

## ROYALTY REPAYMENT AGREEMENT

This Royalty Repayment Agreement (Agreement) is entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between the following parties (Parties):

Program Suppliers

Joints Sports Claimants

Commercial Television Claimants

Devotional Claimants

American Society of Composers, Authors and Publishers

SESAC Performing Rights, LLC

Broadcast Music, Inc.

as designated agents (Agents) for and with the authority to bind satellite royalty recipients (Claimants), and the United States Copyright Office, Library of Congress, Washington, D.C. (Copyright Office).

This Agreement is made with respect to a distribution of royalties sought for 2021 in the distribution proceeding before the Copyright Royalty Judges (Judges) bearing docket number 22-CRB-0006-SD (2021).

Under the proposed distribution, the allocation parties will be paid 40% of the 2021 satellite funds.

As a condition precedent of such distribution, the Parties hereby agree as follows:

1. Unless otherwise indicated herein, references to Claimants include Agents acting on their behalf or as their duly authorized representative.
2. Section 119 of title 17 provides for a statutory license. Under the provisions of the statutory license, licensees are required to report and pay royalties, at the statutory rate, to the Copyright Office on a semi-annual basis. The Copyright Office invests the deposited royalties and administers the relevant accounts. The Judges conduct proceedings and issue orders in connection with the distribution of such royalties, and related investment earnings, to Claimants. The Copyright Office effectuates such distributions from deposited amounts only when ordered to do so by the Judges and only in accordance with the Judges' orders.
3. Pursuant to 17 U.S.C. § 801(b)(3)(C), at any time after the filing of claims under 17 U.S.C. § 119, Claimants may file a motion for a partial distribution of deposited royalties. After publication in the Federal Register of a request for responses to the

motion from interested Claimants, the Judges may authorize a partial distribution of deposited royalties if, based upon all responses received during the published response period, the Judges conclude that no Claimant has stated a reasonable objection to the partial distribution, and all Claimants: (1) agree to the partial distribution; (2) sign an agreement obligating them to return any excess amounts to the extent necessary to comply with the final determination on the distribution of royalties made under 17 U.S.C. § 801(b)(3)(B); (3) file the agreement with the Judges; and (4) agree that the deposited royalties are available for distribution.

4. With respect to each royalty year at issue in a proceeding, any distribution of royalties, whether resulting from agreement or adjudication, occurring before the issuance of a final distribution determination by the Judges for that year and the closing of that year's funds account by the Copyright Office shall constitute a "partial distribution" within the meaning of 17 U.S.C. § 801(b)(3)(B)–(C) and this Agreement, regardless of how any order or determination may be styled or otherwise characterized and notwithstanding whether such distribution could be characterized as "final" under certain circumstances, such as with respect to a particular claimant category. Claimants acknowledge and agree that until a final distribution determination is issued by the Judges in the applicable proceeding for the applicable year and the Copyright Office confirms that sufficient funds remain on deposit in the applicable accounts to effectuate such determination, there will always be a possibility that such determination may require a reallocation of funds such that Claimants may be required to repay the Copyright Office pursuant to this Agreement. As used herein, a "final distribution determination" as to a royalty year at issue in a proceeding is one that orders the Copyright Office to distribute all remaining amounts held by the Copyright Office across all claimant categories for that year.
5. Claimants agree to the distribution and agree that the applicable royalties are available for distribution.
6. On or after June 13, 2024, and after receiving this signed Agreement executed by all Claimants, the Copyright Office will distribute to Claimants, in accordance with *Order 01 Granting Moving Parties' Motion for Partial Distribution of 2021 Satellite Royalties*, dated May 3, 2024, 40 percent of the 2021 satellite royalty fund, including proportional investment earnings accrued on the applicable fund(s), and less any proportional allowed deductions for administration of the fund(s).
7. After receiving funds from the Copyright Office, Agents agree to promptly distribute such funds to Claimants according to the allocated amounts determined by the Judges or, where applicable, to which the Claimants and Agents have agreed. No Agent shall make any distribution of any amount to any Claimant that has not been bound to this Agreement.
8. The Copyright Office will maintain, administer, and invest the remaining 2021 satellite royalties, if any, to settle all outstanding claims thereto, in accordance with further orders of the Judges.
9. Claimants agree to return any "excess amounts" to the extent necessary to cover the

costs of administering the funds or to comply with a final distribution determination. For avoidance of doubt, Agents agree to return such excess amounts without regard for whether they have received repayment from the Claimants they represent. As used herein, “excess amounts” means any amounts distributed to a Claimant in excess of the amount such Claimant would have received from the Copyright Office pursuant to a final distribution determination if no partial distribution(s) had been made to that Claimant prior to such final distribution determination. In the discretion of the Judges in the applicable proceeding, such “excess amounts” may further include interest accruing on distributed amounts at a rate and for a time period to be determined by the Judges. Notwithstanding anything in this Agreement to the contrary, it is agreed that “excess amounts” shall also include any amounts that must be returned to comply with an order issued by a court of competent jurisdiction or further determination of the Judges in an applicable remand proceeding.

- a. Where the Copyright Office identifies the need for any excess amounts to be returned, the Copyright Office will notify the Judges and the Judges will issue an order requiring one or more Claimants to return such excess amounts in accordance with such order and this Agreement. If the Judges, after requesting that Claimants provide relevant information, cannot identify which Claimant(s) received such excess amounts (*e.g.*, because of the use of confidential allocation agreements or a common agent), all Claimants (and Agents) acknowledge and agree that they are jointly and severally liable for the total excess amounts.
  - b. Any excess amounts must be remitted to the Copyright Office in accordance with the Judges’ order.
10. Agents agree to bind all Claimants they represent to this Agreement. Claimants and Agents agree to bind any successor(s) in interest or distributee(s) of such Agents or Claimants to this Agreement.
  11. Any Claimant (or Agent) who fails to comply with this Agreement may be subject to legal action in Federal court for the recovery of excess amounts and such sanctions as the Judges may see fit to impose. The Parties agree that any such action shall be brought in the United States District Court for the District of Columbia, and all Claimants (and Agents) consent to personal jurisdiction in that court for this purpose.

**Signatures:**

This Agreement may be signed in counterparts, each of which is binding upon the Agent signing it (and all Claimants represented by such Agent) and all of which, taken together, constitute one and the same original document.

**Agents**

The undersigned Agents certify that they are the Agents or the duly authorized representatives of the Agents for the Claimants and have express authority to enter into this Agreement on behalf of the Claimants. Penalties for fraud and false statements are set forth in 18 U.S.C. § 1001, *et. seq.*

Signature: _____ Typed or printed name: _____ Title: _____ Claimant Group: <b>Program Suppliers</b> Agent's Address: _____ _____ _____ Date: _____
Signature: _____ Typed or printed name: _____ Title: _____ Claimant Group: <b>Joints Sports Claimants</b> Agent's Address: _____ _____ _____ Date: _____
Signature: _____ Typed or printed name: _____ Title: _____ Claimant Group: <b>Commercial Television Claimants</b> Agent's Address: _____ _____ _____ Date: _____
Signature: _____ Typed or printed name: _____ Title: _____ Claimant Group: <b>Devotional Claimants</b> Agent's Address: _____ _____ _____ Date: _____

Signature: _____ Typed or printed name: _____ Title: _____ <b>Claimant Group: American Society of Composers,          Authors and Publishers</b> Agent's Address: _____ _____ _____ Date: _____
Signature: <u>Chris P. Badavas</u> Typed or printed name: <u>Christos P. Badavas</u> Title: <u>Secretary &amp; GC</u> <b>Claimant Group: SESAC Performing Rights, LLC</b> Agent's Address: <u>250 West 57<sup>th</sup> St.</u> <u>Suite 2400</u> <u>New York, NY 11104</u> Date: <u>5/8/24</u>
Signature: _____ Typed or printed name: _____ Title: _____ <b>Claimant Group: Broadcast Music, Inc.</b> Agent's Address: _____ _____ _____ Date: _____

**Copyright Office**

The undersigned certifies that he or she is a Library Officer who has authority to enter into this Agreement on behalf of the Copyright Office, Library of Congress.

Library Officer Signature

\_\_\_\_\_ Date: \_\_\_\_\_  
 Typed or printed name: \_\_\_\_\_  
 Title: \_\_\_\_\_

**Delivery of Agreement:**

Each Agent must return an original signed Agreement by May 30, 2024, by delivering it to:

Copyright Royalty Board  
Library of Congress  
James Madison Memorial Building  
Room LM-401  
101 Independence Ave. SE  
Washington, DC 20557-6400

and by filing electronically in eCRB. The electronically filed document shall be treated as an original document in conformity with 37 C.F.R. § 303.5(f).

The Agents must simultaneously provide a copy of the signed Agreement to:

Copyright Licensing Section  
Library of Congress  
James Madison Memorial Building  
Room LM-401  
101 Independence Ave. SE  
Washington, DC 20557-6400