22	\$ -
Jul-22	\$ -
Aug-22	\$ -
Sep-22	\$ -
Oct-22	\$ -
Nov-22	\$ -
Dec-22	\$ -
Historical Unmatched Royalties Collected	\$ 426,879,731.20

(II) Historical unmatched royalties distributed

Distribution Month	Amount
Apr-22	\$ -
May-22	\$ -
Jun-22	\$ 2,142,407.86
Jul-22	\$ 2,454,680.95
Aug-22	\$ 1,794,974.02
Sep-22	\$ 1,560,232.16
Oct-22	\$ 207,794.48
Nov-22	\$ 762,230.58
Dec-22	\$ 2,518,139.13
Jan-23	\$ 85,300.09
Feb-23	\$ 66,700.70
Mar-23	\$ 5,686,472.23
Historical Unmatched Royalties Distributed	\$ 17,278,932.20

The following table represents the remaining historical unmatched royalties as of March of 2023:

Historical Unmatched Royalties Collected	\$ 426,879,731.20
Historical Unmatched Royalties Distributed	\$ 17,278,932.20
Remaining Historical Unmatched Royalties	\$ 409,600,799.00

(III) Historical unmatched royalties identified as related to works in the public domain and non-musical works

As a result of reprocessing, included in the remaining \$409,600,799 of historical unmatched royalties, The MLC has identified \$1,050,929.78 in royalties matched to public domain and non-musical works and \$10,357,982.91 in royalties matched to works that are unclaimed.

Distribution Month	Amount
Apr-22	\$ -
May-22	\$ -
Jun-22	\$ 6,682.34
Jul-22	\$ 210,394.66
Aug-22	\$ 337,612.23
Sep-22	\$ 33,586.43
Oct-22	\$ 37,215.85
Nov-22	\$ 56,152.13
Dec-22	\$ 182,307.52
Jan-23	\$ 68,452.12
Feb-23	\$ 78,007.41
Mar-23	\$ 40,519.09
Royalties Matched to Public Domain and Non-musical Works	\$ 1,050,929.78

Distribution Month	Amount
Apr-22	\$ -
May-22	\$ -
Jun-22	\$ 351,187.12
Jul-22	\$ 1,852,733.24
Aug-22	\$ 245,628.49
Sep-22	\$ 309,443.42
Oct-22	\$ 199,721.69
Nov-22	\$ 643,896.95
Dec-22	\$ 1,647,983.82
Jan-23	\$ 44,023.63
Feb-23	\$ 37,830.86
Mar-23	\$ 5,025,533.69
Royalties Matched and Unclaimed	\$ 10,357,982.91

(2) The total amount of any royalties that were subject to an adjustment, as described in 37 C.F.R. § 210.27(k)

The MLC did not process any adjustments as described in 37 C.F.R. § 210.27(k) for royalties distributed in 2022.

(3) Accrued interest, as that term is defined in 17 U.S.C. § 115(e)(1)

(a) Interest on royalties distributed by The MLC

In the 12 distributions that occurred from April 2022 through March 2023, The MLC distributed \$769,773.82 in interest on royalties distributed. In the 12 distributions that occurred from April 2021 through March 2022 The MLC distributed \$28,301.92 in interest on royalties distributed.

Distribution Month	Amount
Apr-22	\$ 4,591.05
May-22	\$ 13,080.82
Jun-22	\$ 16,615.54
Jul-22	\$ 24,220.55
Aug-22	\$ 35,714.54
Sep-22	\$ 35,339.39
Oct-22	\$ 39,335.64
Nov-22	\$ 75,216.49
Dec-22	\$ 51,420.66
Jan-23	\$ 62,620.23
Feb-23	\$ 73,863.38
Mar-23	\$ 86,509.88
Reprocessing Interest Distributed	\$ 518,528.17
Reprocessing Interest Distributed as of March 2022	\$ 20,133.63
Reprocessing Interest Distributed Total	\$ 538,661.80

Distribution Month	Amount
Apr-22	\$ 4,645.06
May-22	\$ 5,917.48
Jun-22	\$ 10,101.77
Jul-22	\$ 11,731.70
Aug-22	\$ 14,900.41
Sep-22	\$ 17,069.50
Oct-22	\$ 20,733.46
Nov-22	\$ 25,242.97
Dec-22	\$ 29,393.94
Jan-23	\$ 36,542.29
Feb-23	\$ 36,283.21
Mar-23	\$ 38,683.87
Opening Balance Interest Distributed	\$ 251,245.65
Opening Balance Interest Distributed as of March 2022	\$ 8,168.29
Opening Balance Interest Distributed Total	\$ 259,413.93

(b) Interest accrued on royalties held by The MLC

The MLC accrued a total of \$7,101,313.62 in interest on royalties held but not distributed related to 2022 and 2021 Usage.

Usage (as of March 2023)

Usage Month	Amount
Jan-22	\$ 366,631.14
Feb-22	\$ 338,910.54
Mar-22	\$ 335,612.59
Apr-22	\$ 343,725.08
May-22	\$ 298,440.99
Jun-22	\$ 262,581.36
Jul-22	\$ 248,241.06
Aug-22	\$ 202,062.52
Sep-22	\$ 167,306.93
Oct-22	\$ 129,321.06
Nov-22	\$ 76,256.85
Dec-22	\$ 47,584.17
Accrued Interest 2022 Usage	\$ 2,816,674.27
Accrued Interest 2021 Usage	\$ 4,284,639.35
Total Accrued Interest	\$ 7,101,313.62

(c) Interest accrued on historical unmatched royalties transferred to The MLC

The MLC accrued a total of \$14,416,264.85 in interest on historical unmatched royalties transferred to The MLC in accordance with 17 U.S.C. §115(d)(3)(H)(ii)(I).

(i) Accrued interest historical unmatched royalties

Calendar Month	Amount
Apr-22	\$ 424,189.32
May-22	\$ 636,620.64
Jun-22	\$ 737,281.44
Jul-22	\$ 817,518.31
Aug-22	\$ 987,979.57
Sep-22	\$ 1,013,341.16
Oct-22	\$ 1,165,398.44
Nov-22	\$ 1,356,732.51
Dec-22	\$ 1,551,545.38
Jan-23	\$ 1,534,151.38
Feb-23	\$ 1,376,258.69
Mar-23	\$ 1,534,151.38
Accrued Interest as of March 2023	\$ 13,135,168.21
Accrued Interest as of March 2022	\$ 1,281,096.64
Total Accrued Interest	\$ 14,416,264.85

(ii) Distributed interest historical unmatched royalties

Distribution Month	Amount
Apr-22	\$ -
May-22	\$ -
Jun-22	\$ 13,295.21
Jul-22	\$ 19,765.66
Aug-22	\$ 17,970.76
Sep-22	\$ 19,601.92
Oct-22	\$ 3,164.24
Nov-22	\$ 13,924.38
Dec-22	\$ 54,736.71
Jan-23	\$ 2,183.35
Feb-23	\$ 1,954.81
Mar-23	\$ 188,481.83
Historical Unmatched Interest Distributed	\$ 335,078.87

(G) Large Expenses (37 C.F.R. § 210.33(b)(7))

(1) Expenses that comprise more than 10% of The MLC's annual budget

The MLC entered into a third-party vendor agreement with The Harry Fox Agency ("HFA") and ConsenSys to provide services related to the development and support of the following systems and processes: The MLC's Portal, The MLC's process for onboarding songwriters, composers, lyricists and music publishers and their respective catalogs, The MLC's process for matching uses of sound recordings to musical works, and The MLC's process for distributing mechanical royalties. The MLC did not incur any other expenses that were more than 10% of The MLC's annual budget.

(H) Matching Efforts (37 C.F.R. § 210.33(b)(8))

(1) The MLC's efforts to locate and identify copyright owners of "unmatched" musical works (and shares of works) as defined in 17 U.S.C. § 115(e)(35)

(a) Staffing and other resources committed to "matching efforts"

Staffing and other resources: The MLC's Matching Team currently consists of 32 individuals dedicated almost exclusively to matching sound recordings to musical works. The team has built custom predictive analytics to prioritize work and forecast the likelihood of matching specific sound recordings each month. The team has also built and implemented custom workflows, automated tools, and analytic dashboards to measure and maximize productivity.

Use of public/private databases in online/offline research: The MLC's Matching Team utilizes over 40 public databases and other research sources to support its matching efforts. These sources include various collective rights management organization databases, music credit databases, DMP websites, content owner websites, and other niche and genre specific

sources. The Matching Team does not consider any one source as authoritative. Rather, the team attempts to validate information by cross-referencing multiple sources, as necessary, on a work-by-work basis. The MLC continues to review and engage in discussions to obtain access to third-party data sources.

(b) The MLC’s “matching efforts” and efforts to identify copyright owners

Efforts to link sound recordings to musical works: See response in Section (A)(5)(b) for information about The MLC’s automated and manual matching process and related efforts to link sound recordings to the musical works.

Existing Member Outreach: The MLC conducts monthly outreach to Members whose royalties were deemed undistributable for various reasons by The MLC’s third-party payment processor. (e.g., copyright holders that have not provided complete or correct payment information to The MLC).

Missing Member Outreach: “Missing Members” are rightsholders that are not yet Members of The MLC and may be entitled to collect royalties. In 2022, The MLC continued its Missing Member outreach campaign, which resulted in the addition of 192 payees and payment of \$882,284 in total accrued royalties. As part of this campaign, The MLC sent messages to all Missing Members with works or shares of works that were registered in The MLC’s database. The MLC’s Outreach Team generates a monthly list of Missing Members and attempts to individually contact individuals and entities on the list and assist with the Member onboarding process. The MLC has also launched a Missing Member Lookup database where individuals and entities can independently search to determine if they are entitled to collect mechanical royalties.⁵¹

DURP: The Distributor Unmatched Recording Portal (DURP) was launched in 2022 to support distributors in leveraging the publicly available data for the unmatched recordings they’ve released, helping their customers claim any unmatched royalties that The MLC has accrued.

Webinars: As noted in Section (A)(5)(a), The MLC hosted and/or participated in 64 webinars in 2022 to educate rightsholders on utilizing support services and available tools to register unmatched musical works.⁵²

(c) Tools and support for copyright owners and songwriters to undertake matching and claiming efforts

Matching Tool: The MLC’s Matching Tool is a resource that allows Members to search the unmatched sound recording data The MLC has accumulated from previous royalty distributions and to propose matches to songs registered with The MLC.

Claiming Tool: The MLC’s Claiming Tool enables Members to search for unclaimed shares of works that have been registered with The MLC by other Members - and then claim those shares. Within The MLC Portal, users can copy links to works and share or send those links. This “copy work” feature enables users to easily and efficiently share information about a musical work.

⁵¹ See Section (H)(1)(c) for more information.

⁵² Webinars are archived on The MLC’s website at: <https://www.themlc.com/webinars-videos>

Member Support: The MLC Support Team fields inquiries from Members related to the Matching and Claiming Tools and leads educational events for Members to help them learn how to use these tools effectively, including, but not limited to, webinars intended to show Members how to find and utilize both Tools, to educate Members about the outcomes of suggested matches or proposed claims, and to solicit feedback from Members related to the usability of each Tool.

Missing Member Lookup: The MLC's Missing Member Lookup database is a searchable database of rightsholders that are not yet Members of The MLC who may be entitled to royalties. The information in this database, which is updated monthly after each distribution, is available via The MLC's website.⁵³

Top Unmatched Sound Recording Uses List: The MLC disseminates a monthly "Top Unmatched Sound Recording Uses List" to Members. This resource lists the top 3,000 sound recording uses previously reported to The MLC that have not yet been matched to a registration in The MLC's musical works database.

Public Search API: The Public Search API allows music publishers and administrators, DSPs, CMOs, music technology companies, and others to retrieve information about musical works in The MLC musical works database. Over 150 participants have access to the public search API.

Catalog Export Tool: The Catalog Export Tool was launched in 2022 and allows Members to download all (or a portion) of the musical works data they have registered with The MLC on-demand, in an Excel-compatible file.

Bulk Database Feed: The Bulk Database Feed enables The MLC's musical work database to be available in a bulk, machine-readable format. The feed includes data about musical works, parties, sound recordings, products, and more. This resource is available to DSPs, music publishers, CMOs, record labels, metadata companies and others throughout the industry.

Public Works Search: The Public Work Search allows the public to view musical work ownership information. It is available free of charge and without the need for a login. The information includes musical works ownership shares and matched sound recordings.

(I) MLC Board of Directors (37 C.F.R. § 210.33(b)(9))

(1) The MLC's selection of Directors and criteria used in selecting any new Directors during 2022

Information regarding The MLC's governance structure and the open, competitive processes by which Directors are selected is set forth in detail in The MLC's Bylaws and summarized on The MLC's website and the U.S. Copyright Office's website.⁵⁴

In 2022, the Librarian of Congress appointed one new Publisher Director to The MLC Board of Directors:

Michael Abitbol, Senior Vice President and Head of U.S. Digital at Sony Music

⁵³ See The MLC website at: <https://www.themlc.com/missing-members-lookup>

⁵⁴ See The MLC's website at: <https://www.themlc.com/governance>; see the U.S. Copyright Office's website at: <https://www.copyright.gov/music-modernization/mlc-dlc-info/>

Publishing ("SMP"), was appointed to take the seat formerly occupied by Peter Brodsky. As the new Mechanical Licensing Collective Liaison at SMP, Mr. Abitbol had been recommended for appointment by the Librarian of Congress pursuant to Section 2.2(c) and Section 4.2(b)(2)(i) of The MLC's Bylaws.

Member elections took place for three board seats in 2022. In those elections, Members did not recommend any further changes to the Board of Directors. Songwriter Kara DioGuardi was re-elected by Class A Members, pursuant to Section 4.2(b)(1). Tim Cohan, Chief Counsel at Peermusic, and Scott Cutler, Chief Executive Officer at PULSE Music Group, were both re-elected as Term Publisher Directors by a vote of Class B Members, pursuant to Section 4.2(b)(2)(ii) of The MLC's Bylaws.

(2) The MLC's selection of members of the Operations Advisory Committee, Dispute Resolution Committee, and Unclaimed Royalties Oversight Committee⁵⁵

Information regarding The MLC's governance structure and the open, competitive processes by which members of The MLC's Advisory Committees are selected is set forth in detail in The MLC's Bylaws and summarized on both The MLC's website and the U.S. Copyright Office's website.⁵⁶

Unclaimed Royalties Oversight Committee ("UROC"): The MLC's Board of Directors appointed two songwriter members to the UROC. Bruce Wayne was appointed to his first term on the committee. Dan Navarro was reappointed to a second term on the committee. Mr. Wayne and Mr. Navarro were nominated by the Songwriter Nomination Committee, elected by the Songwriter Directors of The MLC's Board of Directors and approved by the full Board of Directors pursuant to Section 6.2(a) of The MLC's bylaws. Songwriters Tom Shapiro and Nate Smith both resigned from the committee.

The MLC's Board of Directors appointed two copyright owner representative members to the UROC. Dale Esworthy (SMP) was appointed to his first term on the committee. Michael Eames (PEN Music Group) was reappointed to a second term on the committee. Mr. Esworthy and Mr. Eames were nominated by the Publisher Nominating Committee, elected by the Publisher Directors of The MLC's Board of Directors and approved by the full Board of Directors pursuant to Section 6.2(a) of The MLC's bylaws. Copyright owner representative Phil Cialdella left the committee upon the completion of his term.

Dispute Resolution Committee ("DRC"): The MLC's Board of Directors appointed one songwriter member to the DRC. David Quinones was appointed to his first term on the committee. Mr. Quinones was nominated by the Songwriter Nomination Committee, elected by the Songwriter Directors of The MLC's Board of Directors and approved by the full Board of Directors pursuant to Section 6.2(a) of The MLC's bylaws. Songwriter David Hodges resigned from the committee.

The MLC's Board of Directors appointed one copyright owner representative member to the DRC. Matt Skiba (Vydia) was appointed to his first term on the committee. Mr. Skiba was nominated by the Publisher Nominating Committee, elected by the Publisher

⁵⁵ The information in this section includes activity that occurred in both 2022 and 2023.

⁵⁶ See The MLC's website at: <https://www.themlc.com/governance>; see the U.S. Copyright Office's website at: <https://www.copyright.gov/music-modernization/mlc-dlc-info/>

Directors of The MLC’s Board of Directors and approved by the full Board of Directors pursuant to Section 6.2(a) of The MLC’s bylaws. Copyright owner representative Alison Koerper left the committee upon the completion of her term.

Operations Advisory Committee (“OAC”): The MLC’s Board of Directors appointed two copyright owner representative members to the OAC. Melanie Santa Rosa (Word Collections) and Eric Scott (BMG) were both appointed to their first terms on the committee. Ms. Santa Rosa and Mr. Scott qualified to serve on the OAC under 17 U.S.C. § 115(d)(3)(D)(iv) of the Copyright Act. Joe Conyers III resigned from the committee. Dale Esworthy resigned from the committee.

The Digital Licensee Coordinator appointed two DMP representative members to the OAC. Brandon Shevin (Beatport) and Robert Brode (Apple) were appointed to their first terms on the committee. Mr. Shevin and Mr. Brode qualified to serve on the OAC under 17 U.S.C. § 115(d)(3)(D)(iv) of the Copyright Act. Les Watkins (Tidal) and Nick Williamson (Apple) resigned from the committee.

(3) Additional committees and their purpose

The MLC’s Board of Directors established a Budget Performance Advisory Committee (BPAC) in 2021. The BPAC comprises twelve members: six appointed by The MLC Board of Directors and six appointed by the DLC. This Committee consists of the following members:

Members Appointed by The MLC Board of Directors:

Danielle Aguirre (National Music Publishers Association)
Bob Bruderman (Kobalt Music)
Alisa Coleman (ABKCO Music and Records)
Joe Gillen (BMG)
Rell Lafargue (Reservoir)
Michael Abitbol (SMP)

Members Appointed by the DLC:

Olivia Delao-Ng (Amazon Music)
Matt Eccles (Napster)
Kimberly Joe (Pandora)
Jen Rosen (Google)
Lisa Cohn (Spotify)
Nick Williamson (Apple)

(4) The MLC’s efforts to promote the availability of open board and committee positions to potential new candidates with diverse backgrounds, views, and experiences

The inaugural members of The MLC’s Board of Directors and Advisory Committees were selected in open, competitive processes by neutral advisory panels of respected members of the music industry. Songwriter members were selected by panels comprised exclusively of songwriters, and copyright owner representative members were selected by panels comprised exclusively of individuals from the independent music publishing community. Today, songwriter members continue to be chosen by songwriters, and copyright owner representative members continue to be chosen by copyright owner representatives.

Each time that a seat becomes available on the Board of Directors or an Advisory Committee, The MLC renews its broad public request across media outlets seeking additional candidate suggestions. The MLC also works to have these outreach requests further disseminated and promoted by partner organizations. The broad reach of these outreach efforts have led to numerous suggested candidates with diverse backgrounds, views, and experiences. The results of these efforts are reflected in the diverse backgrounds and affiliations of the members of The MLC’s Board and Advisory Committees.

(J) Vendors (37 C.F.R. § 210.33(b)(10))

(1) The MLC’s selection(s) of vendor partners

The MLC has engaged a variety of third-party vendors and subcontractors to support its operations in the normal course of business. The MLC did not select any new vendors to perform materially significant technology or operational services related to The MLC’s royalty accounting activities.

The MLC issued a Request for Information for musical works matching to evaluate various third-party services and solutions to potentially supplement The MLC’s internal matching activities. The MLC is analyzing information received resulting from this process.

(K) Use of Unclaimed Royalties to Defray Costs (37 C.F.R. § 210.33(b)(11))

The MLC did not apply unclaimed accrued royalties pursuant to 17 U.S.C. § 115(d)(7)(C).

(L) Suspension of Access to Public Database (37 C.F.R. § 210.33(b)(12))

The MLC did not suspend access to the public database to any individual or entity as described in 37 C.F.R. § 210.33(b)(12).

Attachment A: The MLC's Staffing Chart

Analytics & Automation

Andrew Mitchell
Alyssa Lackey
Chad Andersen
Emma Gillis
Jane Bushmaker
Joshua Swann

CEO

Kris Ahrend

Customer Experience*

Lindsey Major
Alayna N.
Anna Elise D.
Ashley A.
Bridgett H.
Coehl M.
Faith A.
Jacob H.
Jessica C.
Jessica D.
John C.
Joliana S.
Lucia H.
Margaret P.
Matthew B.
Morgan H.
Nia B.
Nicholas W.
Raleigh B.
Tavar B.
Taylor J.

Educational Partnerships

Serona Elton

Finance

Ilene Weintraub
Monique Benjamin
Abigail Gibson
Amanda Carnett-Brown
Baylee Kuss
Joshua Heiser
Margaret Egger
Max McConville
Michael Adam Meador
Susanne Hines
Trang Tran
William White

Human Resources & Administration

Leigh McCorkle
Allie Anderson
Katerine Albert
Renair Jackson

International Relations

Indi Chawla

Legal

Kristen Johns
Nathan Osher
Rick Marshall
Victoria du Busc

Matching**

Andrew Deaton
Anna Jones
Bethany Dillingham
Erin Jarvis
Gerardo Rojas
Israel Hernandez
Mansir Mohammed
Matthew Estevez
Nancy Prescott

Operations

Joya Carmichael
Brian Kelly
Derek Medeiros
Isabelle Talledo
Jeff Donnel
Ryan Ho
Taylor Hauser

Outreach & Education

Ellen Truley
Brianna Gesling
Helena Cook
Jordan Todd
Kayla Ott
Lacy Cowden
Elizabeth Mayo
Mallory Fatke
Maria Brannon
Melissa Landry

Rights Management

Maurice Russell
Cameryn Conner
Erika Valencia
Evan Lei
Jared Jones
Sean McNamara
Sydney Evans
Tanja Jurek

Technology

Richard Thompson
Alex Barlow
Amanda Beaver
Benjamin Shoemaker
Christopher Heredia
Daniel Brown
Gabriel Edwards
Katrina Feyintola
Krystal Ribble
Maurice Buckberry
Raphael Amselli

Third-Party Partnerships

Dae Bogan

*Last names are abbreviated for privacy concerns.

**This does not include 23 temporary staff on the Matching Team.

Current as of June 1, 2023



**MECHANICAL
LICENSING
COLLECTIVE**

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