

April 23, 2008

Dear Participant,

Enclosed you will find a check drawn on the AFM and AFTRA Intellectual Property Rights Distribution Fund account. This distribution represents royalties collected pursuant to the DPRA (Digital Performance Rights Amendment) and DMCA (Digital Millennium Copyright Act). This distribution also includes for some Participants omission payments for other royalties collected by the Fund for which you may not have been paid in the past.

These payments are the result of agreements negotiated and/or legislative activity by the American Federation of Musicians (AFM) and the American Federation of Television and Radio Artists (AFTRA). The AFM and AFTRA are the major labor organizations representing musicians and singers, respectively.

Distribution Guidelines and Other Information: The Fund distributes royalties from several different sources (both U.S. and foreign), each in accordance with separate guidelines designed to meet the statutory or other requirements for each distribution. For detailed information about the appropriate Distribution Guidelines, see the Fund website at www.raroyalties.org. The website also contains a searchable Master List of covered sound recordings, answers to frequently asked questions (FAQs) and other important information. If you do not have Internet access, the Fund will provide the Master List and Distribution Guidelines upon request.

Payments to Foreign Residents: For a participant in a foreign territory to receive a payment, he/she must possess either a valid SSN (in which case, there is no withholding obligation), or a valid Tax Identification Number (TIN), which may be any of the following:

- Social Security Number "SSN"
- Employer Identification Number "EIN"
- Individual Taxpayer Identification Number "ITIN"
- Taxpayer Identification Number for Pending U.S. Adoptions "ATIN"

Alternatively, participants in foreign territories who either are unable to, or elect not to acquire a valid TIN, may complete and submit a TIN Waiver Form provided by the Fund, in which case the Fund will remit the applicable payment to the participant after deducting the default statutory amount (currently 30%). When a foreign withholding tax obligation exists with respect to a distribution to a foreign resident who does not possess a SSN, but does possess a valid TIN, the Fund withholds the default statutory amount (currently 30%) unless the

Participant provides the Fund with a fully completed IRS Form 8233, in which case the Fund applies the provisions in accordance with the applicable treaty of the country in which the participant resides. Foreign residents should consult their tax professional with any questions or to receive advice with respect to these payments.

Enclosures: Included with this mailing you will find:

- 1) A check covering your share of DPR royalties for 2003, and where applicable, omission payments for other royalties collected by the Fund for which you may not have been paid in the past.
- 2) A statement detailing your personal information, which also identifies each recording and each year for which you are receiving a payment. It also identifies (when applicable) whether the payment is for your performance as a vocalist, a musician, or both.
- 3) A detailed description of the AFM & AFTRA Fund;
- 4) An Inquiry Form (with pre-addressed return envelope). You can use the Inquiry Form to change your address, provide additional information to the Fund, or to claim that you are entitled to payment for a recording on the Master List for which you have not been credited. *Those of you who have Internet access are strongly encouraged to use the Fund's website for these purposes.*

Please be advised that the enclosed check *must* be cashed prior to July 23, 2008 otherwise it will become stale dated!

Un-audited Financial Summary

Total Contributions Available for Distribution	\$325,059.41
Return of Unclaimed Monies	119,469.46
Interest Earned	4,615.32
Operating Expenses	(53,989.82)
Omission Reserve	<u>(4,615.32)</u>
Net of Expenses & Reserve	\$390,539.05

A Note from the Administrator: There is almost no way to describe the complexities of making these distributions to thousands of non-featured musicians and vocalists, given the fact that the identity and location of all recipients must be researched by the Fund. Suffice it to say, however, that none of this would be possible without the dedication and professionalism of Fund Manager Jo-Anne McGettrick, the excellent work of her staff, Chris Pritula: Data Analyst/Research Specialist and Eric Magsino: Application Systems Analyst as well as the support and cooperation of AFTRA and the AFM.

Wishing you continued success,

Dennis Dreith
Fund Administrator