

Entertainment Law

From the first offer to the working release file

A practical coursebook with worked financial comparisons, annotated deal provisions, clearance records and reasoned client advice.

PROGRAM FACULTY

Eugene D. Toussaint • Mehdi Essmidi • Natalie González • Mikey Pabon

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About the course

Proposed New York CLE credit: 0.5 Areas of Professional Practice, subject to approval. The editorial explanations and fictional teaching records supplement the recorded program.

Entertainment Law begins with an artist whose work attracts attention and whose next decision may shape years of ownership and income. Natalie González and Mikey Pabon join Eugene Toussaint and Mehdi Essmidi to discuss the distinct work of lawyers and managers, the value of a label's resources, and the contracts behind a creative career.

This coursebook develops the music-business questions raised in the final-edit episode transcript. It is a standalone participant publication with original hypotheticals, financial illustrations, drafting exercises, and practice tools. The legal framework emphasizes United States copyright law and New York attorney practice; California talent-agency regulation is included as a jurisdictional comparison.

The discussion of film, advertising, and artist identity shows how the same transaction can involve several permissions. The book separates negotiated business terms from legal defaults. Examples use invented people, companies, amounts, and contract terms; percentages are teaching assumptions, not a statement of industry rates.

The core questions recur throughout: Who owns it? Who can use it? Who collects the money? What must each party do?

Learning objectives

- Separate composition rights, master rights, contractual royalties, and collection functions.
- Build a chain-of-title and clearance file before a recording is released or licensed.
- Model advances, recoupment, deductions, commissions, and competing deal structures.
- Translate an artist's priorities into enforceable contract terms and approval rights.
- Identify conflicts when a lawyer also manages, invests in, or shares revenue with an artist.
- Develop a documented response to unpaid royalties, restrictive terms, and exit disputes.

A practical reading path

Chapters 1–3 establish the client, the rights, and the release file. Chapters 4–7 follow the money and negotiate the deal. Chapters 8–9 address professional responsibility and disputes. Chapter 10 applies the framework to one artist's competing offers. Review problems, six practice worksheets, a glossary, and linked authorities support later use.

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Meet the faculty

Eugene D. Toussaint, Esq.



President, Attorneys With Swag Inc.; Staff Attorney, The Legal Aid Society

Eugene D. Toussaint is President of Attorneys with Swag Inc. and a staff attorney in The Legal Aid Society's Criminal Defense Practice in Queens. As a public defender, he represents people facing criminal charges. He founded AWS to make legal knowledge accessible through its podcast, music, and community education programs, and serves as a host and showrunner.

He graduated from Mount Saint Vincent in 2010 after studying history and psychology and earned his J.D. from St. John's University School of Law in 2014. He was admitted to the New York bar in 2015. A Bronx native and first-generation college graduate, he developed his interest in public education and community organizing alongside his legal career.

Education: Mount Saint Vincent, 2010, history and psychology; J.D., St. John's University School of Law, 2014

Admission: New York, 2015

Leadership and practice: President, Attorneys With Swag Inc.; staff attorney, The Legal Aid Society, Queens Criminal Defense Practice; AWS host and showrunner

Meet the faculty continued

Mehdi Essmidi, Esq.



Founder, The Law Offices of Mehdi Essmidi, P.L.L.C.; AWS Co-host

Mehdi Essmidi is a New York criminal-defense and family-law attorney and founder of The Law Offices of Mehdi Essmidi, P.L.L.C. He previously served as a Bronx County assistant district attorney in the Domestic Violence Bureau and Trial Division. His practice includes DWI, weapons, federal criminal, and domestic-violence matters, as well as custody, child support, and orders of protection.

A New York Law School graduate, he was admitted in New York in 2016 and is also admitted before the U.S. Supreme Court and the Southern and Eastern Districts of New York. His professional service includes the New York City Bar's Family Law and Ethics Committees, the New York State Association of Criminal Defense Lawyers' Publication Committee, and the Joint Bar Associations' Task Force on the New York City Assigned Counsel Plan. He is an AWS co-host.

Education: J.D., New York Law School

Admissions: New York, 2016; U.S. Supreme Court; U.S. District Courts for the Southern and Eastern Districts of New York

Experience: Founder, The Law Offices of Mehdi Essmidi, P.L.L.C.; former Bronx assistant district attorney, Domestic Violence Bureau and Trial Division

Professional service: Family-law and ethics committees, criminal-defense publications, and assigned-counsel advocacy

Meet the faculty continued

Natalie González, Esq.



Entertainment and business attorney; Of Counsel, Cordero Law

Natalie González is a bilingual New York attorney and Of Counsel at Cordero Law. Her practice includes civil and corporate matters, music-contract negotiation, and trademark protection for business and music-industry clients. She has represented local and international clients in New York Supreme Court and the Appellate Division, First Department.

She earned her J.D. from Touro Law Center and her B.A. in English Literature from Hunter College and was admitted to the New York bar in 2017. During law school, she helped lead the Latin American Law Students' Association. She is a member of the Dominican Bar Association and founded Natalie González, P.C. Her entertainment-law background includes working with artists, producers, and management teams in the Latin music industry.

Education: B.A., English Literature, Hunter College; J.D., Touro Law Center

Admission: New York, 2017

Current affiliation: Of Counsel, Cordero Law

Professional service: Dominican Bar Association; former Touro Latin American Law Students' Association leadership

Meet the faculty continued

Mikey Pabon, Esq.



Founder, MAP MGMT; Executive Agency Counsel, NYC Business Integrity Commission

Mikey Pabon is an artist manager and founder of MAP MGMT. His entertainment background includes artist development, release planning, and work in United Talent Agency's business and legal affairs department, where he reviewed and revised news and broadcasting contracts. He also serves as Executive Agency Counsel and Records Access Officer at New York City's Business Integrity Commission.

He earned his J.D. from Pace University's Elisabeth Haub School of Law in 2022 and was admitted to the New York bar in 2023. During law school, he interned with Definitive Sports Group, served as vice president of the Latin American Law Students Association, and served on the Law Diversity Board. His creative and community experience includes music production and volunteer work rebuilding schools and community centers in Puerto Rico.

Education: J.D., Elisabeth Haub School of Law at Pace University, 2022

Admission: New York, 2023

Current roles: Founder, MAP MGMT; Executive Agency Counsel and Records Access Officer, NYC Business Integrity Commission

Prior industry experience: Business and legal affairs, United Talent Agency; legal internship, Definitive Sports Group

Law-school leadership: Latin American Law Students Association vice president; Law Diversity Board member

1. The client, the team, and the assignment

Entertainment practice begins by identifying whose interests the lawyer is protecting and which decisions the engagement actually covers.

The offer is only the starting point

An artist receives a message: a company wants to distribute the next single, advance money, and introduce a manager. The artist forwards the message to a lawyer and asks whether it is a good deal. A useful answer requires more than comparing the royalty percentage with another contract. Counsel needs to know what the artist already owns, what has already been promised, what the company must actually provide, and what the artist wants to retain.

The episode distinguishes the manager’s continuing career work from the lawyer’s transaction-specific legal work. That distinction gives the practitioner an intake method: identify the business objective, then identify the legal tasks necessary to pursue it. A lawyer reviewing a distribution agreement may need to investigate a producer’s ownership claim, but that does not necessarily mean the lawyer has agreed to manage a release campaign or file a lawsuit. Make the boundaries explicit before the client relies on an assumption. [1]

Ask the artist to describe success in concrete terms. One artist needs cash to finish a project; another wants an experienced team but will not transfer master ownership; a third wants time to test an audience before committing future albums. These clients may rationally choose different structures. The lawyer’s job is to make the trade understandable and document the client’s decision, not to impose a universal independent-versus-label answer.

Map the people before mapping the percentages

Participant	Typical function	Question for counsel
Artist or artist entity	Creates, performs, contracts, and receives income	Which individual or entity owns the relevant rights and signs?
Manager	Coordinates strategy and career activity	What services, commissions, authority, and exit rights are agreed?
Agent	Seeks or negotiates engagements	Does the activity require a license or implicate union rules?
Entertainment lawyer	Advises, drafts, negotiates, and evaluates legal risk	Who is the client, what is the scope, and who pays?

Participant	Typical function	Question for counsel
Label or distributor	Exploits or delivers recordings under a contract	Which rights and revenue sources are actually included?
Publisher or administrator	Exploits or administers composition rights	Is ownership transferred, or only administration authorized?

These descriptions are functional categories, not legal exemptions. A manager may perform services that trigger an employment-agency law. A distributor may offer publishing administration as a separate service. An artist may own a company without having transferred personal copyrights to it. Never infer the allocation of rights from a business name or dashboard label.

For a group, ask whether counsel represents the entity, the members jointly, or one member. The answer affects instructions, conflicts, and confidentiality. If two members dispute songwriting shares, counsel cannot resolve the problem merely by having both sign the same engagement letter. Identify the adversity and assess whether joint representation is permissible before discussing a waiver. [2: Rules 1.7 and 1.13]

Build an intake file that supports a decision

Request the actual proposed agreement, schedules, exhibits, side letters, earlier contracts, producer arrangements, split sheets, and recent statements. Obtain the version sent by the counterparty rather than relying on a screenshot of selected clauses. Preserve emails and messages discussing budgets, releases, approvals, or promises of ownership. A promise omitted from the integrated final contract may be difficult to enforce.

Create a short chronology: creation, collaboration, first upload, first commercial release, prior grants, current offer, and response deadline. Identify whether the artist has already clicked acceptance of distribution terms or signed a preliminary deal memorandum. A document called a term sheet may still contain binding exclusivity, confidentiality, or other obligations. Its title does not decide enforceability.

Then create a decision list: matters the artist can authorize now, matters requiring another rights holder, and facts counsel must verify. This is more useful than a generic instruction to read everything. For example, the artist can choose a proposed release date but cannot promise an exclusive license of a beat without examining the existing beat license.

A manageable engagement

A written engagement should explain the services, the fee or its calculation, expenses, and how additional work is authorized. New York's engagement-letter rule generally requires a written letter or qualifying signed retainer agreement, subject to stated exceptions, including an expected fee below \$3,000. The exception is not a reason to leave a music

transaction undefined. Rule 1.5 also governs fee communication and contingent-fee writings. [3; 2: Rule 1.5]

If a manager introduces the artist and pays the invoice, separately identify who gives instructions and who may receive legal advice. Payment by someone else does not make that person the client. Record the artist's authorization for necessary communications and preserve the lawyer's independent judgment. Avoid sending the whole legal file to every member of a group chat because they are described as the team.

Practice example: The manager asks the artist's lawyer to approve the manager's commission agreement as a favor. The artist expects protection from the lawyer; the manager expects a quick signature. Pause the transaction, identify the conflict, and arrange an appropriate independent review. Convenience does not answer the professional-responsibility question.

A completed client and authority note

Fictional intake record C1, August 20, 2026. Nia Sol retains attorney Avery Reed personally to review two proposals for her next master, After the Rain. The scope includes the contributor file, economic comparison, negotiation and closing calendar. It excludes litigation, tax advice, booking engagements and day-to-day release management. A separate written engagement states the fee, expenses and any applicable fee-dispute rights. Nia gives final instructions. Her manager Jordan Vale may supply documents and coordinate scheduling, but may not accept a rights grant or receive privileged advice without Nia's authorization. Harbor offers to reimburse a defined portion of Nia's legal bill; reimbursement gives Harbor no right to approve counsel's advice or obtain the file. [2–3]

Completed instruction to the team. "Send both complete draft agreements and all schedules to Avery. Nia will approve concessions after receiving the comparison. Jordan may coordinate delivery dates and forward clearance documents. Do not represent that a deal has been accepted. Avery will send Nia the legal advice directly and share a business summary with Jordan only with her permission." The note separates operational assistance from authority to commit the artist; it does not rely on the person who first introduced the lawyer.

Changed client. If Sol Music LLC becomes the proposed client, Nia's ownership of the company is not enough to establish that it owns her personal copyrights. Counsel first identifies the entity's authorized decision-maker and any signed transfers, explains whom counsel represents, and examines the proposed transfer for conflicts. If Nia and Luis seek joint representation over disputed writing shares, the former single-client note cannot simply be reused. Their competing ownership claims require a new Rule 1.7 analysis. The work can stop at obtaining independent advice without pretending that every conflict is consentable. [2: Rules 1.7, 1.13; 6]

2. Two copyrights, several kinds of control

The musical composition and the sound recording can have different authors, owners, contracts, and revenue paths.

Start with the work, not the word “song”

A musical composition consists of musical expression and any accompanying lyrics. A sound recording fixes a particular performance. Recording a composition does not collapse those works into one asset. An artist who sings a song written by someone else may have an interest in the recording without owning the composition. A songwriter may own a share of the composition without owning the master. Copyright Office registration materials treat these as distinct claims. [4; 5]

Use two rows in the client’s rights ledger even when the same person initially controls both. The composition row identifies writers, ownership shares, publishers, administrators, and permissions. The recording row identifies performers, producers, ownership agreements, label or distributor grants, and revenue participants. A third group of entries covers artwork, video, photographs, samples, and other material.

An artist’s statement that “I own my music” is the beginning of diligence. Ask whether that means authorship, title, possession of the audio files, the right to distribute, or entitlement to revenue. Each can differ. Possession of a session drive proves access to files; it does not by itself establish ownership of the copyrights. A royalty participation can exist without title, and ownership can be subject to an exclusive license that limits present exploitation. [6: §§ 201–202]

Concept	What it answers	Evidence to inspect
Authorship	Who created the protected expression?	Drafts, session evidence, contributions, and employment facts
Ownership	Who currently holds the relevant right?	Initial ownership and every intervening transfer
License	Who may use the work, and within what limits?	Grant, territory, media, exclusivity, duration, and reservations
Revenue participation	Who is paid under a particular arrangement?	Defined base, percentage, deductions, and payment conditions
Administration	Who registers, licenses, accounts, or collects?	Scope, collection authority, commission, and transition duties

Ownership, licenses, and administration

Initial ownership ordinarily follows authorship, subject to work-made-for-hire and other rules. Copyright interests may later be transferred. A transfer of ownership, including an exclusive license, generally requires a signed writing from the owner or authorized agent; nonexclusive licenses are treated differently. Section 204 is a formality rule, not proof that every signer actually owned the rights purportedly conveyed. [6: §§ 201 and 204]

Read the grant clause and the definitions together. “All recordings delivered during the term” may reach more than the single being discussed. An exclusive license limited to one recording for a defined term differs from an assignment of all rights for the copyright term. An administration agreement may authorize collection and licensing without transferring the underlying composition copyright. The label on the front page cannot substitute for the operative language.

Work made for hire is a legal classification

A paid commission is not automatically a work made for hire. The statutory framework covers employee work within the scope of employment and certain specially ordered or commissioned categories supported by an express signed agreement. The independent-contractor route has specified categories; a sound recording is not itself one of the listed categories. Whether a particular contribution qualifies requires analysis, not simply a heading in a contract. [7; 8: § 101]

In a producer agreement, inspect both the asserted work-made-for-hire language and any backup assignment. If the classification fails, the assignment may still matter. Conversely, an assignment should not be described to the client as legally identical to work made for hire. Authorship, duration, and statutory termination can be affected. Explain the transaction the artist is actually making before accepting a familiar form.

Application. Nia pays an independent producer \$2,000 to help create a recording. The invoice says “production services,” and neither person signed a rights agreement. Nia cannot conclude from payment alone that every copyright belongs to her. Counsel should investigate the contributions, employment relationship, prior discussions, and any other grants. Resolve ownership and permitted uses in a signed agreement before promising exclusive rights to a distributor. Do not backdate a document to create a fictional history.

Songwriting shares and producer royalties are separate

A producer may contribute to the composition, earn a royalty on the master, receive a flat fee, or negotiate a combination. A “three-point producer” provision does not tell counsel whether that person owns any songwriting share. Nor does a writing split determine whether the producer is paid from the artist’s royalty or from a different base.

Suppose Nia and Luis agree that their composition shares are 60% and 40%. A producer separately earns 3% of a defined master-receipts base. The composition allocation totals 100%; the producer’s master participation does not make it 103%. Put each economic

arrangement in the correct ledger and identify whether any producer contribution also supports a separate composition share.

Control survives beyond cash

Ownership may support future licensing and catalog value, but existing grants can limit present control. Identify who can authorize each use today. If the artist objects to sensitive advertising, political uses, or synthetic performances, negotiate a specific reservation and workable approval procedure. Chapters 6 and 7 apply that review.

Read an operative grant before promising ownership

Teaching document R1, independent example. Producer Rae Ellis invoices Nia \$2,000 for production services on the recording Early Light. The paid invoice contains no grant. Rae created original recording contributions using Rae’s equipment and controlled the working method; the file contains no employment agreement. Those facts call for an authorship and agency inquiry. They do not establish employment merely because Nia selected the song or paid the invoice. A commissioned sound recording does not become a listed § 101 category by being called “work for hire.” [6–8]

Proposed grant for this example. “In consideration of the \$2,000 payment acknowledged as received, Rae Ellis hereby assigns to Nia Sol all of Rae’s right, title and interest, if any, in the sound recording Early Light, final mix EL-01 dated August 10, 2026, throughout the world for the full copyright term, subject to any termination rights that applicable law makes nonwaivable. This assignment does not convey any interest in the underlying musical composition. Rae grants no rights owned by another person. The parties separately retain the signed composition agreement identifying any writing shares.” The specimen would require the rights owner’s signature; an unsigned proposed clause does not repair the file. [6: §§ 201, 203–204]

The present assignment addresses an actual copyright interest without making a false employment representation. The identified version prevents the grant from silently taking every future session. The composition reservation prevents master ownership from swallowing a separate work. The limitation to Rae’s rights is also a diligence warning: it does not clear someone else’s sample or musician contribution. Price, warranties and remedies remain matters for a complete negotiated agreement.

Changed payment condition. Suppose the signed grant instead says that it becomes effective only upon full payment, and the bank record proves \$1,500 rather than \$2,000 paid. Counsel cannot mark the condition satisfied. Obtain the remaining payment and confirmation, or a signed amendment changing the condition; meanwhile do not give an unconditional exclusive-title warranty. This example is separate from the completed contributor file in Chapter 10, where the stated payment condition has been satisfied.

3. The release file and chain of title

A release should have a documented path from each contributor and outside element to the rights being granted.

Build the file while the facts are fresh

Start with a version-controlled list of the works: composition title, alternative titles, recording version, featured artists, writers, producers, and release identifier. Record each person's legal name and professional name without assuming they are interchangeable. Retain contact information securely and note the entity through which any contributor signs.

For each asset, retain the agreement establishing title or permission, the payment evidence, and any conditions that have not yet been met. Distinguish an executed agreement from an unsigned draft. If rights transfer only upon full payment, a signed document and an unpaid invoice may leave the chain incomplete. If approval is required for a particular use, store that approval with the final version, not somewhere in an unsearchable message thread.

A split sheet is useful but has limits

A split sheet can record agreed composition shares, writer information, and signatures. Its legal effect depends on what it says and on the facts. It does not necessarily address master ownership, publishing administration, sample clearance, warranties, or the consequences of a dispute. Use it to capture the writing allocation, then determine whether a fuller agreement is needed.

A practical split-sheet review asks: What work and version are covered? Are all contributors included? Do the shares total 100% on the stated basis? Are the signers authorized? Does a contributor already have a publishing arrangement? Are disputed elements excluded or expressly reserved? Who will register the work and correct conflicting registrations? Do not change an ownership claim in a collection database merely to make the totals fit.

Application. Three collaborators submit shares of 50%, 40%, and 30%. The total is 120%. Counsel should not reduce each share proportionately without authority. Ask whether the figures refer to different bases, whether someone is counting a publisher's share separately, or whether there is a genuine ownership dispute. Reconcile the signed documents and obtain an agreement before making inconsistent representations to a licensee.

Samples, interpolations, and licensed beats

A sample that copies an existing recording raises recording-rights questions and may also use the underlying composition. An interpolation recreates musical material without copying the existing recording; composition rights can still matter. A newly performed

cover does not automatically clear a sample, and an audio mechanical license does not by itself authorize synchronization with images. Section 115 has a defined scope and conditions. [8: §§ 106, 114, and 115]

For a purchased beat, retain the actual license version effective when acquired. Inspect distribution limits, allowed media, monetization, exclusivity, credit, publishing shares, content-identification restrictions, and upgrade requirements. A later “exclusive” purchase may be subject to earlier nonexclusive licenses. Ask the seller for a representation that addresses those licenses instead of assuming exclusivity erases them.

Create a clearance status with meaningful categories: complete, conditional, disputed, or missing. “Requested” does not mean cleared. If a permission covers organic social posts but not paid advertising, do not mark the asset approved for every campaign. The licensing request should describe the actual intended use, including edits and promotional excerpts.

Copyright registration and collection registration

Copyright generally arises upon fixation of qualifying original expression; registration is a separate step. Registration can provide important enforcement benefits. For U.S. works, § 411 generally makes registration or refusal a prerequisite to an infringement suit, subject to statutory exceptions. Section 412 limits statutory damages and attorney’s fees based on registration timing, including its three-month postpublication rule. Calendar the actual facts rather than assuming registration can wait until a dispute. [9; 10: §§ 411–412]

Register the correct work and claimant. The Copyright Office provides guidance on compositions, recordings, and when a combined application is appropriate. Do not use a recording registration as a substitute for checking whether the composition is included. Publication and deposit questions can require analysis, particularly when different versions and territories are involved. [4; 5; 11]

A performing-rights organization’s work registration and an MLC claim serve collection functions. They are not federal copyright registrations and do not resolve every title dispute. A release code identifies a recording; it does not prove ownership. A complete file reconciles the same work across legal documents, metadata, and collection systems while respecting the different purpose of each system.

Studio and production arrangements

A studio booking agreement should address the session, equipment, engineering services, delivery, payment, cancellations, and treatment of files. If the owner or engineer contributes creative material, address the resulting rights rather than assuming the room rental answers that question. Ask who controls the session files and who may authorize their release.

Avoid promising that a facility can never assert a claim or retain files. The contract and applicable law matter. A practitioner can prevent disruption by specifying delivery

formats, backup obligations, payment milestones, and dispute procedures before the recording is complete. Obtain a usable delivery package, not just a streaming preview.

Release gate: The person signing the distribution warranty should be able to identify the evidence supporting each material rights claim. A folder full of invoices is not a substitute for that review.

Resolve an overclaimed split without silently changing it

Separate teaching file R4, Early Light. Nia claims 50%, Luis 40% and Rae 30% of the composition in three unsigned emails. All three messages concern the same composition share base; none refers to a separate publisher share. The total is 120%, so the proposed registry submission cannot truthfully be described as an agreed ownership schedule. The paid recording invoice in R1 does not settle these composition claims.

Completed exception record. Avery records each claim and its email date, marks the composition split disputed, preserves the writing-session records and tells the proposed licensee that the shares are unresolved. Counsel does not normalize them to 41.67%, 33.33% and 25%. Those numbers would be arithmetic imposed without the writers' authority, not an agreement.

Supplied resolution. After reviewing their contributions, the three writers sign a dated settlement of this specific dispute: Nia 50%, Luis 30%, Rae 20%. For this exercise, the signed agreement authorizes correction of the earlier inconsistent claims and directs composition income by those percentages. Avery attaches it to the ledger, verifies the total of 100%, obtains the authorized administrator's correction receipt and sends the same final schedule to the licensee. The recording-title inquiry remains separate. These are negotiated teaching facts, not a rule that a court would assign those shares.

Changed fact. Rae refuses to sign. Keep the disputed status and preserve the competing claims; the other writers cannot represent that the proposed settlement was unanimous. Analyze any lawful licensing route, accounting duty and contractual restriction before proceeding, rather than falsely marking the dispute resolved. Chapter 7 explains the separate joint-owner nonexclusive-license question. [6; 24]

Registration timing from actual events

Fictional registration file R2. A U.S. work is first published through authorized downloadable sales on August 1, 2026. An infringer begins unauthorized copying September 10. The Copyright Office receives a complete application, acceptable deposit and fee October 15 and later registers the claim. October 15 is within three months after first publication, so the § 412(2) timing bar for the described postpublication infringement does not apply. That preserves possible statutory-damages and fee remedies; it does not guarantee either award or prove infringement. A collection registration made with a PRO on August 2 would not substitute for federal registration. [4–5; 10–11]

Changed date. If the acceptable filing package first arrives December 15, the three-month exception does not rescue an infringement that began September 10. Section 412 ordinarily bars statutory damages and attorney's fees for that infringement, subject to its express exceptions. Actual damages, profits and other available relief require their own analysis. If the work was unpublished when infringement began, use § 412(1), not the postpublication grace period. Verify what constituted publication; a public performance alone does not establish it. [10]

Do not confuse the effective date with permission to sue. In *Fourth Estate Public Benefit Corp. v. Wall-Street.com, LLC*, the Supreme Court rejected filing an ordinary infringement suit merely because an application had been submitted. The Register's action on registration governs the ordinary § 411(a) prerequisite, with the statutory refusal route and specific exceptions separately available. An effective registration date tied to receipt of acceptable materials under § 410(d) does not erase that distinction. Counsel records both the receipt date and the Office's later action. [23]

4. Follow the royalties

Identify the right, the use, the payer, the collector, and the contractual payee before calculating any percentage.

One play can touch more than one right

The episode's questions about streaming illustrate a common source of confusion: several payments may be associated with the same music, but they do not all pass through the same organization. Master receipts paid through a distributor are distinct from composition royalties collected under publishing arrangements. An artist who is also a writer may participate in both, subject to ownership and contracts.

Do not promise a fixed dollar amount for a million streams. A statement depends on the service, territory, type of use, applicable license, accounting period, adjustments, and the client's contracts. A retrospective average can describe a particular statement; it is not a universal legal rate or a guaranteed future payment. Begin with actual statements and defined bases rather than a headline number.

Income path	Main subject	Where to begin
Label or distribution accounting	Exploitation of the master under the deal	Recording or distribution contract and detailed statement
Composition public-performance income	Public performance of the musical work	Performing-rights affiliation, work data, and statement
U.S. blanket digital mechanical income	Eligible digital uses of musical works	MLC registration or the publisher/administrator collecting
Statutory digital recording performance	Eligible noninteractive digital performances	SoundExchange registration and recording data
Synchronization and master-use fees	Negotiated audiovisual permissions	Separate composition and recording licenses

The MLC administers the U.S. blanket mechanical license for eligible digital services and pays appropriate musical-work rights holders. It does not distribute every category of music income. Determine whether the songwriter is self-administered or already represented for the relevant share and period before submitting a duplicative claim. [12]

SoundExchange's statutory digital-performance distribution allocates 50% to sound-recording rights owners, 45% to featured artists, and 5% to funds for nonfeatured performers. This is a specific statutory structure, not a universal division of streaming revenue. A client who both owns a master and performs may need to address both roles.

[13]

The five questions behind every statement

First, what right generated the money? Identify the recording or composition and the category of use. Second, who was authorized to collect? Match the collector's mandate to the share, territory, and period. Third, what base is used? Gross platform revenue, the company's receipts, and the artist's net account are different figures. Fourth, what deductions apply? Demand a contractual basis and supporting detail. Fifth, what is payable now? Recoupment, reserves, payment thresholds, and timing can separate earnings from cash.

Prepare separate schedules for each income path before building a consolidated summary. If master receipts and composition performance receipts are mixed into one line called "royalties," neither the client nor counsel can easily detect a missing registration or an unauthorized deduction. A clean ledger is an investigative tool.

Worked example: a distributor statement

Assume the contract defines the distributor's fee as 15% of master receipts actually received and allows no other deductions in this example. The period produces \$12,000 in receipts. The fee is \$1,800 and the amount after that fee is \$10,200. The producer contract separately pays 3% of that \$10,200 base, or \$306. The artist's remaining amount is \$9,894 before any separately applicable management commission, taxes, or other agreed expenses.

Now assume a composition performance statement separately reports \$800 attributable to the same repertoire and period. Do not add that \$800 to the distributor's fee base unless the actual agreement reaches that income. Nor should the producer receive 3% of it merely because the producer has a master royalty. The rights and definitions determine the result. If the producer agreement instead uses gross master receipts as its base, the producer amount becomes \$360. The difference is \$54 for this period. The lesson is not that one basis is legally mandatory; the lesson is that "three points" is incomplete without the denominator and deduction order.

Missing income versus disputed ownership

A missing payment may arise from incomplete work data, an unmatched recording, an overlapping claim, a payment threshold, a collection mandate, or a contractual withholding. Investigate before characterizing the conduct as theft. Request the claim history, statement detail, work identifiers, agreements, and correspondence supporting the allocation.

For a disputed writing share, preserve the historical submissions and signed agreements. Coordinate a correction with the relevant parties and organization. Do not replace the evidence with an assertion that the most recent registration must be correct. A database entry may reflect a claim rather than an adjudicated ownership determination.

Turn the audit into a repeatable process

Build a reconciliation schedule with opening balances, current earnings, fees, recoupable additions, reserves, releases of reserves, adjustments, payments, and closing balances.

Reconcile the cash to bank records. Preserve the original statement alongside the working calculation so a later reviewer can retrace the analysis.

A short discrepancy notice should identify the period, line item, contract provision, amount in question, and records requested. Calendar any contractual objection or audit deadline immediately. A polite request for clarification should not be assumed to extend that deadline. If more time is needed, obtain a written extension with the necessary specificity.

A completed collection and discrepancy file

Teaching statement R3. This statement illustrates the \$12,000 calculation above; it is not part of either Nia offer. The distributor's detailed remittance shows \$7,500 from Service One, \$3,000 from Service Two and \$1,500 from download sales. The contract authorizes only a 15% distribution fee. The statement deducts that fee of \$1,800 and an additional \$500 "promotion charge," then remits \$9,700. The producer is due 3% of master receipts after the authorized distribution fee, calculated before any disputed extra charge. A separate PRO statement credits \$800 of composition public-performance income.

Reconciliation. The three receipt lines total \$12,000. The authorized fee leaves \$10,200 due from the distributor. The bank deposit of \$9,700 is \$500 short. The producer's contractual entitlement remains \$306 on the stated \$10,200 base; the distributor's disputed charge does not amend the producer agreement. Current master cash after paying the producer is \$9,394, with \$500 still claimed from the distributor. If the charge is reversed and paid, master cash becomes the original \$9,894. Composition receipts remain on a separate ledger.

Completed inquiry, October 12, 2026. "We dispute the \$500 promotion deduction on the September statement for R3. Section 4 permits only the 15% fee on \$12,000 received. Please provide the signed authorization and invoice on which this deduction relies, or remit the \$500 difference with a corrected statement. The \$800 composition performance receipt is outside this master account. This inquiry does not waive the contractual audit or objection rights." Counsel separately calendars the applicable audit/objection deadlines from the actual agreement; no deadline is invented from the statement alone.

Collection routing record. Avery assigns the master shortfall to distributor accounting with the agreement, receipt detail and bank record attached. Nia's self-administered composition mechanical claim goes to the MLC for the relevant U.S. covered digital uses, after checking for an existing administrator. Composition public-performance accounting goes to the applicable PRO or authorized administrator. Eligible noninteractive digital sound-recording royalties go through SoundExchange with rights-owner and performer capacities checked separately. The file records work titles, shares, recording identifiers, territory, period and collection authority. A single upload to a distributor completes none of the other registrations automatically. [8: §§ 114–115; 12–14]

Changed mandate. If a publisher already administers Nia's composition share for that territory and period, counsel requests its account and claim history instead of submitting a competing self-administered claim. If a sound-recording statement concerns an interactive on-demand service, do not assume SoundExchange's statutory noninteractive route governs it. Rights, use and mandate decide the route; the shared title alone does not.

5. Advances, recoupment, and real cash

A large advance, a high royalty percentage, and a profitable project measure different things.

Read the economic sequence

An advance commonly provides cash before royalties are earned and is recovered from a contractually defined account. Whether it must be repaid personally, and under what circumstances, depends on the agreement. The phrase “nonreturnable advance” must be read with breach, warranty, indemnity, and other repayment provisions. Do not translate it into an unconditional promise that the artist can never owe money.

Recoupment describes how specified expenditures are recovered. Identify which costs qualify, who approves them, which income is charged, whether accounts are combined, and whether interest or overhead is included. A statement may show a successful release while the artist receives no additional royalty cash because the account remains unrecouped. That result can follow the contract even when the artist is widely known.

Separate three questions in the advice memo: How much cash does the artist receive at signing? How much of that cash is available after project costs and commissions? At what level of earnings does additional royalty cash become payable? A client deciding whether to leave other work needs all three answers.

Worked example: royalty-account recoupment

Assume a recording agreement provides a \$50,000 advance, a \$30,000 approved recording budget, and \$20,000 in recoupable marketing. The total opening recoupable balance is \$100,000. The artist earns 20% of defined label receipts. All \$100,000 is recouped solely from the artist royalty account; the example assumes no further deductions, charges, or cross-collateralization.

Calculation	Amount
Defined label receipts for the period	\$300,000
Artist royalty earned: 20% of receipts	\$60,000
Opening recoupable balance	\$100,000
Earnings applied to recoupment	\$60,000
Closing unrecouped balance	\$40,000
Additional artist royalty cash payable	\$0

The artist has already received the \$50,000 advance; zero additional royalty cash does not erase that earlier payment. The artist also should not subtract the full \$100,000 from receipts and then apply the royalty rate unless that is the bargain. In this assumed structure, recoupment occurs in the artist's royalty account after the percentage is calculated.

With no additional charges, \$200,000 in further defined receipts earns \$40,000 and clears the remaining balance. Total receipts of \$500,000 are needed to recoup \$100,000 at a 20% royalty. If an amendment adds \$25,000 of recoupable marketing, the required total rises to \$625,000 on the same assumptions. These are arithmetic consequences of the example, not forecasts of sales.

A net-profit split is a different structure

Assume instead that the parties split an agreed profit pool 50/50 after \$100,000 of approved project costs. On \$300,000 of defined receipts, the pool is \$200,000 and each share is \$100,000. That is not the same calculation as the royalty account above. A comparison must align rights, obligations, costs, time, and cash timing as well as the headline percentage.

The term "net profits" can conceal an expanding deduction base. Request a closed or carefully bounded list of expenses, approval thresholds, treatment of related-party charges, allocation of shared costs, and backup records. Address whether the company may charge internal staff time, general overhead, legal fees, interest, or costs of unrelated projects.

Cross-collateralization and cost control

Cross-collateralization permits one income source or project to recover costs from another under the contract. A successful single may therefore subsidize another recording. A broad clause may connect albums, audiovisual projects, or other income categories. Trace the exact accounts rather than assuming all activity is either combined or separate.

Negotiate cost authorization while the artist still has leverage. A ceiling without a consequence may not protect the account if another clause allows all expenditures the company considers necessary. Consider written approval above a specified amount, budget schedules, restrictions on related-party markups, and a rule for unauthorized spending. Identify who can approve and whether silence counts as consent.

A practical review tests a bad year as well as a successful one. What happens if the company spends the budget but delays release? What happens if the artist delivers commercially acceptable music and the label elects not to exploit it? The economic answer depends on release obligations, term extensions, suspension rights, and reversion—not merely on the recoupment clause.

Commissions and double counting

Assume an artist receives a \$40,000 advance, owes \$15,000 of agreed production costs, and has a management agreement charging 15% of the full advance. The commission is \$6,000, leaving \$19,000 before legal fees and taxes. If the agreement instead excludes the \$15,000 production allocation from commission, the base is \$25,000, the commission is \$3,750, and the remaining cash is \$21,250. The negotiated exclusion changes available cash by \$2,250.

Address whether an advance is commissioned when received and whether later royalties applied to recoup that same advance are also commissioned. Without a clear rule, the same economic amount can be counted twice. Similar questions arise with tour support, recording budgets paid directly to vendors, reimbursements, and loan proceeds. Define the base and give an example in the negotiation correspondence.

Client explanation. “You receive money now, but this contract can use future earnings to recover specified costs before paying more. Let’s separate what you can spend today from what must happen before the next check.”

Check the recoupment sequence against the bank record

The worked royalty account above starts with \$100,000 of recoupable charges, earns \$60,000 and ends at \$40,000 unrecouped. A bank statement showing only the earlier \$50,000 advance is consistent with that account; it is not evidence that the earned royalty disappeared. The \$30,000 recording and \$20,000 marketing budgets were paid to vendors under this assumed bargain and are not additional spendable artist cash.

Adverse cost entry. A later statement adds \$25,000 in marketing, but the approved budget schedule allows only the original \$20,000 and requires the artist’s written approval for increases. The arithmetic at 20% would require \$625,000 total receipts if the extra cost were valid. Counsel first challenges authorization rather than treating the changed balance as contractually correct. Preserve the base calculation of \$500,000 total receipts pending that inquiry. The lawful account depends on both arithmetic and the agreement; a neat spreadsheet can still embed an unauthorized charge.

Cross-collateralization test. Account A has \$100,000 in authorized charges and \$60,000 in earned royalties, leaving \$40,000 unrecouped. Account B has \$20,000 in charges and \$50,000 earned, leaving \$30,000 payable if the accounts are contractually separate. A proposed pooling clause instead combines \$120,000 of charges and \$110,000 earned; the combined account remains \$10,000 unrecouped and pays no new royalty cash. The clause therefore defers B’s otherwise payable \$30,000. Previously paid advances remain previously received cash, not a second payment in either version. Counsel’s completed response is to preserve separate accounts, or obtain an explicit, priced client decision on pooling; do not assume common label ownership itself authorizes the transfer between accounts.

A completed commission instruction. “For the modeled \$40,000 advance, pay the agreed 15% commission once on receipt, or \$6,000. Do not levy a second commission on later royalty entries applied only to recoup that already commissioned advance. For additional royalty cash actually paid, use the operative management rate and tail for its period. Keep the \$60,000 vendor budget and composition receipts outside this defined base.” This is the stipulated Chapter 10 management bargain, not a universal rule about manager compensation. A new agreement commissioning vendor budgets would materially alter the result and requires separate advice.

6. Negotiate the whole agreement

Rights, money, performance, control, time, and remedies should operate as one coherent bargain.

Turn priorities into clauses

A useful negotiation begins with a ranked list of client priorities and credible alternatives. The artist may insist on retaining the composition, limiting the deal to one master, or preserving the ability to release other work. Rank these before exchanging redlines. Otherwise a counterparty can offer a modest economic improvement in exchange for a concession the artist never intended to make.

Prepare an issues table with the current language, its practical effect, the requested change, the fallback, and the client's decision. Explain the reason for a proposed change in business terms. "The artist needs a defined release deadline because exclusivity otherwise prevents earning elsewhere" is more useful than "this clause is unacceptable."

The grant and the deliverables

List the covered recordings and versions. Address remixes, stems, audiovisual assets, artwork, featured performances, and future recordings separately. If the company needs promotional excerpts, define those uses without unintentionally authorizing unrelated commercial endorsements. If the artist retains the composition, ensure the reservation is not undone by a sweeping definition of "materials" or "all ancillary rights."

Delivery and acceptance should be workable. Identify the technical standards, necessary clearances, delivery method, response period, and procedure for identifying defects. An artist can deliver files yet fail a contractual acceptance condition. An indefinite subjective acceptance standard may extend an exclusive term beyond what the client expects.

Term, options, and release obligations

A fixed number of years can become longer through options, suspension, delivery conditions, and extensions. Create a timeline showing the earliest and latest plausible exit under the draft. Note who exercises each option, when notice is due, whether a minimum payment is required, and what happens if no notice is sent.

A release commitment should identify what counts as release, the territory or commercial scope, the deadline after accepted delivery, and the consequence of failure. Uploading a track to a single page may not deliver the exposure the artist expects. Define the commitment in language the parties can measure and the company can actually perform.

Teaching clause, for adaptation: "Company will commercially release the Accepted Recording in the agreed territory within 120 days after written acceptance. If it fails to do

so, Artist may give written notice identifying the failure. If Company does not cure within 30 days after receipt, Artist may terminate the exclusive license for that recording by a further written notice.” This illustration still requires definitions of acceptance, release, territory, notice, outstanding licenses, accounts, and posttermination transition. It is not a ready-to-sign provision.

Apply the release clause to dates

Editorial application. Assume the preceding teaching clause uses calendar days, excludes the triggering day, has no holiday extension, and all stated notices satisfy the agreed delivery method. Written acceptance occurs September 1, 2026. The 120-day release deadline is December 30. No qualifying release occurs. The company receives a compliant failure notice January 2, 2027; its 30-day cure period ends February 1. If uncured, the artist may exercise the clause by a further termination notice on February 2. The first notice alone does not end the license.

Changed fact. The artist sent files September 1, but written acceptance occurred October 1. The release deadline becomes January 29, 2027. A January 2 failure notice is premature under these assumptions. Counsel should obtain the acceptance record and calendar a valid notice after the actual deadline. If the contract allows acceptance to remain unresolved indefinitely, negotiate an acceptance-response deadline and objective defect procedure. The hypothetical dates illustrate the drafted bargain; actual notice language and governing time-computation rules control. Before termination, address existing sublicenses, final accounts, files and catalog migration.

Approval rights must have a procedure

An approval right is incomplete without a decision process. Specify what requires consent, who receives the request, the information supplied, the response period, and whether approval may be withheld in the artist’s discretion or only reasonably. If the draft treats silence as approval, ask whether the artist’s actual workflow makes that safe.

A client may prioritize control over sensitive endorsements while delegating ordinary technical decisions. Draft the distinction. “Artist approval” of every operational choice can delay the release; no approval at all can expose the artist to uses inconsistent with the artist’s identity. A narrow, practical approval list often works better than an unworkable blanket veto.

Accounting, warranties, indemnity, and assignment

Provision	Problem to identify	Negotiation objective
Accounting	A percentage with no auditable detail	Periodic statements, records, payment dates, and usable audit access
Warranties	Absolute promises beyond the artist's knowledge or control	Accurate scope, disclosed exceptions, and a clearance process
Indemnity	Unlimited exposure or no control over defense	Defined claims, notice, defense participation, settlement protections
Assignment	The deal moves to an unknown company	Appropriate restrictions, guarantees, or protection on transfer
Remedies	A promise without a practical consequence	Notice, cure, payment relief, termination, and transition terms

Do not mechanically delete every warranty. A company reasonably needs assurance that it can use the rights it acquires. The artist should understand the factual work necessary to make the promise accurately. Disclosed samples, disputed shares, or conditional producer grants should be resolved or expressly addressed rather than hidden behind optimistic boilerplate.

Redline discipline and execution

Compare the final clean copy to the last agreed version, including schedules and hyperlinks to incorporated terms. Check names, dates, percentage bases, cross-references, definitions, and signature capacity. Review changes to related provisions after an apparently favorable edit. Removing a fee in one paragraph does little if it reappears as a deduction elsewhere.

At signing, provide a short obligations calendar: delivery, acceptance response, release deadline, option notice, statements, payment, audit, insurance, and termination notices. The closing file should include the executed agreement and exhibits, the final rights schedule, outstanding approvals, and a plain-language summary. A strong negotiation can fail operationally if no one knows what must happen next.

Nia's proposed term sheet

Teaching proposal T1, August 24, 2026. Nia proposes these terms to Harbor Distribution LLC after the N1 offer reproduced in Chapter 10. Neither party has accepted this proposal. It creates no license, exclusivity, duty to negotiate or other binding commitment; only a definitive agreement signed by both parties would do so. These explicit limits are part of this specimen, not a conclusion drawn merely from its title.

Parties and rights. Artist: Nia Sol, individually. Company: Harbor Distribution LLC. Covered master: After the Rain, final mix ATR-01, delivered with the approved artwork and metadata identified in the signed schedule. Nia retains master ownership. Harbor receives an exclusive worldwide digital distribution license for that master only, beginning on written acceptance and ending at 11:59 p.m. New York time on the day immediately before its third anniversary, with no automatic renewal, future-work option or suspension extension. For September 1, 2026 acceptance, the last authorized exploitation day is August 31, 2029. Composition ownership, live work, merchandise, endorsements, audiovisual synchronization, remixes and synthetic performances are reserved. Necessary composition permissions for the authorized audio release must be documented separately.

Money and services. Harbor retains 15% of master receipts actually received from authorized exploitation, with no deductions for overhead, promotion or related-party charges. It remits the other 85%. Nia funds the \$20,000 budget in N4. Harbor supplies delivery to agreed digital services, accurate metadata delivery, quarterly statements and support for platform claims; playlist placement and audience growth are not guaranteed. A written services schedule identifies the services and reporting owner. No advance, royalty-account recoupment or cross-collateralization applies.

Delivery and release. Nia delivers the final cleared files by August 27. Harbor must accept or give a specific written technical or clearance defect notice within five calendar days after receipt; silence is not acceptance. The parties will resolve an actual defect promptly, and Nia may withdraw the proposed delivery if no definite resolution is agreed. After written acceptance, qualifying commercial release means making the master available in the United States through the two fictional services named Service One and Service Two, with correct artist credit and ordinary public access. Harbor must complete that release within 120 calendar days. Nia may use the two-notice, 30-day cure procedure already demonstrated in this chapter if Harbor fails. The definitive contract will use the same trigger-day exclusion and receipt-based notice assumptions used in that example.

Consent and transition. Sensitive advertising, political promotion, audiovisual use, changed vocals and synthetic uses require Nia's separate prior written consent; no response is a refusal for that request. Routine delivery of the unchanged approved master to the agreed audio services needs no repeated consent. At expiration or valid termination, Harbor will stop new exploitation, cooperate in migration within 30 calendar days, provide metadata and delivery records, and continue quarterly accounting for receipts from authorized pretermination uses. No continuing exclusive license arises solely from money

arriving later. The agreement must address existing platform arrangements without promising a technically instantaneous takedown.

Negotiating position. Nia accepts a three-year exclusive distribution term and the stated 15% fee in exchange for retaining ownership and a limited repertoire grant. She rejects composition ownership and future-master options. A 30-day migration period is a practical concession; it needs a defined permitted purpose and cannot become indefinite exclusivity. Audit, indemnity and transfer provisions below supply the remaining control terms. [6; 8; 19]

Audit terms with an actual alternative

Harbor opening clause. “Each statement is final unless Artist objects in writing within six months after delivery. Artist may audit once per calendar year at Company’s office, at Artist’s sole expense, through a certified public accountant not auditing another Company artist. Company need not disclose third-party agreements.”

Nia’s proposed replacement. “Company will deliver a quarterly statement and payment within 45 calendar days after quarter end, identifying receipts by service, territory, master and type of use and separately stating each fee, adjustment and reserve. Artist may, through an independent accountant or attorney bound by reasonable confidentiality obligations, examine supporting records for a statement within three years after its delivery on at least 30 calendar days’ written notice, no more than once per calendar year, except for a follow-up addressing a material unresolved discrepancy. Company will provide reasonably usable electronic records, including relevant source statements and calculation terms in third-party agreements, with unrelated confidential material redacted. Timely written notice identifying a challenged statement and disputed item preserves that objection while reasonably requested supporting records remain unavailable. If an audit establishes an underpayment exceeding 5% of the amount properly payable for the examined period, Company will reimburse reasonable audit costs up to \$5,000 and pay the underpayment within 30 calendar days after agreement or final determination. This provision does not authorize withholding undisputed payments.”

The replacement gives the percentage an inspectable base and avoids an exclusion that could bar the accountant most familiar with the company. It separates the ordinary inspection period from a preserved identified dispute. The 5% threshold uses **the amount properly payable**, not the amount originally paid. These are proposed contract terms, not statutory audit periods or a promise to extend any limitation period. Litigation deadlines must be evaluated separately.

Plausible counteroffer and decision. Harbor offers two years, 60 days’ notice and a \$3,000 cost cap, but will supply the supporting electronic data. Nia authorizes those three concessions in the teaching record because prompt quarterly review makes the shorter period usable. She rejects deletion of the preserved-objection sentence. For a properly payable \$170,000, an \$8,500 shortfall is exactly 5% and does not satisfy “exceeding 5%”;

\$8,501 does. This wording avoids a dispute caused by silently using “at least” in the advice memo.

Indemnity tied to the risk each party controls

Harbor opening clause. “Artist indemnifies Company and its affiliates against all claims, losses, liabilities and expenses arising from the Materials or this Agreement, whether or not caused by Company, and Company may withhold all sums otherwise due until any possible claim is resolved.”

Nia’s proposed replacement. “Artist will indemnify Company against a third party’s claim to the extent caused by Artist’s breach of the express rights warranties covering the approved Materials as delivered. Company will indemnify Artist against a third party’s claim to the extent caused by Company’s unauthorized alteration, exploitation outside the granted rights or breach of its express warranties. The protected party will promptly provide written notice and available claim documents; delayed notice reduces the duty only to the extent it materially prejudices the defense. The indemnifying party may assume the defense with qualified counsel reasonably acceptable to the protected party. The protected party may participate through separate counsel at its own expense, except where an actual conflict requires separate counsel at the indemnifying party’s reasonable expense. No settlement may admit fault by, impose a nonmonetary obligation on, or fail fully to release the protected party without that party’s written consent. Company may reserve only a reasonably supported amount attributable to the particular claim, disclose the calculation, review it quarterly and pay all undisputed sums. This indemnity concerns third-party claims; it does not grant fees for a direct contract suit between Artist and Company.”

Annotation. A known sample cannot be cured by changing a warranty to “to my knowledge” and then ignoring the license. First establish what material is delivered and which permission exists. The allocation above makes Harbor responsible for its later unauthorized changes, but does not remove Nia’s responsibility for a breached rights promise about her delivery. Notice, defense control and reserves affect whether a theoretical protection is usable. Neither proposed clause is a legal opinion that every conceivable indemnity or liability exclusion will be enforceable.

Counteroffer and changed risk. Harbor wants the artist to cover a company-created political advertisement using an unapproved remix. Counsel rejects that allocation: the base-case artist supplied a cleared audio master and expressly reserved political advertising. If Nia instead knowingly supplies an uncleared sample while warranting clearance, the analysis changes; she should remove or clear it, disclose the issue and renegotiate any targeted risk allocation before delivery. A narrow indemnity does not legalize infringement. Do not claim that the company’s financial cap or insurance will pay a claim without inspecting the relevant terms.

Assignment and the successor's performance

Harbor opening clause. “Company may assign this Agreement or any rights hereunder without notice or consent, and shall be released from all obligations upon assignment.”

Nia's proposed replacement. “Company may not assign this Agreement or the exclusive license without Artist's prior written consent, not to be unreasonably withheld where the proposed successor has demonstrated the ability to perform the stated distribution and accounting services. Company may assign to an affiliate under common control without further consent only after giving Artist at least 15 calendar days' written notice, delivering the affiliate's written assumption of every Company obligation and confirming that Company remains jointly responsible for performance. No assignment expands the repertoire, permitted uses, term or deduction rights, releases accrued obligations, or extinguishes Artist's audit and termination rights. A later transfer out of common control requires consent under the first sentence.”

Counteroffer and decision. Harbor proposes consent-free transfer to the buyer of its entire distribution business. Nia's fallback would require advance notice, a signed assumption, documented distribution/accounting capability and continuing Harbor responsibility for pretransfer balances, with no release of any guaranty unless separately agreed. If Harbor refuses to identify the buyer and will be an empty company after closing, “continuing responsibility” alone offers little practical protection. Counsel recommends withholding consent pending evidence of the successor's resources or a separately negotiated security arrangement. That changed credit risk matters even though the 15% fee is unchanged.

The clause concerns Harbor's contractual position. It cannot make Harbor convey rights it never acquired or cancel another author's nonwaivable statutory rights. Recheck the copyright grant, sublicensing provision, insolvency implications and actual transaction documents rather than treating the word “assignment” as one universal legal event. [6; 19–21]

A complete negotiation response

Avery to Harbor, fictional draft for Nia's approval, August 24. “Nia can accept the three-year distribution structure and 15% fee for ATR-01 if the definitive agreement reserves composition and future works, documents the services, and contains the release remedy. We accept your two-year audit period, 60-day inspection notice and \$3,000 cost cap if electronic source records and the timely-objection protection remain. Please replace the blanket indemnity with the responsibility-based third-party provision and limit reserves to the documented claim. Affiliate assignment needs assumption and continuing responsibility; an unidentified business buyer is not approved. These positions are subject to Nia's approval of the entire execution copy and create no binding grant.” The response records Nia's proposed concession package; Harbor has not accepted it, and Nia has not approved an execution copy.

7. Licensing the music and the artist's identity

An audiovisual placement, endorsement, or live engagement can require several permissions with different owners and different limits.

Synchronization and master use

A film producer who wants to place an existing recording in a scene generally must address both the composition synchronization permission and the right to use that particular master. If the producer commissions a new performance of the composition, the master question changes, but composition permission does not disappear. A public-performance license is not a general substitute for the permissions needed to combine music with images. [14]

Prepare a licensing request that states the project, scene, duration, lyrics or instrumental use, media, territory, term, promotional uses, and proposed fee. The rights holder cannot meaningfully price or approve a vague request to “use the song.” Trailers, advertisements, social excerpts, and soundtrack albums may need different treatment from the principal film.

A practical clearance example

A documentary offers \$5,000 to use 30 seconds of a recording. The artist owns the master but owns only 60% of the composition. Counsel should not accept the offer as a complete clearance without identifying the remaining composition interest and licensing authority. Ask whether \$5,000 is intended for both sides, only the master, or a fee subject to additional approvals.

Suppose the artist approves use in the film but objects to the song appearing in a political advertisement promoting the film. A grant covering “all advertising and promotion in all media” may reach farther than the client expects. Describe the objection, negotiate the reservation, and ensure the licensee can comply. If a most-favored-nations term applies, identify which other fee or provision triggers it and how the information will be disclosed.

Identity rights are a separate review

An artist may license a recording without authorizing an endorsement. New York Civil Rights Law §§ 50 and 51 address specified advertising or trade uses of a living person's name, portrait, picture, likeness, or voice without written consent. Application involves statutory and constitutional limits; an expressive work and a product advertisement cannot simply be treated as identical uses. [15; 16]

A release should state the approved purpose, media, term, territory, edits, sublicensing, and uses of the artist's name or image. Address synthetic alterations or new performances expressly if contemplated. Do not assume a general permission to edit footage resolves every future digital use. The inquiry is what the person knowingly authorized and what applicable law permits.

Live performances and political uses

For a live engagement, review compensation, deposits, cancellation, travel, technical requirements, recording, streaming, merchandising, and permissions for publicity. A fee to appear onstage does not necessarily include an unrestricted license to sell the filmed performance afterward. Conversely, a performance contract may expressly grant recording and promotional rights that the artist overlooks.

Political uses require a fact-specific review of the work, venue, licenses, permissions, and any endorsement or publicity claims. Master ownership alone is not an automatic veto over every public playing of a song. Do not promise that a cease-and-desist letter will resolve every use. Identify the actual legal claim and the party entitled to assert it.

Administration after the license

The delivery package should contain the final licensed recording, approved credits, payment instructions, permitted uses, and the contact for additional approvals. Track expiration, extensions, and any reporting obligations. For audiovisual projects, obtain the information needed for accurate cue sheets and related collection; a synchronization fee does not necessarily exhaust every possible income stream.

If the licensee later asks for a new advertisement, treat the request as a scope check. Compare it with the existing grant before quoting a fee or saying no. The best outcome may be a short amendment, but only after counsel confirms who can authorize it and whether another participant's consent or payment is required.

A completed clearance schedule

Fictional file L1, August 24, 2026. This is a new documentary request concerning Nia's completed master ATR-01. The Chapter 10 source records establish a clean audio-release title chain. They do not grant every future film or advertising use. The film producer requests 30 seconds in the documentary *City Voices*, worldwide streaming and festivals for five years, plus paid political-themed advertising. The \$5,000 offer does not allocate the master and composition fees.

Asset or use	Evidence and current status	Owner and next action
ATR-01 master in the documentary	N3 establishes Nia's title; no executed film license yet	Nia and Avery define fee, excerpt, term and media before approval
Underlying composition	N3 gives Nia 60%, Luis 40% and requires both writers' written approval for synchronization	Avery requests Luis's specific approval; pending is not cleared
Nia's name and likeness in credits	Nia will allow accurate artist credit; no product or political endorsement granted	Film producer provides final credit and publicity wording
Artwork in the film	N4 permits audio-release packaging and ordinary audio-release promotion only	Jordan requests an audiovisual expansion from illustrator June Park
Paid political-themed trailer	Outside the requested documentary-only approval Nia is prepared to give	Nia declines; producer must remove this use from the grant
Third-party sample or beat	N3 identifies none in ATR-01; contributor declaration matches the delivered version	Avery confirms final audio is ATR-01 before signing; a new remix requires a new check

Recommendation. Hold film delivery and do not warrant complete clearance while Luis's required consent, the artwork expansion and fee allocation remain open. The audio distribution recommendation can remain unchanged if it uses only the already cleared materials and rights. One missing film permission need not prohibit an unrelated permitted audio use; the release file should show which branch is blocked.

Co-ownership does not answer every licensing question

Under U.S. joint-work doctrine, a joint copyright owner generally may grant a nonexclusive license without every co-owner joining, subject to duties to account and applicable agreements. A co-owner cannot convey the other owner's share or grant an exclusive right binding all owners unilaterally. *Davis v. Blige* also rejects using a later retroactive transaction to extinguish another co-owner's accrued infringement claim. Do not turn a request for complete clearance into an inaccurate statement that every domestic nonexclusive use invariably requires every owner's signature. [6: § 201(a); 24]

Here the N3 agreement specifically requires mutual written synchronization approval, and the proposed worldwide transaction requires examination of territories, grants and contractual authority. Nia's 60% share alone therefore does not close L1. If the mutual-approval restriction is removed in a changed fact, counsel must analyze the nonexclusive joint-owner route and accounting rather than mechanically repeating "40% missing." That

route still does not supply June's artwork license, an exclusive grant over Luis's interest, or Nia's endorsement consent.

An operative limited permission

Teaching grant L2, conditional proposal. "Subject to separate written composition and artwork clearances and payment of the agreed \$2,500 master-use fee, Nia Sol grants City Voices Films LLC a nonexclusive license to synchronize the identified 30-second excerpt of ATR-01 solely in the documentary City Voices, final cut CV-04, and to exhibit that film at festivals and through streaming services worldwide from November 1, 2026 through October 31, 2031. This grant does not authorize trailers, paid advertisements, political promotion, endorsements, soundtrack albums, altered vocals or standalone exploitation. Artist's name may appear only in the agreed accurate music credit. All other rights are reserved. No rights arise until the stated conditions are satisfied." The other \$2,500 in the proposed overall fee is only a negotiation allocation for composition rights, not an agreed payment to Luis or proof of authority.

Changed permission. On October 25 Luis declines the requested film approval before signing any film permission. Under N3's mutual-approval agreement, the film release remains on hold; a request, draft or anticipated fee is not assent. The producer can remove the excerpt and dependent artwork, seek a different cleared work, or negotiate valid approval. The client message is: "The planned film use is not cleared; stop delivery of the licensed excerpt pending resolution. The authorized audio release may continue on its own terms."

If Luis instead signed a binding, paid, irrevocable license for CV-04 and later sends "I revoke consent" without identifying a termination right or breach, counsel must examine that agreement before announcing that the grant has ended. Nia's objection to a **new political trailer** presents a different issue: L2 excluded it from the outset. A narrow request to stop that unauthorized use should not falsely assert that the existing film permission has vanished. Neither branch is a § 203 termination of a decades-old copyright grant.

8. Independent judgment and overlapping roles

A lawyer's business interest in an artist's career can create a conflict precisely when the artist most needs independent advice.

Identify the conflict before designing consent

The episode describes the convenience of a manager who also has legal training. The professional-responsibility question is not whether that person is talented or well-intentioned. It is whether duties and incentives conflict in the particular matter. A commission on an advance may favor a transaction that the artist's independent lawyer would advise against. An ownership interest in a studio may affect advice about production spending.

Rule 1.7 covers direct adversity to another client and significant risks of impaired independent judgment or materially limited representation arising from other responsibilities or personal interests. Continuation requires a reasonable belief in competent, diligent representation, no legal prohibition, no opposing client claims in the same tribunal proceeding, and each affected client's informed consent confirmed in writing. Consent cannot cure a failure of those conditions. [2: Rule 1.7(a)–(b)]

Management and legal work need a real boundary

Ask what service is being provided during each interaction. Is the person making a commercial introduction, evaluating the legal enforceability of a deal, or negotiating a contract on the artist's behalf? The client's reasonable expectations matter. Calling an enterprise a management company does not necessarily remove professional obligations when legal services are being delivered.

Rule 5.7 addresses nonlegal services offered by lawyers and controlled entities. Where services are not distinct, professional rules can apply; even distinct services require attention to whether the recipient could reasonably believe attorney-client protections apply. A disclaimer is not permission to mislead or to evade a conflict in an actual legal representation. [2: Rule 5.7]

Application. Counsel's management company receives 15% of advances. A label offers a larger advance in exchange for a much longer exclusive term. Counsel's own income rises immediately if the artist accepts. Record the economic interest, analyze whether representation may continue, and determine whether independent counsel is necessary. Do not present the larger advance as an unqualified improvement before modeling the artist's long-term position.

Fees, ownership, and client transactions

A percentage fee requires a defined base, scope, duration, and expense treatment. New York prohibits illegal or excessive fees and imposes particular writing requirements on contingent fees. If the lawyer also enters a business transaction with the client, Rule 1.8(a) can require fair and reasonable terms, understandable written disclosure, written advice about independent counsel, a reasonable opportunity to obtain it, and signed informed consent addressing the lawyer's role. [2: Rules 1.5 and 1.8(a)]

A fee paid from an advance, an assignment of a copyright share, and an equity interest in the artist's company are not interchangeable arrangements. Analyze each on its substance. Explain what happens if the engagement ends, the artist changes representatives, the deal is renewed, or income arrives years later. Avoid a vague right to a percentage of everything the artist ever earns.

If a lawyer's fee is 5% of a specified \$40,000 negotiated advance, the fee is \$2,000. That calculation does not establish that the arrangement is permissible or reasonable. A claim to 5% of unrelated future music, touring and endorsement income requires a separate analysis of scope and value under the fee and conflict rules. [2: Rules 1.5 and 1.8(a)]

Third-party payment and referral relationships

A label may offer to pay the artist's legal bill. The artist still needs advice directed to the artist's interests. Determine the terms of payment, the client's consent, confidentiality safeguards, and whether the payer is attempting to limit counsel's work or control the recommendation. Document any cap so the artist understands what happens if the review requires more time.

A referral relationship between a manager and a lawyer should not silently become a financial arrangement that compromises the advice. Identify referral payments, shared fees, common ownership, and reciprocal obligations. Review the applicable rules before agreeing to them. Do not call a payment a marketing expense simply to avoid asking whether it is prohibited fee sharing or payment for a recommendation.

Agency licensing is a separate issue

New York's definition of theatrical employment agency addresses procuring artist engagements and contains an exception for management whose seeking of employment is only incidental. California regulates procuring or attempting to procure artist employment, with a particular statutory treatment for procuring recording contracts alone. These frameworks differ. The title "manager" does not decide which law applies or whether a license is required. [17; 18]

Before arranging engagements across jurisdictions, identify where the parties act, the nature and frequency of procurement, applicable licensing requirements, and any relevant

collective bargaining rules. A choice-of-law clause should not be assumed to eliminate a regulatory statute. Obtain appropriate local advice when the activity extends beyond the lawyer's competence or authorization.

Professional checkpoint. A useful file explains the conflict, the available alternatives, why continued representation is permissible if it is, what consent was obtained, and what work independent counsel will perform. A signature alone does not supply that analysis.

An advice file that changes with the lawyer's incentive

Base case C2. Avery has no ownership or commission interest in either offer and represents Nia only. Jordan's 15% management interest is disclosed as a commercial factor in the comparison. Nia authorizes Jordan to receive the budget and release timetable, while legal strategy stays between Nia and Avery. Harbor's reimbursement offer is accepted only on terms preserving Nia's informed consent, confidentiality and independent representation. The payer has no veto over a recommended redline. [2: Rules 1.4, 1.6 and 1.8(f)]

Changed fact. Avery also owns the management company that would receive the \$6,000 commission on Beacon's advance. A signed sentence saying "conflict waived" does not show an informed, consentable arrangement. The file must assess the significant risk to judgment, explain the alternatives and determine whether a reasonable lawyer could still provide competent and diligent representation. The negotiation of Avery's own management compensation additionally requires Rule 1.8(a) review. In this example Avery sends Nia to independent counsel for the management agreement and offer recommendation and limits further participation pending that assessment. No fictional waiver is treated as automatic approval. [2: Rules 1.7–1.8]

Procurement variation. Jordan merely introducing recording-contract opportunities invokes a different California statutory question from repeatedly securing live engagements. The recording-contract-only exception does not immunize all activities performed by someone who also arranges a record deal. In New York, investigate whether seeking engagements is incidental to management under GBL § 171(8). Document what Jordan actually does, where and how often; titles and an LLC filing answer neither jurisdiction's test. [17–18]

9. Disputes, renegotiation, and exit

Dissatisfaction with a bargain, breach of a bargain, and statutory termination of copyright rights are different legal questions.

Diagnose the problem before choosing a tactic

An artist reports that a label is keeping the money and will not release new music. Begin with the agreement, amendments, statements, delivery record, and notices. Determine whether the issue is a disputed royalty calculation, unfulfilled release commitment, ownership claim, unauthorized use, or a deal that operates as written but has become commercially unattractive.

Prepare an obligation-and-evidence table. For each alleged failure, identify the responsible party, precise contractual duty, performance date, available proof, required notice, cure period, and requested remedy. Ask whether the client has complied with reciprocal duties. This prevents a demand letter from overstating the case and helps the client understand what can actually be established.

Nonperformance is not a universal exit strategy

Withholding new work may create negotiating pressure, but it may also breach exclusivity or delivery obligations, permit suspension, or delay the artist's career. Assess the consequences before recommending it. A lawyer should explain the plausible downside, available alternatives, and what facts would change the recommendation.

A negotiated amendment may be more useful than complete termination. Possibilities include a defined release date, a reduced delivery commitment, partial rights reversion, a buyout, a limited new license, a corrected royalty base, or an agreed closing account. The business solution should correspond to the client's priority. An artist seeking to release one stalled master may not need to litigate every historical complaint to reach a useful agreement.

Contract meaning and remedies

New York's Court of Appeals decision in *Greenfield v. Philles Records, Inc.*, 98 N.Y.2d 562, 569–574 (2002), enforced an unambiguous master-ownership grant permitting synchronization and domestic third-party licensing. Silence did not create an ambiguity supporting an industry-standard synchronization royalty. But ownership did not erase the agreement's compensation provisions: the court remitted for calculation of contractual royalties on domestic third-party audio sales. The dispute involved recordings predating federal sound-recording protection. Use its contract-interpretation reasoning with that context, not as a rule that every transfer eliminates every royalty. [19]

Do not generalize that every broad grant wins or that industry custom is irrelevant in every dispute. Start with governing law, the text, the entire agreement, and the actual issue.

Evaluate potential claims, defenses, limitations, forum clauses, arbitration provisions, and the cost of obtaining effective relief.

Audit and preserve evidence

Retain statements, downloads, invoices, emails, approvals, distribution terms, and account-access records. Preserve original files and relevant metadata. A client who is angry at a collaborator may be tempted to delete shared material or remove access abruptly. Give a preservation instruction and plan a lawful transition instead.

An audit demand should comply with the agreement's procedure. Confirm who can audit, what records are covered, the permissible period, confidentiality requirements, and any cost-shifting threshold. Do not assume an informal complaint preserves every contractual or statutory claim. Calendar separately the audit window, objection deadline, limitation period, and any notice necessary for termination.

Copyright termination is a specialist timeline

Section 203 provides a statutory termination mechanism for certain author-executed grants made on or after January 1, 1978, other than works made for hire. Its timing, notice, execution, and recordation rules are exacting, and publication grants can involve a different timing calculation. It is not an immediate escape from a recently signed contract. Other provisions govern qualifying older grants. [20; 21]

A proper assessment identifies the work, author, grant, signature date, publication facts, current grantee or successor, and eligible terminating parties. Calendar backward from a legally supported effective date. Review the derivative-work exception and the limits on what rights are recaptured. Do not assume termination automatically unwinds every foreign right, payment obligation, or exploitation of an already authorized derivative work.

For initial screening under § 203(a)(3)–(4), the ordinary five-year termination window starts 35 years after execution. A publication-right grant instead uses the earlier of 35 years after publication under the grant or 40 years after execution. Notice must be served 2–10 years before the selected effective date and recorded before that date. For an eligible nonpublication grant signed October 1, 1991, October 1, 2026 could be an effective date; service would need to fall between October 1, 2016 and October 1, 2024. First seeking advice in October 2026 cannot retroactively satisfy notice for that day, although a later effective date within the window may remain possible. Verify authors, successors, signatures and the exact notice before reaching that conclusion. [20: § 203(a)(1)–(4); 21]

Contractual reversion is distinct. A contract might return specified rights after a term or a failure to release, but the trigger, notices, surviving licenses, and payment obligations must be examined. A letter saying “I revoke everything” does not itself establish that either mechanism has been satisfied.

Close the relationship without losing the catalog

An exit agreement should address who owns each asset, existing licenses, unpaid balances, disputed charges, final accounting, future collections, credit, files, metadata, platform

access, and cooperation with transfer. Specify how misdirected payments will be forwarded and how long records remain available.

Distinguish the right to terminate a services relationship from the survival of previously granted rights or commission tails. A former manager may claim postterm commissions under the management agreement even when no longer providing services. A former distributor may need time to migrate a catalog. Define the transition so the artist does not lose revenue or create conflicting claims during the handoff.

Apply Greenfield to a concrete reservation

The Ronettes' dispute concerned a broad 1963 master grant and a separate compensation schedule. The Court of Appeals modified the intermediate appellate disposition and remitted for contract-based domestic audio royalties, while rejecting the effort to obtain synchronization compensation by supplying an unbargained industry rate. Later First Department decisions applied that distinction on remittal, including rejection of royalties for the disputed home-use audiovisual products. Those results make the text of Nia's reservation and payment provisions consequential. [19; 25]

If Nia gives Beacon an unrestricted copyright-term master assignment and relies on a conversation that "political ads are off limits," she has exposed a central preference to a preventable contract dispute. T1 instead reserves those uses expressly. A counteroffer granting all master exploitation "in all media now known or later developed" must be read with the reservation and a clear priority rule, not accepted because another paragraph mentions artist consultation. Consultation is not consent. A court's construction of one old agreement does not establish ownership of a modern composition or defeat statutory termination rights.

Complete the two contractual notices

Supporting event record E0. The hypothetical final contract adopts T1's release standard and the two-notice remedy. The attached acceptance message states "ATR-01 accepted," received September 1, 2026. The delivery receipt identifies ATR-01 and the approved audio artwork. Jordan's checks on December 31 and January 2 show Service One as "artist page present; ATR-01 unavailable" and Service Two as "private preview only; public ATR-01 unavailable." Copies of those results and the exact checked version are preserved with the notice. E1's permitted delivery receipt records January 2, 2027 at 9:00 a.m. New York time. A February 1 end-of-day check reports the same missing public release on both services. These supplied facts support E2 only in the nonrelease branch; substitute actual evidence in a real file.

Fictional notice E1, received January 2, 2027. "Nia Sol gives Harbor Distribution LLC notice under the release provision for ATR-01. Harbor accepted the cleared delivery in writing September 1, 2026. The 120-calendar-day deadline expired December 30, 2026. The agreed public availability on both named services has not occurred; the attached service checks

dated December 31 and January 2 identify the missing release. Please cure within 30 calendar days after receipt of this notice. Nia reserves the further termination notice required by the agreement.” Assume the method and receipt evidence satisfy the signed contract; this is not a universal service form.

Fictional notice E2, February 2, 2027, only if the documented failure remains uncured.

“The cure period following receipt of E1 on January 2 ended February 1 without the qualifying release. Nia now terminates Harbor’s exclusive distribution license for ATR-01 under that provision. Please stop new exploitation and begin the agreed 30-day migration process. Provide the delivery and metadata records, identify outstanding platform arrangements, and preserve the final statements and continuing accounting for authorized pretermination uses. This notice does not waive any payment claim.” The termination asserted is the agreed contractual remedy; it is not rescission of every past transaction.

Changed trigger. Acceptance on October 1 makes the January 2 notice premature because the release deadline is January 29. Do not reuse E2. Verify nonrelease after January 29, deliver a valid first notice, prove receipt, and recalculate the cure period before a later notice. If Harbor timely releases as promised, the failure-to-release remedy is unavailable even if the artist dislikes the promotion. A different documented breach needs its own contractual basis.

10. The Nia Sol case file

Apply the framework to an artist choosing between growth opportunities while retaining control of a developing catalog.

Facts and client objectives

Nia Sol is an independent singer-songwriter with one successful single. She owns the master through a signed contributor agreement and owns 60% of the composition. Luis owns the remaining 40%; neither has transferred composition ownership. The recording contains no uncleared third-party material on the assumed facts. Nia has a manager whose contract charges 15% of specified artist master cash receipts, excluding production reimbursements and composition income. The contract's term ends in six months.

Two companies make offers for the next recording. Nia wants enough money to finish the project, a meaningful release commitment, and the ability to control sensitive advertising uses. She will not transfer her composition share. Assume all dollar figures below concern the same defined master receipts for one accounting period. Ignore taxes and legal fees solely to isolate the deal mechanics.

Offer A, Harbor Distribution. A three-year exclusive master license, a 15% distribution fee, and no advance. Nia pays \$20,000 in production and release costs from her own funds. The manager receives 15% of the amount paid to Nia after the distribution fee. There are no additional deductions in this example.

Offer B, Beacon Records. A copyright-term master assignment, a \$40,000 artist advance, and a \$60,000 recoupable project budget. Nia earns 25% of defined receipts; both the advance and budget are recouped solely from her royalty account. The manager receives 15% of the artist advance and of later royalty cash, with no second commission on royalties merely applied to recoup the already commissioned advance. Assume no additional charges.

Source documents for the Nia comparison

Fictional packet N1–N8. These are supplied teaching facts and operative excerpts, not real offers or signed documents of the program faculty. Read them before the completed calculations below. The packet makes the existing Nia example reproducible and adds facts needed for the negotiation and clearance tasks. Nia Sol is a fictional artist, unrelated to any faculty member. Different receipt scenarios are alternatives, not cumulative years of one account.

N1 Harbor proposal dated August 21 2026

“Nia Sol retains ownership of the master After the Rain, final mix ATR-01. Harbor Distribution LLC proposes a three-year exclusive digital distribution license worldwide, no advance and a distribution fee of 15% of master receipts actually received. Artist receives the remaining 85%, without additional deductions in this proposed economic model. Artist

funds production and launch costs. Composition ownership, other recordings, touring and merchandise are outside the offer. A definitive agreement must settle release, accounting, audit, indemnity, assignment and migration terms. This offer is nonbinding and creates no exclusivity before both parties sign the definitive agreement.”

N2 Beacon proposal dated August 21 2026

“Beacon Records LLC proposes to acquire copyright-term ownership of ATR-01 in exchange for a \$40,000 nonreturnable artist advance and \$60,000 of project funding allocated under N4. The artist royalty is 25% of defined master receipts actually received, without further deductions for this model. The advance and project costs, totaling \$100,000, are recouped only from that royalty account. Additional cash is payable only after the account recoups. There is no personal repayment obligation solely because receipts disappoint, and no cross-collateralization in this offer. Separate breach and indemnity terms remain to be negotiated. The offer does not acquire composition ownership, future masters, touring or merchandise. This proposal is nonbinding until a definitive agreement is signed.”

The phrase nonreturnable is qualified by the offer’s own scope. Do not extend it to liabilities that a final agreement might create. The base calculation also cannot assume unlisted marketing charges simply because a real label might seek them.

N3 Signed contributor and writer records dated August 20 2026

Master excerpt. “For the \$2,000 production fee acknowledged as fully received, Rae Ellis hereby assigns to Nia Sol all of Rae’s right, title and interest, if any, in the sound recording After the Rain, final mix ATR-01, worldwide for the copyright term, subject to nonwaivable statutory termination rights. This fee fully compensates Rae’s recording contribution; no continuing master royalty is payable. The underlying composition is excluded.” The teaching record stipulates signatures by Rae and Nia, a matching \$2,000 bank transfer, Nia’s own performance contribution and no other recording contributors or outside recording material. This is an assignment, not an unsupported work-for-hire classification. [6–8]

Composition excerpt. Nia and Luis Ortega sign an agreement identifying their original joint composition After the Rain. Nia owns 60% and Luis 40%, totaling 100% of the composition. Neither has previously transferred or appointed administration of that share. Each authorizes the proposed audio release of ATR-01 through the selected distributor on the stated distribution terms; necessary service licensing must still be administered. They agree that any synchronization, political advertising or exclusive composition grant requires both writers’ prior written approval. Neither may warrant ownership of the other’s share. Income is accounted for by share. No third-party composition is incorporated on the stipulated facts.

The master grant and composition agreement are separate documents. The \$2,000 is part of the project budget; the 60/40 split is not a deduction from master receipts. Unlike the independent R1 inquiry in Chapter 2, the stipulated signatures and payment here close the producer transfer condition for this particular mix.

N4 Cost records and the financing note

Record	Harbor artist budget	Beacon vendor budget
Rae production fee and signed assignment	\$2,000	\$2,000
Studio and engineering quotation	\$6,000	\$18,000
Artwork and metadata preparation	\$2,000	\$5,000
Approved audio-release promotion	\$10,000	\$35,000
Total contractual project cost	\$20,000	\$60,000

The \$2,000 producer payment has already been made from Nia's funds. Under Harbor it remains part of her total \$20,000 investment, not an additional charge. Under Beacon the teaching offer reimburses that documented producer payment within its \$60,000 budget and pays the other \$58,000 to vendors; the reimbursement restores Nia's previously spent funds and is excluded from management commission. The model's \$34,000 advance cash is therefore measured after restoring that earlier project outlay, not by omitting an expense.

Financing evidence. After the producer payment Nia's project savings account contains \$23,000. Harbor's remaining \$18,000 can be paid, leaving \$5,000 in that account. Separate living expenses are covered on the stipulated facts. This establishes immediate funding capacity, not a risk-free investment. If the account instead contains only \$8,000, the \$10,000 shortfall changes the recommendation unless credible financing or a revised budget is secured. Do not assume debt is free or that expected streaming receipts arrive before costs fall due.

Artwork license. June Park grants paid, nonexclusive use of the identified cover for ATR-01 audio packaging and ordinary promotion of that audio release. The record excludes film, endorsement and political advertising use. Thus the basic audio package is cleared while the separate L1 documentary request needs expanded artwork permission.

N5 Management terms and transition record

Jordan Vale's signed agreement charges 15% of Nia's master cash actually received, including the artist advance and later royalty cash. Documented production reimbursements, vendor budgets and composition income are excluded. No commission is charged on bookkeeping royalties applied only to recoup a previously commissioned advance. The active management term ends February 28, 2027. A signed rider continues the 15% rate on ATR-01 cash under either identified deal through August 31, 2029, with no commission on later receipts and no automatic application to new masters. The three scenario calculations assume all modeled cash arrives while that rider applies. No successor commission is assumed.

The tail is an input, not a recommended market term. If Harbor pays \$50,000 after the tail expires, a 15% deduction on that payment would overstate Jordan's entitlement by \$7,500 under this rider. If a successor manager also proposes commission, compare both contracts before presenting one combined percentage.

N6 Client priorities and instruction record

On August 22 Nia ranks her priorities: retain composition ownership; avoid an unlimited future-master commitment; preserve sensitive-use approval; secure a measurable release duty; and fund the project without risking living expenses. She prefers ownership retention but will consider Beacon if documented services and funding justify its broader grant. She understands that higher receipts are uncertain and has not authorized either signature. Avery may negotiate within T1; material changes return to Nia.

N7 Receipt inputs for the sensitivity test

Source of defined master receipts	Low scenario	Base scenario	High scenario
Service One	\$40,000	\$120,000	\$450,000
Service Two	\$30,000	\$65,000	\$120,000
Download receipts	\$10,000	\$15,000	\$30,000

No tax, additional fee, reserve, producer percentage or composition income is included. Sum the lines for each scenario before applying N1 or N2. Harbor and Beacon are compared at equal receipts to isolate contract mechanics; the scenarios do not forecast equal commercial performance.

N8 Proposed operating dates

If the parties sign acceptable final terms August 25, Nia plans cleared delivery August 27 and written acceptance September 1. Acceptance remains an event to verify, not a date supplied merely by sending files. The proposed 120-day release clause and receipt-based 30-day cure follow Chapter 6's assumptions. T1's proposed statements are due 45 calendar days after each quarter end. The fictional parties agree that these calendar-day contractual deadlines have no holiday extension. No task is marked accomplished simply because it appears in this prospective calendar.

Reader task before the answers. Reconstruct both economic structures at each receipt level. Identify which costs are artist-funded, which funds reach the artist, and when management commission applies. Decide whether the packet supports a signing recommendation today, identify the remaining deal terms, and state which additional permissions the documentary request requires.

Compare cash at the same receipts level

At \$200,000 of defined receipts, Offer A deducts \$30,000 as the distribution fee and pays Nia \$170,000. The management commission is \$25,500. After the \$20,000 of self-funded costs, Nia retains \$124,500 before taxes and legal fees. She had to fund the project before receiving those receipts and bore that financial risk.

Offer B earns a \$50,000 artist royalty on \$200,000 of receipts. That reduces the \$100,000 recoupable account to \$50,000, so no additional royalty cash is payable. Nia has received the \$40,000 advance, less a \$6,000 management commission, leaving \$34,000 before taxes and legal fees. Beacon separately funded the \$60,000 project budget. The advance is included once in this comparison.

Result at \$200,000 of defined receipts	Offer A	Offer B
Artist royalty or remittance before management	\$170,000 remittance	\$50,000 royalty, applied to recoupment
Cash received by artist, including advance	\$170,000	\$40,000 advance
Management commission on that cash	\$25,500	\$6,000
Artist-funded project costs in the example	\$20,000	\$0
Artist cash after these items	\$124,500	\$34,000
Remaining recoupable balance	\$0	\$50,000

This comparison holds receipts constant even though the two companies may produce different commercial outcomes. N4 establishes Nia's capacity to fund Harbor: after the \$2,000 producer payment, her project account contains \$23,000, enough for the remaining \$18,000 cost with \$5,000 left. That funding conclusion changes if the available cash or approved costs change. Beacon's resources may increase the opportunity, but the comparison should rely on written budget, service and release commitments rather than a sales pitch or guaranteed-earnings assumption.

Test a second scenario

At \$80,000 in defined receipts, Offer A pays \$68,000 after its fee. The management commission is \$10,200. After the \$20,000 self-funded costs, Nia retains \$37,800. Offer B still pays no additional royalty cash because the earned \$20,000 reduces its balance only to \$80,000. Nia's advance cash after management remains \$34,000.

At \$600,000 in defined receipts, Offer B earns \$150,000 in artist royalties. After recouping \$100,000, it pays \$50,000 in additional royalty cash. The manager receives \$7,500 from that later payment, in addition to the earlier \$6,000. Nia's total artist cash after management is \$76,500: \$34,000 from the advance plus \$42,500 from the later payment. Ask whether the longer rights grant and services justify the economics in the client's actual circumstances.

Identify the nonfinancial conditions

For either offer, counsel should reserve the composition expressly and confirm the license needed to exploit the recording without purporting to convey Luis's share. Nia cannot give a warranty that she alone owns the whole composition. The final rights schedule should match the signed contributor and writer documents.

N4 supports Offer A's initial funding, and the final agreement must provide a clear transition when its three-year license expires. Offer B requires particular attention to the assignment's scope, future recordings, delivery and acceptance, release obligations, recoupable spending and any proposed reversion. For both offers, sensitive advertising uses need defined consent rights in the final agreement.

N5 resolves the stated management term and tail: Jordan's active term ends February 28, 2027, and the signed rider continues the 15% rate on ATR-01 cash under either identified deal through August 31, 2029. It does not cover later receipts or automatically extend to new masters. All modeled cash arrives within that tail, and no successor commission is assumed. If a payment arrives after August 31, 2029 or Nia appoints a successor manager, recalculate from the actual receipt date and both agreements; do not carry forward the model's 15% deduction automatically.

A concise advice memorandum

Recommendation. N3 and N4 support the audio-release title chain and Harbor's project funding, so Nia can pursue Offer A on the negotiated conditions developed in T1. She should sign only after approving the definitive release, audit, sensitive-use, indemnity, successor and migration provisions. Offer A retains master ownership under a defined license period and produces more artist cash at the three supplied equal-receipts scenarios. Offer B supplies upfront cash and project funding, but takes a broader rights grant and delays additional royalty cash until recoupment. Beacon may become preferable if funding changes, receipts are sufficiently low, or documented services justify the broader grant; the figures alone do not establish that commercial judgment.

Requested changes. For Offer A, seek a clear services schedule, reporting, audit rights, sensitive-use consent, and postterm migration duties. For Offer B, seek a narrower rights term or meaningful reversion, a measurable release duty, spending controls, transparent statements, and an exclusion of composition and unrelated income. Do not trade a critical reservation for a higher advance without recalculating its effect.

Before signing. Compare the final rights schedule and delivered mix with the completed N3 contributor and writer records, confirm N4's funding and N5's management tail, and complete any outstanding conflicts and engagement requirements. Keep the unresolved L1

film permissions separate from the cleared audio release. Have Nia approve the final priorities and economics in writing, then compare the execution copy with the last negotiated version.

After signing. Calendar delivery, acceptance, release, accounting, audit, and notice dates. Assign responsibility for copyright registration, collection data, credits, and archival files. Reconcile the first statement to the agreement and the actual cash. The task ends with an operating file, not only a signed PDF.

One sensitivity table from the source packet

Result	Low \$80,000	Base \$200,000	High \$600,000
Harbor fee at 15%	\$12,000	\$30,000	\$90,000
Harbor artist remittance at 85%	\$68,000	\$170,000	\$510,000
Harbor management commission at 15% of remittance	\$10,200	\$25,500	\$76,500
Harbor cash after commission and total \$20,000 project cost	\$37,800	\$124,500	\$413,500
Beacon artist royalty earned at 25%	\$20,000	\$50,000	\$150,000
Beacon balance still unrecovered	\$80,000	\$50,000	\$0
Beacon additional royalty cash	\$0	\$0	\$50,000
Beacon artist cash including advance after management	\$34,000	\$34,000	\$76,500

The calculation for Harbor is receipts times 0.85 times 0.85, minus \$20,000. For Beacon, additional royalty cash is the larger of zero and 25% of receipts minus \$100,000. Add that cash to the \$40,000 advance, then deduct the stipulated 15% management commission. Show the remaining recoupment balance separately; it is not another deduction from the advance cash.

At receipts below Beacon's \$400,000 recoupment threshold, Beacon's modeled artist cash stays at \$34,000. Harbor reaches that amount at approximately \$74,740.48 in receipts: (\$34,000 plus \$20,000) divided by 0.7225. At \$70,000 Harbor leaves \$30,575, so Beacon supplies more modeled artist cash there. Thus Harbor does not produce more cash at every revenue level. Ownership, funding and timing still differ at the numerical crossover.

Changed royalty base. Suppose Beacon's counteroffer permits a \$20,000 third-party distribution deduction from receipts before applying 25%, while retaining the same

\$100,000 recoupable account. At \$600,000 receipts the royalty becomes 25% of \$580,000, or \$145,000; additional cash is \$45,000 and total artist cash after management is \$72,250. That is \$4,250 less than the original \$76,500. The recoupment threshold becomes \$420,000 of receipts on these fixed-deduction assumptions. Do not both deduct the \$20,000 from the royalty base and add it to recoupment unless the actual counteroffer requires both; that would be a different bargain.

A completed recommendation from the documents

Avery's memorandum to Nia, August 24, 2026. "The current savings record supports Harbor's remaining \$18,000 project funding without using the stipulated living-expense funds. At the three supplied equal-receipts scenarios Harbor leaves \$37,800, \$124,500 and \$413,500 after the specified costs and commission, while retaining master ownership subject to a three-year license. Beacon leaves \$34,000, \$34,000 and \$76,500, supplies the separately documented project budget, and takes the much longer master grant. These figures are comparisons of terms, not earnings promises.

"I recommend negotiating Harbor on T1's terms, conditional on satisfactory release, audit, rights, indemnity, successor and migration provisions. You have not yet approved an execution copy. Keep the composition and future-master reservations explicit. If available project cash falls to \$8,000, the remaining cost cannot be funded on the present record; reconsider a smaller budget, documented financing or Beacon's support before committing. Beacon could become commercially preferable with substantiated services or lower receipts, but a larger advance alone does not cure a grant you are unwilling to make.

"The N3 and N4 documents support the proposed audio delivery of ATR-01. They do not clear L1's documentary package: Luis's contractually required synchronization approval, June's expanded artwork permission and the allocated fee remain open. Political advertising is not authorized. We will keep the film request separate from audio release, and check that the final delivered version matches the documents."

Annotation. The advice identifies a supported funding source, computes all scenarios, states a counterexample and names conditions that still prevent signature. It does not import the unresolved R1 invoice into the clean N3 chain or assume that a sample-free recording automatically clears a person's identity for advertising.

The operating file after a hypothetical Harbor signing

Event and target	Assigned person	Required evidence or changed action
August 25 execution review	Avery and Nia	Compare the whole clean copy, definitions and schedules to the agreed version; Nia signs only if approved
August 27 delivery	Jordan	Preserve the exact ATR-01 file, artwork license and delivery receipt

Event and target	Assigned person	Required evidence or changed action
September 1 assumed acceptance	Harbor operations; Avery verifies	Save written acceptance; if acceptance occurs October 1, recalculate the release deadline
December 30 release deadline on September 1 acceptance	Jordan and Avery	Check both agreed services and credit; a private preview alone does not satisfy T1
January 2 to February 2 failure branch	Avery	Only if nonrelease: preserve receipt of E1, February 1 cure expiration and separate E2 decision
November 14 first statement due for September 30 quarter end	Nia's bookkeeper	45 days after quarter end; reconcile receipts and bank deposit even if no revenue is reported
Two-year audit window under accepted counteroffer	Avery's calendar owner	Run from each actual statement delivery; preserve a timely identified dispute and check separate legal deadlines
February 28 2027 manager term end	Nia and independent adviser	Apply N5's specific ATR-01 tail, not a blanket commission on future work
August 31 2029 tail end	Bookkeeper and Avery	Segregate later receipts and complete distributor migration under final signed term language

The calendar is a completed allocation of planned work, not proof that signing, release or notice occurred. If the actual agreement changes a trigger, change the calendar and the advice together. The release-failure branch must not be carried into a successful-release file.

Unseen exercise Sora's changed offer

Try this before the answer. Sora owns a cleared master but can devote only \$10,000 to the next release. Distributor D offers a three-year license, no advance, a 20% fee and no other deductions; Sora must fund \$18,000 of project costs. Label E offers a \$30,000 artist advance and \$40,000 vendor budget, recouped solely from a 30% royalty on defined receipts, with a copyright-term master assignment. Management takes 10% of artist cash, excluding vendor budgets and royalties merely applied to recoupment. All modeled receipts arrive during the management term. Ignore taxes and legal fees solely for this problem.

Service records project \$70,000, \$40,000 and \$15,000 in three source lines for the same base scenario. Compare D and E at their sum. Then use \$300,000 total receipts. E's counteroffer deducts a fixed \$15,000 distribution cost before the royalty percentage, without adding it to recoupment. Recompute the high scenario. The artwork permission allows organic posts only; the release plan includes paid advertisements. Write a recommendation identifying both the financing and permission issues. Assume no financing commitment or expanded permission has been obtained.

Reasoned answer to Sora's exercise

The source lines total \$125,000. Under D, the 20% fee is \$25,000, leaving \$100,000 cash; management receives \$10,000 and the \$18,000 project costs leave \$72,000. Under E, 30% earns \$37,500 against \$70,000 recoupment, leaving \$32,500 unrecouped and no additional royalty cash. The \$30,000 advance less \$3,000 management leaves \$27,000. E's vendor budget is not another \$40,000 paid into Sora's pocket.

At \$300,000, D leaves \$300,000 times 0.80 times 0.90 minus \$18,000, or \$198,000. E earns \$90,000, recoups \$70,000 and pays \$20,000 additional cash. Advance plus later cash is \$50,000; after 10% management it is \$45,000. With the changed base, E earns 30% of \$285,000, or \$85,500; additional cash is \$15,500 and net artist cash becomes \$40,950. The base change costs Sora \$4,050 in that scenario. The ordinary receipt threshold for full recoupment is approximately \$233,333.33; adding the fixed \$15,000 base deduction raises it to approximately \$248,333.33. These fractions are explanatory; actual contract rounding must be specified.

Completed advice. "D produces more modeled net cash, but you have only \$10,000 for an \$18,000 project. Do not commit to its present budget without resolving the \$8,000 shortfall. E supplies funding but asks for much longer master control; negotiate that grant, release duties and the new royalty-base deduction rather than equating funding with a good deal. Paid advertising using the supplied artwork is outside the permission. Obtain an expanded license or use different cleared material; do not label an organic-post license as blanket campaign approval." A promise to ask for financing or permission does not close either condition. A signed financing commitment or a paid-advertising license would change that part of the recommendation, not automatically the entire deal assessment.

Review and application

Use the questions to test the reasoning. The model analyses explain the missing facts and the next useful action.

1. The studio invoice

An artist paid for a session and holds the only copy of the final audio. Does the artist necessarily own the recording copyright?

Model analysis. No. Payment and possession do not alone resolve authorship or title. Review creative contributions, employment facts, signed grants, and any conditions on transfer. Obtain the studio and producer documents and resolve the rights before signing an exclusive distribution warranty. The physical or digital copy and the copyright are separate interests.

2. The “all-in” permission

A filmmaker obtains permission from the master owner. The songwriter has a different publisher. Is the film cleared?

Model analysis. Not necessarily. Identify the composition license and the master license separately. Confirm who can authorize each, what shares and uses are covered, and whether trailers and advertising are included. A single document can handle multiple permissions only if the grantor actually has the necessary authority and the grant covers them.

3. The royalty statement

Receipts are \$20,000. The distributor retains 10%. A producer receives 4% of post-distribution receipts. What remains before other items?

Model analysis. The distributor retains \$2,000, leaving \$18,000. The producer receives \$720. The remaining amount is \$17,280. If the producer’s base were gross receipts, the producer would receive \$800 instead. The percentage does not answer the question without a defined base.

4. Recoupment pressure

The opening artist account is \$75,000 unrecouped, and the artist royalty is 25% of defined receipts. How much additional receipt revenue is needed to clear it, assuming no further charges?

Model analysis. \$300,000 in receipts produces \$75,000 of artist royalties. Counsel should confirm that recoupment is actually from this royalty account and that no new costs or

cross-collateralized balances will be added. The answer is arithmetic under specified terms, not a revenue forecast.

5. The manager-lawyer

A lawyer recommends a larger advance that increases the lawyer's management commission. The artist signs a one-sentence conflict waiver. Is that enough?

Model analysis. Not by itself. Analyze the financial conflict and whether representation is permissible at all. Explain the material risks and alternatives, determine the need for independent counsel, and satisfy the applicable consent requirements. If there is a separate client business transaction, examine Rule 1.8(a). A form cannot replace the underlying judgment.

6. The expanding grant

The parties discuss one single, but the agreement covers all recordings created during a three-year term. What should counsel do?

Model analysis. Identify the mismatch and revise the defined materials and grant, not merely the title of the document. Examine delivery, exclusivity, options, and suspension provisions for the same expansion. Obtain client instructions on any future-work commitment before accepting it.

7. The artist wants out

An artist dislikes a year-old deal and has heard that copyright grants can be terminated. Can the artist serve a § 203 notice ending the deal immediately?

Model analysis. Section 203 is a specialized long-term statutory mechanism, not immediate rescission for regret. Analyze contractual exit rights, breach, negotiated amendment, and any supported legal claim. Preserve documents and calendar the actual deadlines. Do not advise nonperformance before assessing its consequences.

8. The missing composition money

The artist sees master receipts in a distributor dashboard but no songwriter payments. What is the first investigation?

Model analysis. Identify the artist's composition share and the applicable collection mandate. Review work registrations, identifiers, territory, period, and any publisher or administrator. Determine which organization handles the missing category. Master distribution and composition collection are different functions; the absence of one statement does not alone establish misappropriation.

Worksheet 1: Client and role map

Use with Chapters 1 and 8. Record the actual client and each person’s authority before circulating a draft.

Client / entity / authorized decision-maker / scope

Other participants, interests, and who pays each adviser

Potential conflicts / confidentiality / independent advice

Engagement, consent, limits, and next review date

Worksheet 2: Rights and clearance ledger

Use with Chapters 2, 3, and 7. Complete a separate entry for the composition, recording, and each outside element.

Work title / version / creator / date / identifiers

Ownership shares and signed chain-of-title documents

Third-party content, permissions, territory, media, and term

Open items / release condition / responsible person / evidence

Worksheet 3: Royalty reconciliation

Use with Chapters 4 and 5. Keep master receipts, composition receipts, and personal commissions separate.

Period / source / rights category / governing agreement

Gross receipts / permitted deductions / royalty base

Share / opening recoupment / new charges / closing balance

Cash payable / exceptions / documents / inquiry deadline

Worksheet 4: Contract negotiation record

Use with Chapter 6. Connect each proposed edit to a client objective and a fallback.

Deal / counterparties / client priorities / alternatives

Rights granted / exclusions / deliverables / term / options

Money / approvals / release duty / accounting / remedies

Requested change / fallback / client decision / final verification

Worksheet 5: Exit and dispute assessment

Use with Chapter 9. Do not assume an unpaid balance permits withdrawal of rights or nonperformance.

Agreement, amendments, parties, forum, and applicable law

Obligation / alleged breach / evidence / notice / cure

Deadlines, relief, commercial alternatives, and exposure

Client instructions / preservation / transition / next action

Worksheet 6: Artist advice memorandum

Use with Chapter 10. Explain the recommendation in language the artist can act on.

What the artist wants and what remains uncertain

Ownership, money, control, and duration under each offer

Recommendation, necessary changes, and remaining risks

Before signing / before release / after release / owners of tasks

Glossary

Use these terms with the definitions in the actual agreement; a negotiated definition can change the economic result.

Advance. Money paid before specified future earnings, commonly subject to contractual recoupment.

Administration. Authority to manage licensing, registration, accounting, or collection; it does not necessarily transfer ownership.

Artist royalty. A contractual participation in recording income calculated on a defined base.

Assignment. A transfer of an ownership interest; its scope depends on the operative grant.

Audit right. A contractual or otherwise available mechanism to inspect supporting accounting records, subject to applicable conditions.

Chain of title. The documented sequence establishing how relevant rights moved from their initial owners to the current grantor.

Composition. The musical work, including accompanying lyrics, distinct from a particular recorded performance.

Cross-collateralization. Contractual recovery of costs or balances from more than one project or income source.

Cue sheet. Information identifying music used in an audiovisual production for administration and collection purposes.

Exclusive license. Permission that transfers exclusive rights within its defined scope; it is treated as a transfer of copyright ownership under the Act.

Interpolation. A new performance incorporating material from an existing composition without necessarily copying the existing recording.

Master. Industry shorthand for a particular recording; possession of its files and ownership of its copyright are different questions.

Mechanical royalty. Composition income associated with qualifying reproduction and distribution uses, including eligible digital uses under the relevant license.

Net receipts. A contract-defined base after specified deductions; never assume the deductions are standard.

Option. A contractual right to extend or expand an arrangement under stated conditions.

Points. Percentage participation whose meaning remains incomplete until the base, deductions, and payment conditions are identified.

PRO. Performing-rights organization; commonly used for organizations administering composition public-performance rights.

Publishing. A business term concerning composition rights and their exploitation or administration; it is not a single universal payment stream.

Recoupment. Recovery of specified amounts from a defined earnings account under a contract.

Reversion. Return of rights under contractual or statutory conditions; distinguish the mechanism and its requirements.

Sample. Copied material from an existing recording, potentially implicating both recording and composition rights.

Split sheet. A document recording agreed shares and other information about a work; its coverage depends on its language.

Sunset or commission tail. Posttermination compensation under a management or similar agreement, sometimes declining over time.

Synchronization. Combining music with visual images, ordinarily requiring appropriate negotiated permissions.

Work made for hire. A statutory authorship category with specific requirements, not a synonym for every paid creative commission.

Selected authorities

Linked sources support the legal framework and collection distinctions. Consult the current text, governing jurisdiction, and operative contract for an actual matter.

1. Attorneys with Swag, Entertainment Law Explained, final-edit episode transcript supplied with the course collection. [Episode](#). Topics include lawyer and manager roles, contract negotiation, label resources, ownership, collection, and licensing. The book's hypotheticals and teaching clauses are original supplements, not statements attributed to faculty.
2. New York Rules of Professional Conduct, 22 NYCRR Part 1200, particularly Rules 1.1, 1.4–1.8, 1.13, 1.15, 5.4, 5.7 and 7.2. Compilation amended through July 1, 2026. The rules are court-adopted; NYSBA comments are explanatory. See also the joint Appellate Division conflicts amendments effective November 10, 2025. [Rules compilation through July 1, 2026](#) · [November 2025 court-adopted conflicts amendments](#)
3. New York Courts, 22 NYCRR Part 1215, Written Letter of Engagement, §§ 1215.1–1215.2. Requirements and exceptions; official English rule text on the court's current page. [Read Part 1215: Written Letter of Engagement](#)
4. U.S. Copyright Office, Circular 50, Copyright Registration for Musical Compositions. [Composition registration guidance](#).
5. U.S. Copyright Office, Circular 56, Copyright Registration for Sound Recordings. [Recording authorship and registration guidance](#).
6. 17 U.S.C. §§ 201–205, ownership, material objects, transfers, and recordation. [Copyright Act, Chapter 2](#).
7. U.S. Copyright Office, Circular 30, Works Made for Hire. [Employee and commissioned-work framework](#).
8. 17 U.S.C. §§ 101, 102, 106, 114, and 115, definitions, protectable subject matter, exclusive rights, recording rights, and mechanical licensing. [Copyright Act, Chapter 1](#).
9. U.S. Copyright Office, Circular 1, Copyright Basics. [Fixation, registration, and protection](#).
10. 17 U.S.C. §§ 410(d), 411–412, registration effective date, suit prerequisite and timing of statutory-damages and fee remedies. Copyright Act, Chapter 4. [Read Copyright Act Chapter 4](#)
11. U.S. Copyright Office, Circular 56A, Copyright Registration of Musical Compositions and Sound Recordings. [Separate and combined claims](#).
12. The Mechanical Licensing Collective, How It Works. Covered U.S. digital audio mechanical royalty administration; registration and matching. [Read The MLC's royalty-administration overview](#)
13. SoundExchange, Digital Performance Royalties: The Basics. [Scope and statutory distribution](#). See also 17 U.S.C. § 114(g).
14. U.S. Copyright Office, Musical Works, Sound Recordings & Copyright. [Rights and licensing overview](#).
15. New York Civil Rights Law § 50, right of privacy. [Statutory text](#).

16. New York Civil Rights Law § 51, injunctions and damages. See also *Lohan v. Take-Two Interactive Software, Inc.*, 31 N.Y.3d 111, 119–123 (2018), addressing the statute’s limited reach, expressive uses and whether a depiction identifies the claimant. [Read New York Civil Rights Law § 51](#) · [Read the Lohan Court of Appeals opinion](#)
17. New York General Business Law § 171, including the theatrical employment agency definition. [Statutory text](#). Consult Article 11 and applicable local licensing requirements for a specific practice.
18. California Department of Industrial Relations, How to Obtain a Talent Agency License, quoting Labor Code § 1700.4, including the recording-contract procurement qualification. Agency guidance does not replace fact-specific statutory and case-law analysis. [Read California’s talent-agency licensing guidance](#)
19. *Greenfield v. Philles Records, Inc.*, 98 N.Y.2d 562 (2002), New York Court of Appeals. Broad master grant, synchronization use, domestic royalty terms and limits on extrinsic evidence. Opinion reproduced by Cornell’s Legal Information Institute. [Read the 2002 Greenfield opinion](#)
20. 17 U.S.C. § 203, termination of qualifying author grants. [Statutory text within Chapter 2](#).
21. U.S. Copyright Office, Notices of Termination; 37 C.F.R. § 201.10. Eligibility, notice service and recordation requirements. Qualifying § 203 notices must meet the statute’s two-to-ten-year advance window and be recorded before their effective date. [Copyright Office termination guidance](#) · [Read 37 C.F.R. § 201.10](#)
22. Faculty background: [Cordero Law](#), [Natalie González biography](#); [New York City Business Integrity Commission](#), current agency counsel and Records Access Officer listing; [Pace University](#), [Michael Pabon biography](#) and [2022 commencement program](#); New York attorney-registration records; Mehdi Essmidi’s professional biography; and the supplied AWS faculty collection. Current roles and durable education, admissions and prior experience are distinguished in the faculty biographies. Sources checked October 12, 2026.
23. *Fourth Estate Public Benefit Corp. v. Wall-Street.com, LLC*, 586 U.S. 296 (2019). Ordinary § 411(a) registration prerequisite; distinguish application receipt from the Register’s action. Supreme Court slip opinion, pp. 1–5. [Read the Fourth Estate Supreme Court opinion](#)
24. *Davis v. Blige*, 505 F.3d 90 (2d Cir. 2007). Joint-owner licensing, accounting and limits on retroactive transactions affecting another co-owner’s accrued infringement claims. Published appellate opinion reproduced by Justia. [Read the Davis v. Blige appellate opinion](#)
25. *Greenfield v. Philles Records, Inc.*, 2005 NY Slip Op 01993 (1st Dep’t Mar. 17, 2005), and 2005 NY Slip Op 08613 (1st Dep’t Nov. 10, 2005). Contract-based royalty issues on remittal, including the home-use audiovisual claim. Official New York reports. [Read the March 17, 2005 decision](#) · [Read the November 10, 2005 decision](#)