

## PPCA GUIDE TO UNDISTRIBUTED FUNDS

This guide covers what happens to revenue that cannot be distributed to PPCA Licensors and Registered Artists. For information about distributions generally, please see the PPCA Distribution Policy which is available on this page: <a href="https://www.ppca.com.au/about-us/policies-and-constitution">https://www.ppca.com.au/about-us/policies-and-constitution</a>.

When Licensors register with PPCA, they give PPCA permission to license certain rights on their behalf. PPCA collects licence fees, which it then distributes to Registered Artists and Licensors as part of its annual distribution.

## What are undistributed funds?

Net revenue collected is distributed to Registered Artists and Licensors based on available music usage data. However, on occasion PPCA is unable to make the payment to the relevant recipient. We refer to such held payments as *undistributed funds*.

## Why would a payment not be distributed?

Payments are not distributed primarily when PPCA is unable to locate the Registered Artist or Licensor who is entitled to receive the payment. This can happen when the Artist's or Licensor's contact or banking details have changed, and they have not updated their details with PPCA.

PPCA will also hold back a payment when there is a dispute between parties as to the ownership of a sound recording. PPCA contacts the relevant parties as soon as such disputes arise, generally when the tracks are registered (i.e. before any distribution allocations are made), so they are aware of the dispute and can begin to liaise with the other relevant parties to resolve the problem.

## What does PPCA do with undistributed funds?

Undistributed funds are placed in an internal Holding Account for a period of up to five years.

During this time, PPCA Licensors and Registered Artists whose payments were not distributed can contact PPCA to have their payment released. At any time during the holding period, Licensors and Registered Artists can update their details so the payment can be made. Licensors and Registered Artists are encouraged to periodically check the 'Lost Licensor' and 'Lost Artist' pages on the PPCA website to see if their details need to be updated.

If after five years the missing Licensor or Registered Artist has not come forward, PPCA will roll the payment into the next year's overall distributable amount. This additional amount will proportionally increase each pool and be allocated to PPCA Licensors and Registered Artists based on that year's usage logs.

Payments which have not been distributed because of an ownership dispute will be held for up to eight years before being rolled into the next year's distributable amount, and reallocated based on that year's usage logs. This is to ensure that the parties have ample time to investigate and resolve their competing claims. Holding periods may be extended at the discretion of the PPCA Board,



depending on the particular circumstances (for example, if resolution of a dispute is in progress and appears likely to be resolved).

I am a PPCA Registered Artist, and a band mate has seen my name on the 'Lost Artist' list on PPCA's website. What should I do?

Please contact the PPCA Distribution Team at <u>distribution.mail@ppca.com.au</u> or (02) 8569 1133 as soon as possible, to provide your updated contact details.

If we currently have any allocations in the Holding Account for you, we will be able to release them to you.

If the relevant holding period has concluded and your portion of some undistributed funds has already been rolled over into a subsequent year's distribution, it will not be possible to access that allocation. PPCA encourages all Registered Artists and Licensors to ensure they advise PPCA of any changes to their key contact or banking details and, if they have not received routine correspondence from PPCA, contact us and / or check the 'Lost Licensor' and 'Lost Artist' pages on the PPCA website.

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