Attribution Engine Service Terms FAQs

Table of Contents

Asset delivery, Business Rules, Policies	2
Claim Conflicts	4
Takedowns	11
Usage Reports	11
Alternative dispute resolution	12
ADR Workflow	14
Payments to Owners	15
Unclaimed Royalties	16
Participating Platform Monetization Terms	17

Asset delivery, Business Rules, and Policies

What happens when an Asset is delivered to Pex for ingestion into Attribution Engine?

Before the first Asset is delivered, an Owner can set up Asset Automation (automated business rules). This automation establishes the initial Policy that is applied by a Participating Platform to every Asset after it is ingested. The options for automation are the five policies outlined below. Should an Owner not set up automated business rules, the default Policy of Monetization will be applied to every Asset. Owners can update their automated business rule selection at any time.

Example: Label ABC would like every Asset to be monetized for Platform 123 when delivered to Pex. Label ABC can set their automated business rule to "Monetize" for Platform 123. This means as Assets are delivered to Pex and ingested into Attribution Engine they will be governed by the Monetization Policy for Platform 123. At any time after ingestion Label ABC can change the Policy on the Asset by selecting a new Business Rule for the Asset.

What is a Business Rule?

Every Asset in the registry has a business rule attached to it. Business rules set the Policy that is applied to the Asset. Business rules can be set and changed anytime and can be done on a per-Asset, per-platform, and per-territory basis if desired. Business rules can also be applied to groups of Assets, platforms, and territories.

Example: Label ABC wants all tracks of artist John Smith blocked from distribution on Platform 123. Label ABC can set a Business Rule within Attribution Engine to block just those tracks from distribution.

What is a Policy?

A Policy tells Attribution Engine how to handle the distribution of any Asset once it has been identified within a user upload. When the Owner sets a Business Rule on an Asset(s) there is a Policy that is attached to the Asset(s) that is associated with the Business Rule.

There are five Policies within Attribution Engine:

1) **Monetization**

The Policy that indicates the Owner is allowing use of an Asset within user uploads and is accepting the standard Monetization Terms and royalty program offered by the Participating Platform.

2) **Block**
   The Policy that indicates the Owner does not want any use of an Asset within user uploads to be distributed by the Participating Platform.

3) **Custom**
   In cases where the Owner and the Participating Platform have a direct license in place, the Custom Policy will be applied. When this Policy is selected, the Owner will be compensated in accordance with the direct licensing terms.

   Prior to establishing a Custom Policy, Attribution Engine requires the Owner and Participating Platform to provide evidence and authorization of the direct license terms.

   In cases of Custom Policy, the Owner has the option to be paid directly by the Participating Platform if such evidence and authorization is presented.

4) **Track**
   The Policy that indicates the Owner is allowing the Asset to be used and distributed within user uploads, however, the Owner does not wish to collect royalties on the use. When the Track Policy is applied the Owner still receives all usage reports and data on the Asset's use and distribution.

5) **Royalty Free**
   The Policy that indicates the Owner is allowing the Asset to be used and distributed within user uploads, however, the Owner does not wish to collect royalties on the use. When the Royalty Free Policy is applied the Owner does not receive usage reports or data on the Asset's use.

In cases where there are multiple Owners on an Asset (such as a label and publishers), what happens when one Owner has set their Business Rule to Monetize and another has set their Business Rule to Block?

If one or more Owners select the Block Policy for a specific Asset on a particular Participating Platform, in the same territory, the distribution of any user upload containing that Asset will be blocked on that platform in that territory.

Are Business Rules global or territory specific?

By default, Business Rules are set to apply in all territories in which the Owner has rights. The Owner can apply a Business Rule on a territory-by-territory basis. Business Rules are also platform specific.

If an Owner does not want the Asset published or wants it published under different terms than those of the standard Monetization Terms, they must assign a different Business Rule to the Asset.

Claim Conflicts

Within an individual Asset, Owners may conflict with one another over ownership rights or percentages in one or more territories, this is considered a "Claim Conflict" known in Attribution Engine as **collisions**.

What are sound recording collisions in Attribution Engine?

A **collision** is any **ownership** or **metadata conflict** between rightsholders across either ownership information or select metadata fields that rightsholders have provided to Attribution Engine.

For example, if two different sound recording rightsholders deliver us the same sound recording for "Rockstar" by Post Malone with the same ISRC, same product code, and both indicate that they own the rights to the sound recording in Canada, then this would create an **ownership conflict** in Canada.

If those same two sound recording rightsholders deliver us the same sound recording for "Rockstar" by Post Malone with identical ISRCs and product codes but one rightsholder spells the title as "Rockstar"and the other spells it as "Rock$tar," then this would create a **metadata conflict** due to the discrepancy in the titles.

To dive a little deeper and truly understand how collisions work in Attribution Engine, you first need to understand Attribution Engine's **Asset and Entry structure**.

What are Assets & Entries?

When Pex receives a product (e.g. album, single, bundle) and each of its components (e.g. sound recording tracks) from a rightsholder and ingests this information into Attribution Engine, the rightsholder's contribution (via the track) is represented as an **Entry**.

When Attribution Engine ingests a track for the first time, it creates both a new **Entry** and a new **Asset**. An **Asset** is the combined view of all the entries in Attribution Engine for a singular track found within a product (e.g. album, single, bundle).

An **Entry** is one rightsholder's contribution to one asset. Therefore all entries that link to an **Asset** must have a matching fingerprint, ISRC, and product code. An entry is how a rightsholder may affect the asset. It's where rightsholders adjust metadata (like product codes, ISRC, etc) and ownership information.

For sound recording assets, the following metadata fields are required:

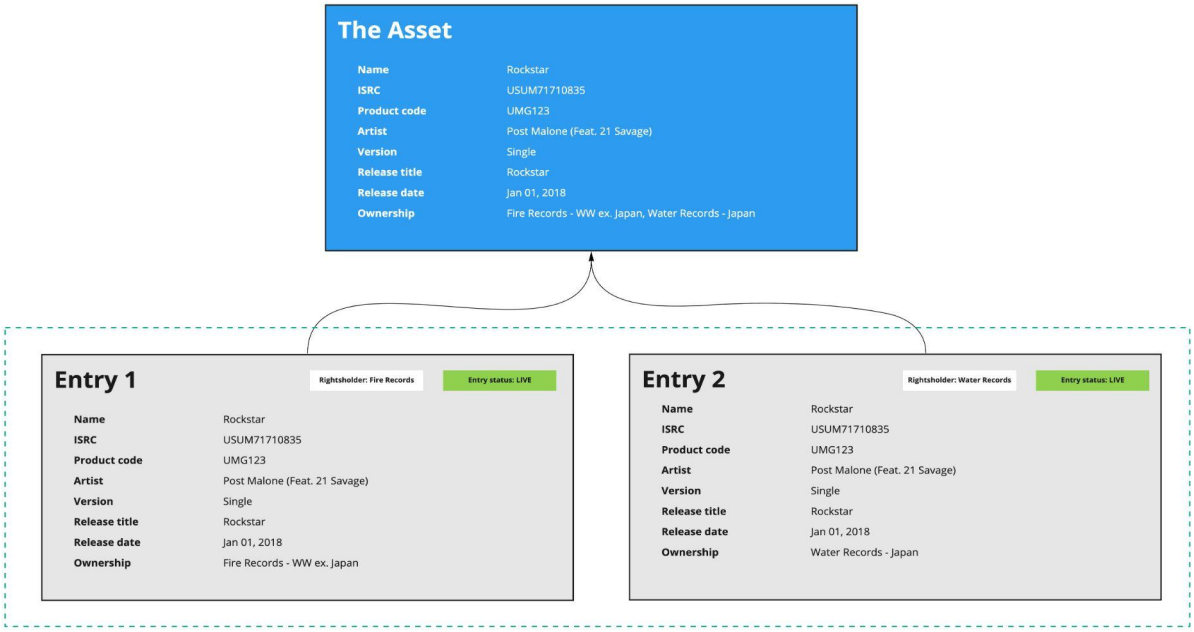
1. **Title** of the sound recording
2. **A unique sound recording file** (which becomes a **fingerprint** once ingested into Attribution Engine)
3. **ISRC**
4. **One product code** (GRid, ICPN [UPC or EAN], Custom ID, or ISRC when used as a product code) An asset's entries can only be aligned on one product code at a time. The hierarchy for product code alignment is:
    a. GRid
    b. ICPN (UPC or EAN)
    c. Custom
    d. ISRC (can also be used as a product code in some cases)

If a track is delivered to Attribution Engine and the Asset already exists (due to another rightsholder's prior entry), then the new entry will be associated with the existing Asset, instead of creating a new one.

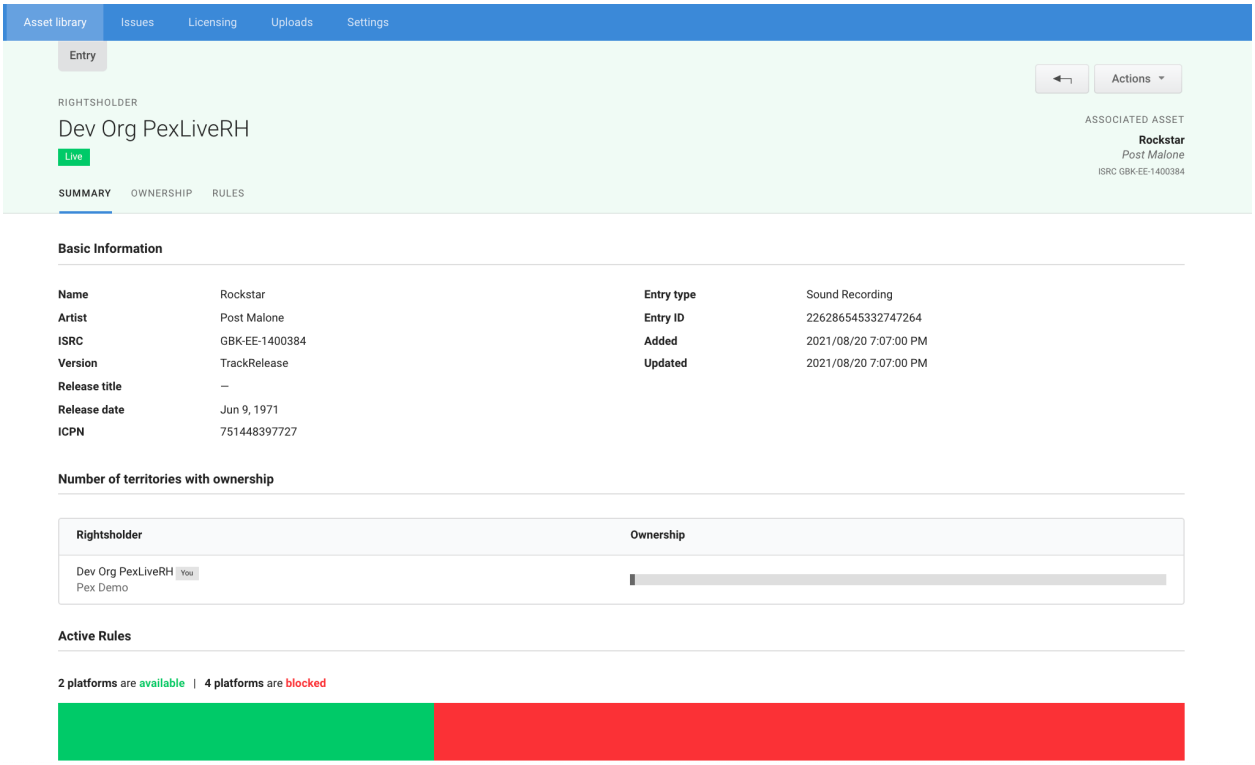
For example, if Fire Records were to deliver the track "Rockstar" by Post Malone with an ownership assertion for every territory except Japan, and no rightsholder had previously delivered this track to Attribution Engine, then a new **Entry** and **Asset** would be created.

All of the **Entry's** metadata and ownership information for "Rockstar'' would contribute to the **Asset**. If another rightsholder– Water Records – delivers the track "Rockstar" by Post Malone with an ownership assertion for *only* Japan, in this instance a new entry is created but a new asset is not. The Water Records

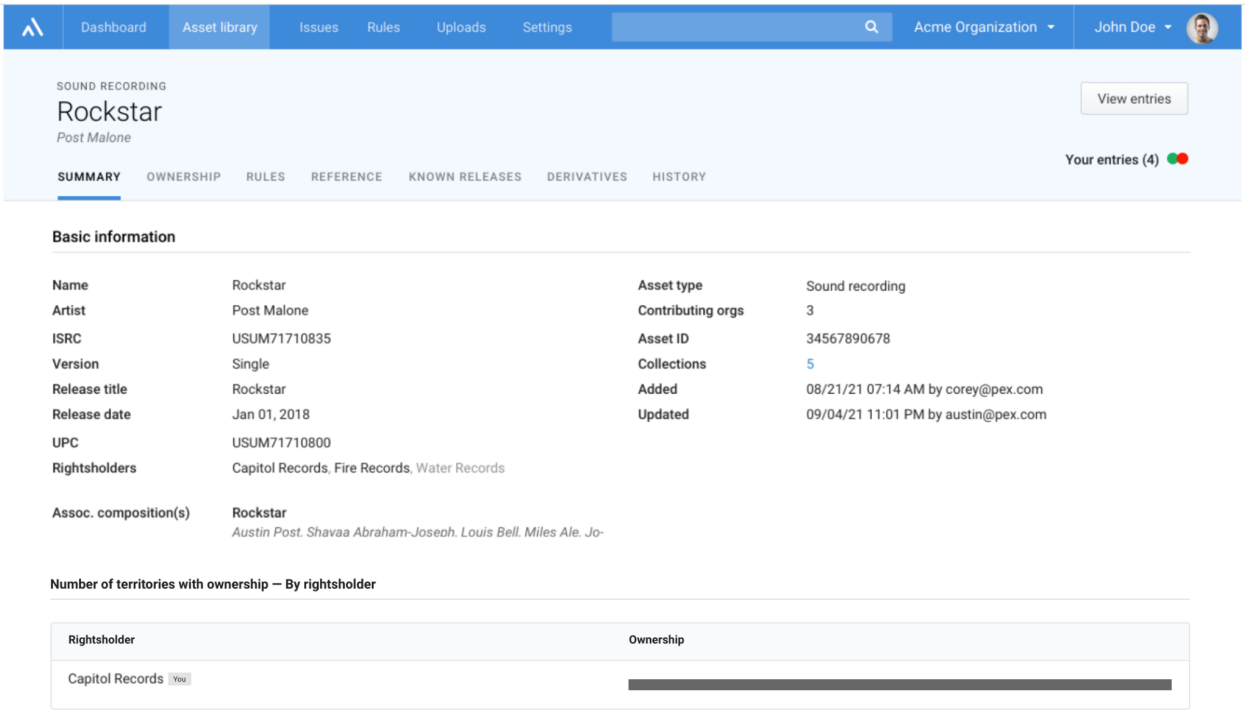
entry would attach to the existing asset because the sound recordings and other identifiers match. You can see a visual representation of these examples below.



Entry view in Attribution Engine



Asset view in Attribution Engine



Types of Entries

Below, we will define the different types of Entries that exist in Attribution Engine.

Live Entry

A Live Entry is an entry that's been properly linked to a Primary Asset, contains zero conflicts, and has ownership in one or more territories. Rightsholders Business Rules are active for Live Entries. Rightsholders can also collect royalties on Live Entries.

Inactive Entry

An Entry that is not conflicting with any other Entries but is not able to set Business Rules. An example of this would be a Known Release. Business Rules for Inactive Entries are also inactive.

In-conflict Entry

An Entry that conflicts with another Entry in Attribution Engine because of overlapping ownership claims or incorrect metadata. In-conflict Entries are not added to any Assets until they are resolved. This means Business Rules for In-conflict Entries are inactive and royalties cannot be collected.

What is a Primary Asset?

Due to the fact that many labels and music distributors have multiple versions of the same track in their respective catalogs, Attribution Engine has a specific Asset type called a **Primary Asset**.

For example, in the case of the song "Rockstar" by Post Malone, the sound recording appears on the following releases: *Rockstar* (single version), *Beerbongs & Bentleys* (album version), *Beerbongs & Bentleys (Deluxe)* (deluxe album version), *2018 Hits* (compilation album), etc. All of these releases will all have a **matching fingerprint** and **ISRC** but will **differ on product code** (GRid, ICPN [UPC or EAN], Custom ID, etc).

When a user uploads a video to a content-sharing platform that uses the Attribution Engine, the platform creates a fingerprint and sends this fingerprint to Pex via an API. If the fingerprint matches the one created for "Rockstar" by Post Malone when we ingested that sound recording, Attribution Engine can return only one result to the platform. In this case, the information for the **Primary Asset** version of "Rockstar" will be returned.

Primary Assets are decided automatically by the first ingestion. The only Asset that will be matched when a participating platform performs a lookup is a Primary Asset.

What are Known Release Assets?

Known Release Assets are all Non-Primary Assets that contain **fingerprints that match** over 97% (i.e. the same song) with **ISRCs** or **product codes** (or both) that differ from the Primary Asset.

Why am I seeing collisions with my entries?

Your Entries may be causing collisions for three major reasons:

1. **There is an error in the metadata** in your Entry. You may have misspelled the Asset's name, or provided an incorrect ISRC code, for example.
2. **There is an overlap in ownership** being claimed for the same Asset. If another rightsholder has already entered a claim for an Asset in a specific territory, and your Entry causes the ownership for that Asset, in that territory, to be over 100%, your Entry will go into conflict.
3. **The Entry has been wrongly flagged** because the Entry was improperly linked to an Asset. It is rare for this error to occur.

How do collisions impact my revenue?

When a collision occurs, the Entry causing the collision becomes an **In-conflict Entry**. In-conflict Entries cannot be monetized, blocked, or have any other policies applied on Participating Platforms. This is because until the collision is resolved, Attribution Engine cannot correctly identify, attribute, or compensate the rightsholder.

Once the Entry is updated and the collision is resolved, the Entry will become a **Live Entry**, and all Business Rules and Policies will apply.

How do I resolve collisions?

There are two ways to resolve a collision:

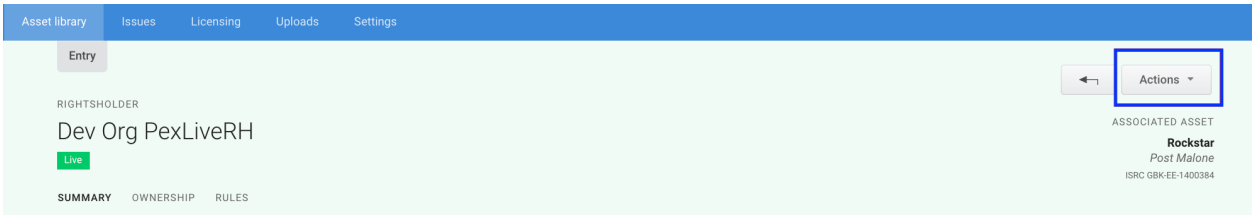
- **Edit your Entry**

  The quickest tool for resolving an In-conflict Entry is simply editing the Entry to match the conflicting metadata and/or remove yourself from the conflicting territory(s).

  Your Entry is updated upon submission and will then be rechecked against the Asset to determine if the collision is resolved. Your new Entry state will be reflected post submission.

- **Withdraw your Entry**

If you want to withdraw your Entry entirely, you can do this from the Actions dropdown. Withdrawn Entries are removed from the organization's CMS, and are not viewable again. This is a permanent action.



What if the collision is in error?

It is rare for an Entry to be flagged incorrectly. However, it is still technically possible. If you believe an Entry has been flagged incorrectly, please reach out to Pex directly via our support center.

Takedowns

Attribution Engine identifies the use of registered Assets on all Participating Platforms. Once a Participating Platform implements Attribution Engine, any content distributed/published on the platform prior to the implementation of Attribution Engine is known as "historical platform content."

If a rightsholder wants the historical platform content containing their Asset to be removed, they can issue a takedown notice from Attribution Engine to the Participating Platform. Such notice will be pursuant to the Digital Millennium Copyright Act (DMCA) or comparable law in the applicable jurisdiction.

Are takedowns the same as issuing a Block Policy?

No. A Block Policy prevents the distribution of content that is uploaded to a Participating Platform after the Policy is set by the Owner. Takedowns are the removal of historical content containing the Asset.

The Owner can change an Asset from a Policy that allows publication (Monetization, Custom, Track, Royalty Free) to the Block Policy using the "Amend Policy" button in Attribution Engine. This will trigger a takedown notice to the Participating Platform.

Usage Reports

What data is collected from Participating Platforms?

Usage data provided by a Participating Platform to Owners may include: **views, comment numbers, 'likes,' 'shares,' and other engagement data**, broken down by date and/or territory. The usage data provided by a Participating Platform will be outlined in the Participating Platform's Monetization Terms.

At a minimum, a Participating Platform will provide views or streams (or if views or streams are not available an equivalent engagement metric), associated with each Owner's Asset, broken down on a date-by-date and territory-by- territory basis, on a daily cadence.

Alternative Dispute Resolution (ADR)

What is Alternative Dispute Resolution (ADR)?

ADR is the process by which a Participating Platform uploader or an Owner would dispute the decision of whether an individual upload can be blocked or not.

> **Example:** Label ABC blocks the distribution of any user uploads containing artist John Smith's tracks on Participating Platform 123. A user uploads a video containing a John Smith track to Participating Platform 123 and Attribution Engine blocks its distribution. Should the uploader feel the use is an allowable use (i.e., parody, pastiche, etc.) the uploader can dispute the block using Attribution Engine's resolution system.

What happens when an Owner's Policy is disputed?

ADR is a two-phase process. When an Owner's Policy is disputed, phase one is initiated by the Platform User.

Phase one: The User notifies Pex of the dispute and must provide additional information about their upload to Pex. Pex then uses an **automated vetting system** to approve or deny the dispute.

- **If the User's dispute is approved:** The Owner's Policy will no longer be applied and the Owner will be notified of the decision. In the case of a Block Policy, this will mean the upload containing the blocked Asset is allowed to publish.

- **If the User's dispute is denied:** The Owner's Policy will remain and the Platform User will be notified they did not win the dispute. In the case of a Block Policy, this will mean the upload will remain blocked.

What if the Owner disagrees with the automated vetting system?

Both the Owner and the Platform User can escalate the dispute to phase two if they disagree with the results of the automated vetting system.

In phase two, a human third-party arbiter will review the dispute and render an impartial decision. Pex will implement the decision unless it decides it has been made with impartiality or bias.

- If a Platform User initiates a dispute, the cost is borne by Pex.
- If an Owner initiates a dispute, the cost is borne by the Owner.

What if the Owner disagrees with the third-party arbitrator?

Both the Owner and the Platform User can take the dispute to court if they disagree with the final outcome of the ADR process.

Can the Owner take the dispute to court?

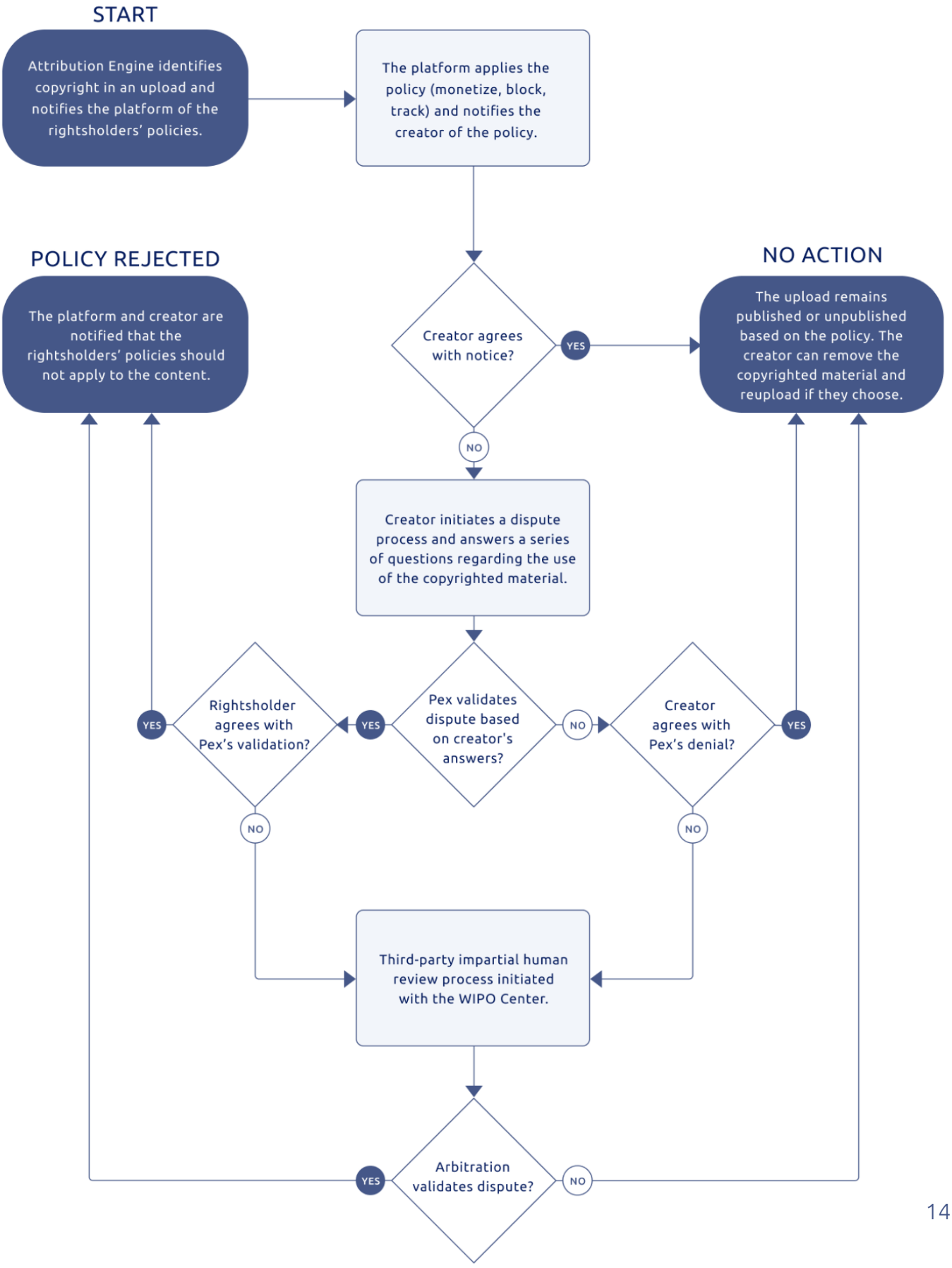
Yes. ADR does not interfere with any party's rights to dispute in court.

How long does the ADR process take to complete?

The time to complete Phase one is dependent upon how long it takes the User to complete the submission process. However, phase one does not require any action by the Owner.

The time it takes to complete phase two will vary depending on the nature and complexity of the dispute, but Pex anticipates the average resolution time to be one week.

ADR Workflow



Payments to Owners

Do Owners have to be paid through Attribution Engine?

For any Owner who implements the Monetization Policy, all royalty payments must be managed through Attribution Engine.

In cases where the Owner has utilized the Custom Policy, they have the option to have payments managed through Attribution Engine.

How does Pex calculate royalty payments?

Royalty payments are calculated based on each Participating Platform's Monetization Terms, or based on the terms of the Direct License provided to Pex by the Owner and the Participating Platform.

Who performs royalty calculations?

Pex currently calculates and distributes payments to Owners. Participating Platforms send Pex all relevant data to calculate royalties owed.

How does an Owner get paid?

Pex will pay all royalties and other related payments and render accounting statements. If the Owner has any direct licensing deals not managed through Attribution Engine, the Owner will continue to be paid by the platform without Pex's involvement.

Unclaimed Royalties

Because Attribution Engine only identifies and attributes rights for content that is registered in Pex's Asset Registry, there will be times when content is identified on a Participating Platform and allowed to be monetized but Pex cannot pay the Owners who are not in the Registry. When this happens, the royalties will be reserved and paid to that Owner when they have been identified.

Royalties for any and all unassigned Assets will be collected in the black box for three years without distribution, except in the case the unknown Owner is identified.

Example: Attribution Engine identifies use of a song recording that has the Monetization Policy applied, but not every associated Owner for the recording or the composition is using Attribution Engine. Pex will collect and reserve royalties for the unknown Owners in a 'black box' until the Owners are identified or until three years passes, whichever comes first.

What happens when an Owner of unclaimed royalties is identified?

When an Owner is identified, they will be paid their unclaimed royalties.

When are unclaimed royalties distributed if the unidentified rightsholder is not found?

Three years after collection, unclaimed royalties in the black box will be distributed to all Owners in the Registry based on their market share revenue on the relevant Participating Platform in the quarter when the unclaimed royalty was first put into the black box. **Pex retains 15% of the revenue in the black box at every distribution point** to ensure that unknown Owners who later become known can be paid.

Example: If on January 1, 2022, identification and licensing through Attribution Engine begins, any unattributable revenue will be withheld in Pex's black box without distribution until January 1, 2025. At this time in 2025, Pex will distribute the revenue in the black box that was present during Q1 of 2022 (three years prior). In Q2 of 2025, Pex will distribute the revenue in the black box that was present during Q2 of 2022, and so on and so forth.

Revenue is distributed to all registered Owners, not just those who are associated with an Asset that has unknown Owners.

How is an Owner's market share determined?

Market share is determined by the amount of revenue an Owner has received through the Attribution Engine, divided by the total revenue paid to all Owners using Attribution Engine.

Example: If one million dollars was paid in total to all registered Owners during Q1 2022, and one individual Owner was paid ten thousand dollars during that same quarter, their market share would be 10,000 divided by 1,000,000, equaling one percent. The Owner would then be paid one percent of the revenue present in the black box during that same quarter, minus the 15 percent reserved by Pex.

Participating Platform Monetization Terms

“Monetization Terms'' means the commercial terms provided by a Participating Platform to all Owners in the Pex Asset Registry. These licensing rates will be applied if an Owner selects the Monetization Policy for the Participating Platform. The Monetization Terms could include royalty rates, payment terms, usage data, and other commercial terms.

How long does an Owner have to review the Monetization Terms of a new Participating Platform?

When a new Participating Platform joins Attribution Engine, Owners will receive the Monetization Terms 30 days prior to the activation of the platform. During this time, the Owner will receive and review the platform’s Monetization Terms to determine if they wish to use the Monetize Policy for the platform.

What if an Owner does not choose to accept the Participating Platform’s Monetization Terms?

If an Owner does not accept a platform's Monetization Terms, it can utilize the Block Policy. Should the Owner and the Platform reach a direct deal agreement outside of Attribution Engine, the terms of the direct deal can be provided to Pex so that Attribution Engine can manage the Owner's Asset(s) to the terms of the direct deal.

What happens if/when a Participating Platform changes its Monetization Terms?

A Participating Platform may only change its Monetization Terms one time during a 365-day period. If a change occurs, the platform must provide written notice 30 days prior. Owners will have this 30-day period to alter any Business Rules. After the 30-day period, the new Monetization Terms will apply.