

Before the  
**UNITED STATES COPYRIGHT ROYALTY JUDGES**  
Washington, D.C.

*In re*

Determination of Rates and Terms for Making  
and Distributing Phonorecords  
(Phonorecords V)

Docket No. 25-CRB-0013-PR  
(2028-2032)

**MOTION TO ADOPT SETTLEMENT OF STATUTORY ROYALTY  
RATES AND TERMS FOR SUBPART B CONFIGURATIONS**

The National Music Publishers’ Association, Inc. (“NMPA”), Nashville Songwriters Association International (“NSAI”), and the Music Artists Coalition (“MAC”) (collectively, the “Publisher/Songwriter Participants”),<sup>1</sup> on the one hand, and Sony Music Entertainment, UMG Recordings, Inc. and Warner Music Group Corp., and the American Association of Independent Music (“A2IM”) (collectively, the “Record Company Participants,”<sup>2</sup> and with the Publisher/Songwriter Participants, the “Parties”), on the other hand, hereby notify the Copyright Royalty Judges that they have agreed to a settlement in the above-captioned proceeding (the “Proceeding”) as to statutory royalty rates and terms under Section 115 of the Copyright Act (“Section 115”) for physical phonorecords, permanent downloads, ringtones and music bundles presently addressed in 37 C.F.R. Part 385 Subpart B (the “Subpart B Configurations,” and such rates and terms, the “Subpart B Configuration Rates and Terms”). Specifically, the Parties have

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<sup>1</sup> The National Music Publishers’ Association, Inc. and Nashville Songwriters Association International filed a joint Petition to Participate in the Proceeding and are listed in the docket under the party name “Copyright Owners.” The Music Artists Coalition filed an individual Petition to Participate and is listed under that name in the docket.

<sup>2</sup> Sony Music Entertainment, UMG Recordings, Inc. and Warner Music Group Corp. filed a joint Petition to Participate in the Proceeding and are listed in the docket under the party name “Joint Record Company Participants.” The American Association of Independent Music filed an individual Petition to Participate and is listed under that name in the docket.

agreed that the Subpart B Configuration Rates and Terms presently set forth in 37 C.F.R. Part 385 Subpart B, along with related provisions in Subpart A, should not be amended except for continuing inflation adjustments to the rates for physical phonorecords and permanent downloads, and thus should continue as set forth in 37 C.F.R. § 385.10 and § 385.11(a)(2), (b), and (c) (with § 385.11(a)(1) continuing to reflect the current year's rate calculated in accordance with § 385.11(a)(2)).

The Parties have had settlement conversations regarding the so-called Subpart B rates and terms with the other copyright owner Participants in the Proceeding (Songwriters Guild of America, World Collections, Inc., Eight Mile Music Companies, and George Johnson), who declined to join this settlement.

The Parties respectfully request that the Judges expeditiously publish the royalty rates and terms described herein (the "Settlement") in the *Federal Register* for notice and comment in accordance with 17 U.S.C. § 801(b)(7)(A) and 37 C.F.R. § 351.2(b)(2) and adopt the Settlement industry-wide as the statutory royalty rates and terms for Subpart B Configurations.

The Record Company Participants do not expect to further participate in the Proceeding except as to prosecution of the Settlement, or if the Settlement is not adopted industry-wide with respect to Subpart B Configurations, as to the adoption of royalty rates and terms for Subpart B Configurations for those persons entitled to receive royalties under Section 115 as to whom the Settlement is not adopted.

#### **I. The Parties**

The Record Company Participants include Sony Music Entertainment, UMG Recordings, Inc. and Warner Music Group Corp., who own or operate three of the largest recorded music businesses in the U.S. Each year those businesses create, manufacture and/or distribute a large volume of sound recordings pursuant to mechanical licenses and make substantial royalty

payments tied to Section 115 of the Copyright Act. Collectively, they invest significant sums of money every year to bring to market recorded versions of the musical works that are the subject of this proceeding. The Record Company Participants also include the American Association of Independent Music (“A2IM”), whose member companies are copyright owners who make significant investments in the creation of music. A2IM members range in size from small to medium enterprises and make substantial royalty payments tied to Section 115 of the Copyright Act.

The National Music Publishers’ Association, Inc. (“NMPA”) is a trade association representing the U.S. music publishing and songwriting industry. Its board of directors includes representatives from across the music publishing industry, including songwriters and independent music publishers (*i.e.*, publishers not affiliated with the major record companies), who make up a majority of the board. Musical works owned or controlled by NMPA members account for the vast majority of the market for musical work licensing in the U.S.

The Nashville Songwriters Association International (“NSAI”) is a trade organization serving songwriters of all genres of music, including songwriters who directly publish and license their own music. Its board of directors consists of songwriters and a songwriter business manager.

The Music Artists Coalition (“MAC”) is a nonprofit advocacy organization dedicated to protecting the rights and advancing the interests of music creators. MAC’s membership includes songwriters whose works are licensed under Section 115 of the Copyright Act.

## **II. Nature of the Settlement**

In the *Phonorecords IV* proceeding, the Judges adopted a settlement of statutory royalty rates for Subpart B Configurations that includes annual inflation adjustments to the rates for physical phonorecords and permanent downloads. The Parties have agreed that the *Phonorecords IV* Subpart B Configuration Rates and Terms presently set forth in 37 C.F.R. Part 385 Subpart B,

along with related provisions in Subpart A, through their inflation adjustment mechanism for physical phonorecords and permanent downloads, should continue to be applicable to the Record Company Participants and all other licensees of “mechanical” rights in musical works for the Subpart B Configurations for the rate period covered by the Proceeding. Accordingly, the Parties have agreed that there do not need to be any changes to the Subpart B Configuration Rates and Terms presently set forth in 37 C.F.R. Part 385 Subpart B, or related provisions in Subpart A, except for continuing annual changes to § 385.11(a)(1) to reflect the current year’s rate calculated in accordance with § 385.11(a)(2).

The Parties have attached a copy of the writing embodying their agreement concerning the Settlement. There are no other agreements beyond the attachment that represent consideration for, or are contractually related to, the Settlement.

### **III. Adoption of the Settlement by the Copyright Royalty Judges**

Encouraging settlements was a key goal of Congress when it adopted the current rate-setting procedures. H. Rep. No. 108-408, at 30 (Jan. 30, 2004) (“the Committee intends that the bill as reported will facilitate and encourage settlement agreements for determining royalty rates”). Accordingly, pursuant to 17 U.S.C. § 801(b)(7)(A), the Copyright Royalty Judges have the authority “[t]o adopt as a basis for statutory terms and rates . . . an agreement concerning such matters reached among some or all of the participants in a proceeding at any time during the proceeding.” Such an agreement may serve as the basis of proposed regulations if other interested parties who “would be bound by the terms, rates or other determination” set by the agreement are afforded “an opportunity to comment on the agreement,” *id.* § 801(b)(7)(A)(i), and provided that, in the event a participant in the proceeding who would be bound by the settlement raises an objection, the Judges conclude that the rates and terms set forth in the settlement agreement “provide a reasonable basis for setting statutory terms or rates.” *Id.* § 801(b)(7)(A)(ii).

The Settlement provides “a reasonable basis” for statutory royalty rates and terms for Subpart B Configurations. First, it provides ongoing, annual inflation-based adjustments throughout the term. Second, it represents the consensus of stakeholders representing the vast majority of the market for “mechanical” rights for Subpart B Configurations, including independent publishers and representatives of songwriters. Third, the Settlement, if adopted, would avoid costly and uncertain litigation between the Parties over rates and terms for Subpart B Configurations.

Accordingly, the Parties are pleased to have reached the Settlement, and respectfully request that the Judges (1) publish the Settlement for comment expeditiously; and (2) promptly adopt the Settlement in its entirety as the Subpart B Configuration Rates and Terms.

Dated: June 29, 2026

**Attachment**

[Settlement Agreement]

## SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made and entered into by and between the National Music Publishers’ Association, Inc. (“NMPA”), Nashville Songwriters Association International (“NSAI”), and the Music Artists Coalition (“MAC,” and collectively with NMPA and NSAI, the “Publisher/Songwriter Participants”), on the one hand, and Sony Music Entertainment (“SME”), UMG Recordings, Inc. (“UMG”), Warner Music Group Corp. (“WMG”), and the American Association of Independent Music (“A2IM,” and collectively with SME, UMG, and WMG the “Record Company Participants”), on the other hand, all of which are participants in the proceeding before the Copyright Royalty Judges (“CRJs”) captioned In re Determination of Royalty Rates and Terms for Making and Distributing Phonorecords (*Phonorecords V*), Docket No. 25–CRB–0013–PR (2028-2032) (the “Proceeding”). Each such participant is referred to herein individually as a “Party,” and collectively as the “Parties.” This Agreement is made as of the date it is fully executed by all of the Parties (the “Effective Date”).

WHEREAS, the Parties wish to settle the Proceeding as to royalty rates and terms under Section 115 of the U.S. Copyright Act (“Section 115”) for physical phonorecords, permanent downloads, ringtones and music bundles presently addressed in 37 C.F.R. Part 385 Subpart B (the “Subpart B Configurations”), including certain definitions and the late fee provision applicable to Subpart B Configurations presently addressed in 37 C.F.R. Part 385 Subpart A (such rates and terms, collectively, the “Subpart B Configuration Rates and Terms”), for the rate period covered by the Proceeding; and

WHEREAS, the Parties desire that the Subpart B Configuration Rates and Terms agreed to herein remain applicable during the rate period covered by the Proceeding to the Record Company Participants and other licensees of “mechanical” rights in musical works for the Subpart B Configurations, and to songwriters and music publishers as licensors of “mechanical” rights in musical works for the Subpart B Configurations, as the statutory royalty rates and terms for the same; and

WHEREAS, the Parties desire that the Subpart B Configuration Rates and Terms agreed to herein be adopted by the CRJs on an industry-wide basis for the rate period covered by the Proceeding, and hereby agree to move the CRJs for such adoption, as further specified herein; and

WHEREAS, the Parties further agree that if the settlement is adopted by the CRJs as to all persons and entities industry-wide (“Persons”), the Record Company Participants shall each withdraw from the Proceeding, as further specified herein;

NOW, THEREFORE, for and in consideration of the foregoing, the mutual covenants and undertakings contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

### 1. Settlement of the Proceeding.

1.1. Settlement Terms. The Parties have agreed that the Subpart B Configuration Rates and Terms presently set forth in 37 C.F.R. Part 385 Subparts A and B should not be amended except for continuing inflation adjustments to the rates for physical phonorecords and permanent downloads, and thus should continue as currently set forth in 37 C.F.R. § 385.10 and

§ 385.11(a)(2), (b), and (c) (with § 385.11(a)(1) continuing to reflect the then-current year's rate calculated in accordance with § 385.11(a)(2), and should be applicable to the Record Company Participants and other licensees of "mechanical" rights in musical works for the Subpart B Configurations, and to songwriters and music publishers as licensors of "mechanical" rights in musical works for the Subpart B Configurations, for the rate period covered by the Proceeding (such agreement, the "Settlement").

1.2. Agreement Concerning Motion. By no later than the fifth business day after the Effective Date, unless the Parties agree in writing to a delay, the Parties agree jointly to file with the CRJs a Motion to Adopt Settlement in the form of Exhibit A (the "Motion") seeking adoption of the Settlement in its entirety and on an industry-wide basis as the statutory Subpart B Configuration Rates and Terms under 17 U.S.C. § 115 for the rate period covered by the Proceeding, as described in the Motion.

1.3. Execution and Filing of Motion. Each Party hereby authorizes counsel for NMPA in the Proceeding to file the Motion electronically through eCRB.

1.4. Remainder of Proceeding. The Parties agree to the following for the conduct of the remainder of the Proceeding:

(a) No Record Company Participant shall present any argument, evidence or testimony, file a written direct statement, written rebuttal statement or other document, or take any other action in the Proceeding, that (in each case) is directed toward the determination of rates or terms for any phonorecord configuration(s) other than the Subpart B Configurations. For the avoidance of doubt, this paragraph does not prohibit music publishing affiliates of the Record Company Participants from providing such evidence, testimony, statements or documents as part of the Publisher/Songwriter Participants' case.

(b) Except as provided in paragraph (e) below, no Record Company Participant shall present any argument, evidence or testimony, file a written direct statement, written rebuttal statement or other document, or take any other action in the Proceeding, that (in each case) is directed toward the determination of the Subpart B Configuration Rates and Terms unless the CRJs shall have either (i) specifically requested or ordered the same after the filing of the Motion, or (ii) considered the Settlement pursuant to 17 U.S.C. § 801(b)(7) and 37 C.F.R. § 351.2(b)(2) and declined to adopt it as the statutory Subpart B Configuration Rates and Terms under 17 U.S.C. § 115, for the rate period covered by the Proceeding as to all or some Persons. If the CRJs specifically request or order any filing by a Record Company Participant, each Record Company Participant agrees that it will (1) support adoption of the Settlement in its entirety as the statutory Subpart B Configuration Rates and Terms under 17 U.S.C. § 115 for the rate period covered by the Proceeding, pursuant to 17 U.S.C. § 801(b)(7) or otherwise, to the maximum extent consistent with law and any orders of the CRJs, the Register of Copyrights or a court of competent jurisdiction; and (2) not make a filing that is inconsistent with adoption of the Settlement as the statutory Subpart B Configuration Rates and Terms. Notwithstanding the foregoing, in the event that the CRJs decline to adopt the Settlement pursuant to 17 U.S.C. § 801(b)(7) as to any Persons, then the Record Company Participants shall be at liberty in the Proceeding to seek as to the Persons as to whom the Settlement was not adopted, and only as to those Persons, any Subpart B

Configuration Rates and Terms they choose, and for clarity, the preceding sentence shall not apply to a Record Company Participant's efforts to seek such Subpart B Configuration Rates and Terms as to those Persons.

(c) Except as provided in paragraph (e) below, no Publisher/Songwriter Participant shall present any argument, evidence or testimony, file a written direct statement, written rebuttal statement or other document, or take any other action in the Proceeding, that (in each case) is directed toward the determination of the Subpart B Configuration Rates and Terms unless the CRJs shall have either (i) specifically requested or ordered the same after the filing of the Motion, or (ii) considered the Settlement pursuant to 17 U.S.C. § 801(b)(7) and 37 C.F.R. § 351.2(6)(2) and declined to adopt it as the statutory Subpart B Configuration Rates and Terms under 17 U.S.C. § 115, for the rate period covered by the Proceeding as to all or some Persons. If the CRJs specifically request or order any filing by a Publisher/Songwriter Participant, each Publisher/Songwriter Participant agrees that it will (1) support adoption of the Settlement in its entirety as the statutory Subpart B Configuration Rates and Terms under 17 U.S.C. § 115 for the rate period covered by the Proceeding, pursuant to 17 U.S.C. § 801(b)(7) or otherwise, to the maximum extent consistent with law and any orders of the CRJs, the Register of Copyrights or a court of competent jurisdiction; and (2) not make a filing that is inconsistent with adoption of the Settlement as the statutory Subpart B Configuration Rates and Terms. Notwithstanding the foregoing, in the event that the CRJs decline to adopt the Settlement pursuant to 17 U.S.C. § 801(b)(7) as to any Persons, then the Publisher/Songwriter Participants shall be at liberty in the Proceeding to seek as to the Persons as to whom the Settlement was not adopted, and only as to those Persons, any Subpart B Configuration Rates and Terms they choose, and for clarity, the preceding sentence shall not apply to a Publisher/Songwriter Participant's efforts to seek such Subpart B Configuration Rates and Terms as to those Persons.

(d) If the CRJs publish the Settlement for comment or objection as contemplated by U.S.C. § 801(b)(7)(A)(i) and 37 C.F.R. § 351.2(b)(2), no Party shall make any filing in connection therewith, unless (1) the Parties agree to make such a filing; (2) the CRJs specifically request or order a filing by one or more Parties; or (3) one or more adverse comments or objections are filed and become public before the comment period (or reply period, if any) ends, in which case the Parties shall use their best efforts to prepare and submit a joint comment supporting the Settlement. If a filing is made by one or more of the Parties, the provisions of paragraph (e) will apply.

(e) For the duration of the Proceeding, including any review of the determination in the Proceeding by the Register of Copyrights, any appeal of the determination in the Proceeding, and any remand or other subsequent proceedings relating to adoption of statutory rates and terms under 17 U.S.C. § 115 for the rate period at issue in the Proceeding, (i) the Parties shall not present any argument, evidence or testimony, file a written direct statement, written rebuttal statement or other document, or take any other action in the Proceeding, that (in each case) is inconsistent with adoption of the Settlement in its entirety as the statutory Subpart B Configuration Rates and Terms for the rate period covered by the Proceeding; and (ii) each Party shall in good faith, at appropriate times or where necessary to ensure adoption, support adoption of the Settlement in its entirety as the statutory Subpart B Configuration Rates and Terms under 17 U.S.C. § 115 for the rate period covered by the Proceeding, pursuant to 17 U.S.C. § 801(b)(7)

or otherwise (e.g., by filing a rate request to that effect), to the maximum extent consistent with law and any orders of the CRJs, the Register of Copyrights or a court of competent jurisdiction. For the avoidance of doubt, the making of a proposal for rates and/or terms by the Publisher/Songwriter Participants, or any of them, solely with respect to Subpart C or D Configurations, as defined in 37 C.F.R. Part 385, that is different than the rates and terms agreed to herein for Subpart B Configurations, shall not violate this paragraph (e). Notwithstanding the foregoing, in the event that the CRJs decline to adopt the Settlement pursuant to 17 U.S.C. § 801(b)(7) as to any Persons, then each Party shall be at liberty in the Proceeding to seek as to the Persons as to whom the Settlement was not adopted, and only as to those Persons, any Subpart B Configuration Rates and Terms it chooses, and for clarity, this paragraph (e) shall not apply to a Party's efforts to seek such Subpart B Configuration Rates and Terms as to those Persons.

(f) The Record Company Participants shall not seek to take any discovery from each other or from any Publisher/Songwriter Participant in the Proceeding, from any NMPA music publisher member, or from any witness presenting a statement or evidence on behalf of any Publisher/Songwriter Participant in the Proceeding. No Publisher/Songwriter Participant shall seek to take any discovery from the Record Company Participants in the Proceeding. Notwithstanding the foregoing, in the event that any other participant takes discovery from a Record Company Participant in the Proceeding (with no effort by the Publisher/Songwriter Participants to cause or encourage such discovery), and subject to the terms of any applicable Protective Order in the Proceeding, nothing in the preceding sentence shall preclude the Publisher/Songwriter Participants from (i) obtaining copies of any documents requested by such other participant and produced to such participant by a Record Company Participant, and (ii) attending and asking questions in any deposition of any Record Company Participant witness noticed by another participant. Nothing in the preceding sentence shall be considered an admission that any discovery sought by any such other participant is relevant or permissible, nor constitute a waiver of a Record Company Participant's right to object to and/or move to quash such discovery request(s). For the avoidance of doubt, nothing in this agreement limits or precludes any Publisher/Songwriter Participant from seeking discovery of any kind from any party (including but not limited to any Service Provider) other than from a Record Company Participant. Notwithstanding the foregoing, in the event that the CRJs decline to adopt the Settlement pursuant to 17 U.S.C. § 801(b)(7) as to any Persons, then each Party shall be at liberty in the Proceeding to seek to take discovery from the Persons as to whom the Settlement was not adopted, and only as to those Persons.

(g) If the CRB adopts the Settlement as the statutory Subpart B Configuration Rates and Terms under 17 U.S.C. § 115 for the rate period covered by the Proceeding as to all Persons industry-wide, then within five (5) business days after receiving a written request from NMPA to do so, the Record Company Participants shall withdraw as participants in the Proceeding.

2. Press Release. Promptly upon filing of the Motion with the CRJs pursuant to Sections 1.2 and 1.3, the Parties shall jointly issue a press release announcing this Agreement, if any of them requests that the others do so. No Party shall make any public statement concerning this Agreement until issuance of such a press release. If a Party receives an inquiry concerning the Settlement from a third party, any response must be made in a manner that is fully consistent with the letter and spirit of this Agreement.

3. Termination of this Settlement Agreement. In the event that the Copyright Royalty Board does not adopt the Motion to Adopt the Settlement in the form of Exhibit A in its entirety as identified in Section 1.2, this Agreement shall be void and no party shall be bound by any of its terms.

4. Miscellaneous.

4.1. Representations. Each Party represents that it has the right, power and authority to enter into this Agreement and that this Agreement has been duly and validly executed by its authorized officer.

4.2. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the District of Columbia (without giving effect to conflicts of law principles thereof).

4.3. Amendment. This Agreement may be modified or amended only by a writing signed by each of the Parties.


4.4. Counterparts. This Agreement may be executed in counterparts, including by means of facsimile or PDF, each of which shall be deemed to be an original, but which taken together shall constitute one agreement.

4.5. Entire Agreement. This Agreement expresses the entire understanding of the Parties concerning the subject matter hereof and supersedes all prior and contemporaneous agreements and undertakings of the Parties with respect to the subject matter hereof.


[Signature Page Follows]

In witness whereof, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the dates shown.


NATIONAL MUSIC PUBLISHERS' ASSOCIATION, INC.

By:  Danielle Aguirre (Jun 22, 2026 13:28:31 EDT)  
Name: Danielle Aguirre  
Title: CLO & COO  
Date: Jun 22, 2026


NASHVILLE SONGWRITERS ASSOCIATION INTERNATIONAL

By:  Jennifer Turnbow (Jun 22, 2026 18:43:11 CDT)  
Name: Jennifer Turnbow  
Title: Chief Operating Officer  
Date: Jun 22, 2026


MUSIC ARTISTS COALITION

By:  Ron Gubitz (Jun 22, 2026 17:32:42 CDT)  
Name: Ron Gubitz  
Title: Executive Director  
Date: Jun 22, 2026


SONY MUSIC ENTERTAINMENT

By:  Julie Swidler (Jun 22, 2026 14:23:15 EDT)  
Name: Julie Swidler  
Title: EVP BLA and General Counsel  
Date: Jun 22, 2026

UMG RECORDINGS, INC.

By:  Jeffrey Harleston (Jun 23, 2026 12:51:56 PDT)  
Name: Jeffrey Harleston  
Title: EVP, General Counsel  
Date: Jun 23, 2026

WARNER MUSIC GROUP CORP.

By:  Paul Robinson (Jun 22, 2026 13:49:43 EDT)  
Name: Paul Robinson  
Title: EVP & General Counsel  
Date: Jun 22, 2026

AMERICAN ASSOCIATION OF INDEPENDENT MUSIC

By: ~~6-26-~~  
Ian Harrison, Jun 22, 2026 (16:02:11 EDT)  
Name: Ian Harrison  
Title: CEO  
Date: Jun 22, 2026

# Proof of Delivery

I hereby certify that on Monday, June 29, 2026, I provided a true and correct copy of the Joint Motion to Adopt Settlement of Statutory Royalty Rates and Terms for Subpart B Configurations to the following:

Amazon.com Services LLC, represented by Joshua D Branson, served via E-Service at jbranson@kellogghansen.com

Apple Inc., represented by Mary C Mazzello, served via E-Service at mary.mazzello@kirkland.com

Eight Mile Music Companies, represented by Gwendolyn Seale, served via E-Service at gwen@gwenseale.com

George Johnson, represented by George D Johnson, served via E-Service at george@georgejohnson.com

Google LLC, represented by Gary R Greenstein, served via E-Service at ggreenstein@wsgr.com

Pandora Media, LLC, represented by Todd Larson, served via E-Service at todd.larson@weil.com

Songwriters Guild of America, Inc., represented by Charles J Sanders, served via E-Service at cjs@csanderslaw.com

Spotify USA Inc., represented by Sarang V. Damle, served via E-Service at sy.damle@lw.com

Word Collections, Inc., represented by Eric B Goldberg, served via E-Service at eric@wordcollections.com

American Association of Independent Music (A2IM), represented by Matthew J Keeley, served via E-Service at joe@keeleylaw.org

Joint Record Company Participants, represented by Susan Chertkof, served via E-Service at [susan.chertkof@riaa.com](mailto:susan.chertkof@riaa.com)

Music Artists Coalition, represented by Timothy Kappel, served via E-Service at [tkappel@wellskappel.com](mailto:tkappel@wellskappel.com)

Signed: /s/ Benjamin K Semel