

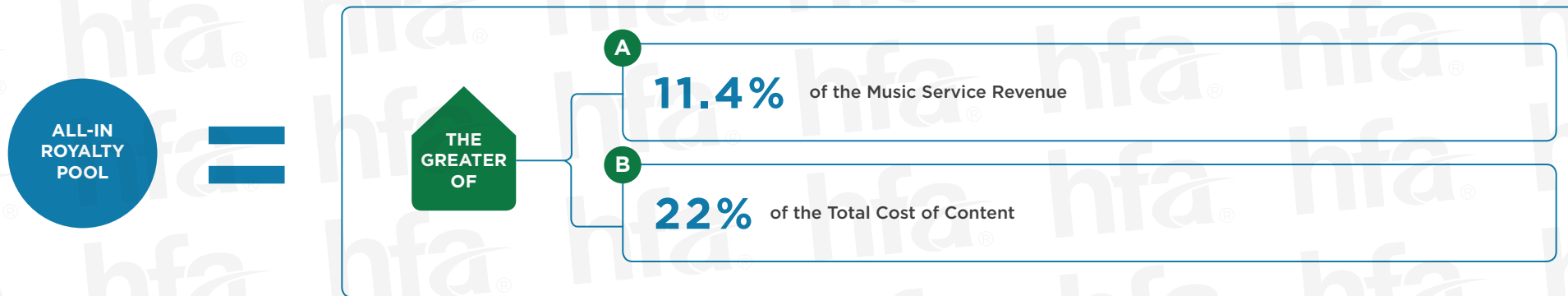


Standalone Non-portable Subscriptions, Streaming Only =

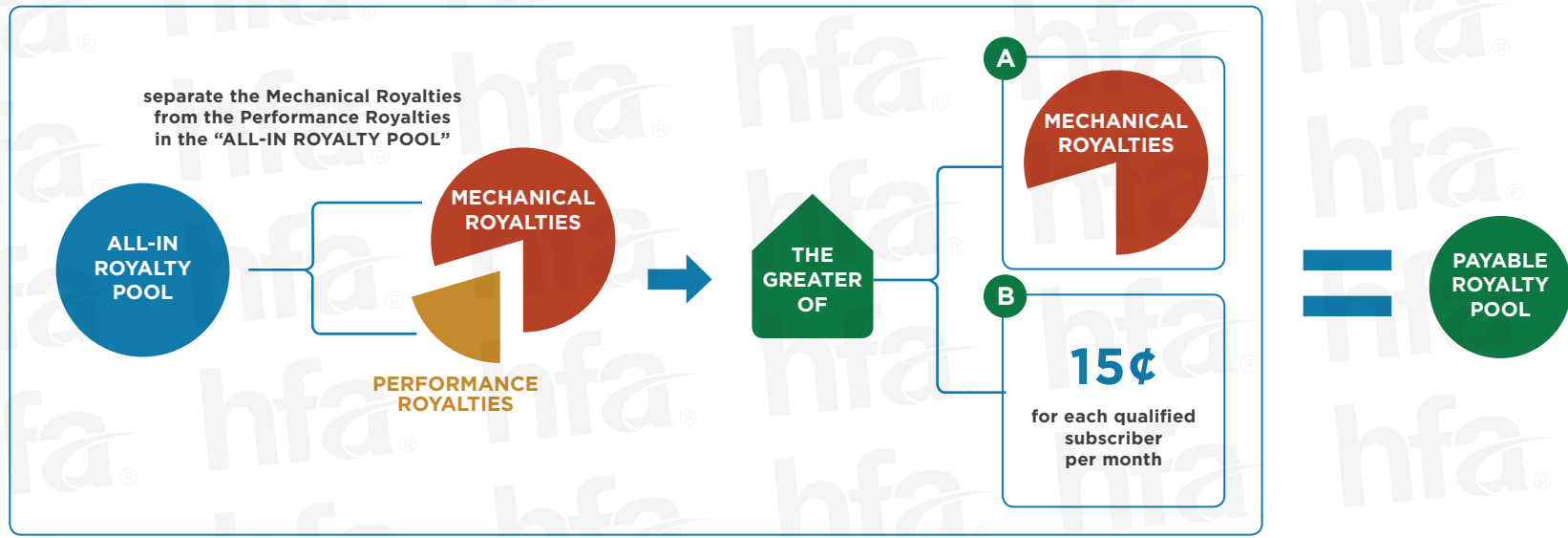
Subscription services accessible on desktop computers that only play music when a live internet connection exists



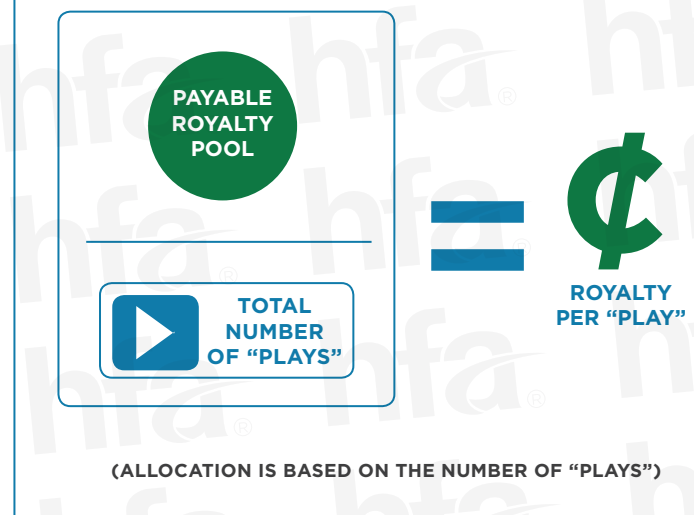
1 CALCULATE THE ALL-IN ROYALTY POOL



2 CALCULATE THE PAYABLE ROYALTY POOL



3 ALLOCATE PAYABLE ROYALTY POOL



Royalty Year:	2018	2019	2020	2021	2022
Percent of Revenue	11.4%	12.3%	13.3%	14.2%	15.1%
Percent of TCC	22.0%	23.1%	24.1%	25.2%	26.2%

Determining subscriber-based royalty floor: Family Plans = 1.5 subscribers/month; Student Plans = 0.5 subscribers/month.

Determining number of plays: If sound recording play time is over 5 minutes, adjust the number of plays by adding .2 plays for each additional minute or fraction thereof (i.e., 5:01 - 6 mins = 1.2 plays).