



2 Gansevoort Street 6th Floor United States Tel: +1 (212) 247 6204

Fax: +1 (212) 247 6205

Email: info@kobaltmusic.com

Mara Buttleman
Rick Springfield Music
c/o Rick Springfield Music
c/o Mara Buttleman
Artist In Mind
14100 Dickens Street
#1
Sherman Oaks
CA
91423
United States

06 March 2021

Dear Mara,

## RE: Q4 2020 Statement Pack for Rick Springfield Music

Please find enclosed your Kobalt Statement pack covering the period from 01 October 2020 to 31 December 2020.

We wanted to update you on two big developments in the United States: (1) the launch of the "MLC", and (2) latest news regarding the CRB III rate proceeding in the United States and its impact on you.

Mechanical Licensing Collective Update:

You may have heard of a new music industry organization called the Mechanical Licensing Collective ("The MLC"). The MLC was created following the passage of the landmark Music Modernization Act of 2018 (the "MMA"). That law sought to create a better, more efficient, and more effective way for digital audio services to license the musical works they use on their services and ensure that the proper rightsholders receive the mechanical royalties they are entitled to receive in connection with those uses of their works.

The New Blanket Mechanical License

To accomplish these goals, the MMA established a new blanket mechanical license available to eligible digital audio services that operate in the United States. Services could began operating under this new blanket license on January 1, 2021. The MLC will collect mechanical royalties from the digital services operating under the new blanket license and then distribute those royalties to rightsholders (including Kobalt).

One of the things we do for you as your music publisher is collect royalties that are due when others use the musical works we administer. That's why we've already become Members of The MLC. When The MLC begins distributing mechanical royalties in the Spring of 2021, we will be ready to collect mechanical royalties.

What does this mean for you?

For musical works that we administer on your behalf, you do NOT need to become a Member of The MLC; we will collect any mechanical royalties from The MLC that relate to your musical works and then apply your contractual share of those royalties to your royalty account in accordance with our agreements with you.

Should you have any questions about The MLC or our connection with them, please contact your Writer & Publisher

Relations team member. You can also learn more about The MLC by visiting their official website

(www.themlc.com).

An Update Regarding "CRB III" Mechanical Licensing Collective Update:

As you know, in the United States there are statutory royalty rates that are set by a group of three judges (The

Copyright Royalty Board, or "CRB") for 5 year periods. These statutory rates apply to audio-only on-demand

streaming services. The Music Publishing Industry, primarily through our trade association The National Music

Publishers' Association ("NMPA"), worked over many years to fight for a rate increase to the statutory royalties.

Kobalt was deeply involved in this process. In 2018 the CRB set new rates which resulted in a meaningful increase to

the royalty rates paid to songwriters and publishers.

Unfortunately the largest DSPs in the world appealed the CRB's decision, essentially arguing against a rate increase.

That appeal process has been playing out for two years through the courts and we expected it to take significantly

more time for any clarity. However, recently the United States Copyright Office, in response to a request for guidance

from the MLC, advised that the MLC (and thereby DSPs) should now rely on the CRB II rates (the pre-2018 rates))

until the CRB issues its new ruling. Those rates will be paid through to you accordingly, with the expectation that the

CRB will finally rule for the reinstatement of the increase. If that happens the DSPs will be obligated to pay back

royalties for the period of time that they reverted to the old rates.

We believe that this process is broken and that the current uncertainty surrounding rates doesn't work for anyone.

Kobalt will continue to fight along with the publishing and songwriter community to ensure that this long overdue rate

increase is settled once and for all.

If you have any questions please reach out to your Writer & Publisher Relations contact.

An electronic PDF version of this statement pack has been placed within your client portal on the Kobalt Music web

site.

If you have any further queries or comments then please do not hesitate to contact me.

Yours sincerely,

Gift Caternor

Senior Manager, Writer & Publisher Relations

Tel: 323-822-4113

Email: gift.caternor@kobaltmusic.com

Encl.



# 2020 4th Quarter Distribution



## Royalties earned in this period are expected to be paid out in this distribution.

For example, the date earned is when the records were sold or the date of broadcast. The charts below show the main mechanical and performance income that is included in the current distribution. The charts cover the main territories that represent over 90% of global royalties, other territories included are listed at the bottom of the page.

Please note that the society distribution timetables are complex and so particular sub-types of rights (e.g. ringtones, concert performance etc) may be paid out earlier or later than this summary.

Note that there are two main reasons that royalties may be delayed:

REGISTRATION DEADLINES: Works need to have been delivered to Kobalt before the relevant registration deadline to meet these distributions. Details of these registration deadlines are available via the portal.

DISPUTES / CLEAR TITLE: Any duplicate claims, ownership or licencing disputes can add significant delays to these distributions.



## Royalties earned in this period are only partly paid out in this distribution.

Some societies make part-payments of income for periods, so further income from these periods can be expected. This can happen because they have paid out only one sub-type (e.g. have paid broadcast performance but not live performance) or because they make part-payments or advances based on their collections to date.



#### Royalties earned in this period have already been paid.

If Kobalt have the right to collect these royalties, these should have been distributed in previous distributions. However if we signed our deal after this period, these royalties will be subject to a separate, manual backclaims procedure which can add a significant delay.



#### Royalties earned in this period will be paid in future distributions.

Mechanical	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 Q3	2020 Q4
US												
Europe												
UK & Eire Baltics & Nordics												
Netherlands Belgium												
Germany France												
Italy Spain & Port.												
Japan												
Australia & NZ												

Performance	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 Q3	2020 Q4
US - BMI US - ASCAP												
Europe UK & Eire Baltic's & Nordics												
Netherlands Belgium												
Germany France												
Italy Spain & Port. Japan												
Australia & NZ												

# OTHER TERRITORIES IN THIS DISTRIBUTION

Canada, South America, S.E. Asia, Switzerland, Poland, Austria, Israel, South Africa

Statement Date: 06 Mar 2021



## Kobalt Music Services America Inc (KMSA)

2 Gansevoort Street 6th Floor New York,NY 10014 United States

Tel: +1 (212) 247 6204 Fax: +1 (212) 247 6205

Email: info@kobaltmusic.com

Agreement Id	Counterparty	Rights Type	Agreement Description	Currency		Balance Action
AGR527993	Kobalt Music Services America Inc (KMSA)	Publishing Rights	GA	USD	0.000	

Collection Period: Q4 2020

Currency: USD

Agreement Id: AGR527993

Agreement: GA



## Kobalt Music Services America Inc (KMSA)

2 Gansevoort Street 6th Floor New York,NY 10014 United States

Tel: +1 (212) 247 6204 Fax: +1 (212) 247 6205

Email: info@kobaltmusic.com

Date	Details	Reference	Туре	Debit	Credit	Balance
05 Dec 2020	Opening Balance					0.000
31 Dec 2020	Black Box - Loop Now Technologies, Inc		Adjustment		3.189	3.189
31 Dec 2020	Black Box - NMPA - Late Fees & Settlements		Adjustment		0.832	4.021
06 Mar 2021	Cross Recoupment to AGR527957		Cross Recoupment	55,897.025		-55,893.004
06 Mar 2021	Q4 2020 Collections with full details (Payable 65 days after Royalty Received Period)		Royalty		55,891.188	-1.816
06 Mar 2021	Q4 2020 Collections without details specified (Payable 65 days after Royalty Received Period)		Royalty		1.816	0.000
06 Mar 2021	Closing Balance					0.000

 Statement From:
 01 Oct 2020

 Statement To:
 31 Dec 2020

Currency: USD

Agreement Id: AGR527993

Agreement: GA



Kobalt Music Services America Inc (KMSA)

2 Gansevoort Street 6th Floor

New York,NY 10014 United States

Tel: +1 (212) 247 6204 Fax: +1 (212) 247 6205

Email: info@kobaltmusic.com

Details	Date	Credit
BMI 20202-170TH Main Distribution	31 Dec 2020	1.816
US Licencing Agency Harry Fox Agency (HFA): Spotify Q3 2020 136628	16 Nov 2020	0.000
US Licensing Agency Harry Fox Agency (HFA): Apple Q3 2020 141257	29 Dec 2020	0.000

Grand Total 1.816

Q4 2020 Collection Period:

Currency:

USD

AGR527993 Agreement Id:

Agreement: GA

Agreement Type(s):

**Publishing Rights** 



## Kobalt Music Services America Inc (KMSA)

2 Gansevoort Street 6th Floor New York, NY 10014

United States Tel: +1 (212) 247 6204 Fax: +1 (212) 247 6205

Email: info@kobaltmusic.com

Description	Direct Licencing Collected Amount	Direct Licencing Percentage Commission	Direct Licencing Deducted Amount	Source Amount	Received Amount	% Distributed	Amount Distributed
Mechanical - US				4,316.504	4,316.504	90.000	3,884.854
Mechanical - US - Direct Licencing Fee Applied	918.763	5.000	45.938	872.825	872.825	90.000	785.542
Performance excl. Grand Rights - US				63,972.081	63,972.081	80.000	51,177.665
Print excl. Sourced - US				7.214	7.214	90.000	6.493
Synch - US				42.723	42.723	90.000	38.451
Totals	918.763		45.938	69,211.347	69,211.347		55,893.004

Note: The boxed item(s) indicate the value from which Kobalt commission is calculated

**Rights Type:** Publishing Rights

Earnings Period: All
Collection From: All

**Collection To:** End of Q4 2020

Currency: USD



### Kobalt Music Services America Inc (KMSA)

2 Gansevoort Street 6th Floor New York,NY 10014 United States

Tel: +1 (212) 247 6204 Fax: +1 (212) 247 6205

Email: info@kobaltmusic.com

# **Statement Period**

	1							Statement 1 criod				2020			
		Prior		20	18			20	19			20	20		Total
		Periods	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Total
Mechanical  Performance	Reproduction							27	37	30	22	80	59	51	306
	Broadcast								6						6
	Download							3,272	1,591	648	445	556	803	615	7,929
Mechanical	Streaming					240	2,343	2,841	772	752	6,146	3,216	3,453	3,864	23,626
	Online Other							169	67	70	61	81	111	132	692
	Other								14	9	6	12	348	8	398
	Sub-Total					240	2,344	6,309	2,487	1,508	6,680	3,945	4,773	4,670	32,957
	Broadcast				32,540	32,709	33,514	32,508	35,373	38,294	39,419	32,952	38,396	32,939	348,643
	Public				489	400	418	372	422	536	652	461	501	212	4,462
Performance	Download														
Performance	Streaming				4,613	4,851	5,116	6,136	5,328	7,122	7,467	6,131	5,696	17,990	70,450
	Online Other				10	21	16	71	19	67	22	25	13	37	300
	Other														
	Sub-Total				37,652	37,981	39,063	39,088	41,142	46,019	47,559	39,568	44,606	51,178	423,856
			T	1											
Synch	All					8,278	10,137	496	3,344	15	2,740	5,319	963	38	31,331
Print + Other	All								17	23	24	67	42	6	180
			1	1						1					
	Grand-Total				37,652	46,499	51,544	45,893	46,990	47,565	57,003	48,900	50,385	55,893	488,324

Low