Content Policy

IMPORTANT:

This Content Policy applies to all content delivered by you or on your behalf to any digital service provider ("**DSP**") under any Active Agreement in which you are a Participating Member (to the extent this Content Policy is referenced in the relevant Notice of Proposed Action).

Failure to comply with this Content Policy may result in Royalties being withheld. Significant, repeated, or persistent failures to comply may result in Merlin removing you as a Participating Member from relevant Active Agreements and/or electing not to send you future Notices of Proposed Action, thereby excluding you from future Proposed Agreements.

Merlin may make changes to this Content Policy from time to time to take account of market developments. Material changes will be subject to the approval of the Merlin Board in accordance with your Merlin Membership Agreement. All changes will be notified to you in advance.

Capitalised terms in this Content Policy have the same meaning as in your Merlin Membership Agreement.

1. <u>Unacceptable Content</u>

Unless you are advised to the contrary by Merlin or the applicable DSP, the following types of content are not acceptable for delivery under any Active Agreement:

1.1 Content owned by others

It should go without saying that no Merlin Member should be delivering, or asking any delivery partner to deliver, any content for which they do not own or control all applicable rights. This includes:

• Tracks by labels or artists whose rights you do not control (or, in the case of back catalogue, have never controlled), or that include such tracks or parts of such tracks

- Tracks with uncleared samples
- Remixes, mashups or other derivative versions, unless you also control and deliver the original version(s) or have licensed the right to create and/or distribute the derivative version(s)
- DJ mixes, unless you control the rights to all tracks in that mix or have licensed the mix for commercial release

1.2 Content that closely resembles other people's content

Content that might not constitute an infringement, but nevertheless closely resembles other people's content, is not acceptable for delivery. This includes:

- Soundalikes
- Karaoke versions, unless you control the original recording
- Re-records, unless you control or have properly licensed the underlying composition and differentiate your re-record from the original recording in the track metadata field
- Re-masters, unless you control the original recording
- Live recordings, unless you control the original studio recording

1.3 Content that makes use of someone else's name or reputation

Any content that creates an association with another person (e.g., an artist or label) or seeks to trade off that other person's name or reputation, is not permitted for delivery. This includes:

- Any recording that includes the name of another artist in the artist, product or track metadata fields, either in a deliberate attempt to mislead consumers, or where there is a risk of consumers being misled. This includes misspellings.
- Any content that makes unlicensed use of the artwork from another release, or otherwise uses another artist's name or likeness
- Any content that makes use of any brands, characters, images, sounds or other elements of popular culture, in the recording or any accompanying artwork or metadata, in a manner likely to mislead consumers

Metadata fields may include more than one artist's name if the track is a collaboration authorised by both artists.

1.4 Content or activity that unfairly increases your share of royalties

Artificial streaming and other forms of content manipulation is an increasing problem for the industry, and is particularly harmful to our community. In flat fee deals, in particular, any Merlin Member that earns Royalties by illegitimate means is depriving another Merlin Member of fairly-earned Royalties.

Merlin will not pay you any Royalties that Merlin determines have been earned from:

- Sped up, slowed down, reverbed or other altered versions of tracks, including "remixed covers", unless you also control and deliver the original version of those recordings
- Tracks that include hidden samples of other tracks, or purport to be other tracks, whether or not those other tracks are controlled by you
- Tracks embedded in video content at minimal volume, whether or not those tracks are controlled by you
- Plays, creations or views generated by bots or other automated means
- Plays of short tracks designed to artificially increase play count
- Plays of recordings that have been altered in order to artificially increase play count, e.g., by the insertion of minimal or imperceptible delays
- Tracks that otherwise breach this Content Policy

1.5 Content that you do not own exclusively

If multiple Merlin Members deliver the same content for the same territory, even if both have a legitimate basis for doing so, this results in conflicts and impacts earnings. You should not deliver any content that you do not control exclusively for any given territory, including:

- Public domain recordings
- Tracks licensed on a non-exclusive basis, e.g. for compilations and soundtracks
- Production music licensed on a non-exclusive basis, or content that includes production music licensed on a non-exclusive basis

Tracks that include commonly-used loops or samples, e.g. from a sample pack, are not prohibited by this Content Policy. However, to

the extent that these tracks result in a reference file conflict or dispute, you must resolve that without delay.

1.6 Content that is unlawful or objectionable

Merlin Members must not deliver content that is unlawful, or risks bringing any Merlin Member, Merlin itself, or the wider independent community into disrepute. This would include tracks or other content that:

- incites violence or hatred, or contributes to real world harm
- is defamatory
- includes hate speech
- promotes the exploitation or abuse of minors
- promotes sexual violence

If you deliver tracks that use explicit language or contain adult themes but otherwise comply with this Content Policy, you are expected to apply the appropriate label in the metadata, e.g. "Explicit"

1.7 Content that is unsuitable for use as reference files

Many DSPs, including Meta, YouTube, Snap, and other social media and UGC platforms, use audio content recognition technology to identify sound recordings uploaded or delivered to their platforms.

In order to minimise the risk of reference file conflicts or false positive matches, the following types of content are not permitted for delivery <u>as reference files</u>:

- Full album sound recordings
- Compilations
- Live recordings, unless audibly distinct from the original studio recording
- Sound effects
- Generic sounds, such as applause, laughter, ringing phone, etc
- Speech that is not accompanied by music
- White noise, environmental, sleep or meditation sounds

2. <u>Undesirable Content</u>

While not necessarily in direct violation of this Content Policy, the following types of content may be considered undesirable by some DSPs. DSPs may demonetize or refuse to publish this content.

This section applies on an Active Agreement-by-Active Agreement basis.

Although this content may not be prohibited, Merlin reserves the right to apply sanctions against any Merlin Member that continues to deliver this content despite repeated requests from Merlin or the applicable DSP to cease doing so.

2.1 Functional or noise content

Content created for specific uses may be considered undesirable, particularly if delivered in large volume. This would include:

- Meditation sounds
- Sleep sounds
- White noise
- Rain or other environmental sounds

2.2 Duplicate, repetitive or mislabelled content

Content that is poorly or incorrectly labelled, whether intentionally or otherwise, may be considered undesirable. This would include:

- Multiple tracks packaged as a new UPC where those tracks have been delivered under one or more other UPCs
- Multiple tracks delivered as a new UPC where that UPC features the same track more than once
- Tracks delivered under false ISRCs
- Tracks with multiple ISRCs

Where Merlin has reason to believe that any content has been deliberately mislabelled or mispackaged in an attempt to artificially increase your share of Royalties, section 1.4 of this Content Policy will apply.

3. <u>Disputes</u>

Merlin reserves the right to apply the sanctions available to it under your Merlin Membership Agreement, as outlined in this Content Policy, for any violations of this Content Policy. Those sanctions will be applied in response to reports from DSPs or following Merlin's own investigations. If you believe any sanctions have been applied incorrectly, in error, or as the result of misidentification of content, please complete <u>this form</u>. Merlin will review all disputes promptly and in collaboration with the applicable DSP, where appropriate.

You will be required to provide satisfactory documentary evidence to support any dispute, including chain of title documents in the case of any dispute relating to allegations of infringement.

Last Updated: November 2024