

BMI[®]

BROADCAST MUSIC, INC.[®]

**FREQUENTLY
ASKED
QUESTIONS
ABOUT BMI
AND THE
ESTATE PROCESS**

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BMI
320 West 57th Street
New York, NY 10019
bmi.com

BMI for those performances for our writers and publishers and you will be paid those in a subsequent International royalty distribution. In the U.S., the film will need to be shown on cable, broadcast television or on a licensed website in order for royalties to be generated.

Will I be able to access information about my deceased relative's royalties and songs on the BMI website?

Yes. Once your substitution agreement is processed, we will open an account for you that will allow you as part of BMI's online services on www.bmi.com to see from your home computer the statements applicable to your share of royalties, as well as see the catalogue of songs for which you are being paid.

Will I have to pay income taxes on the royalties you send me?

Yes. BMI will report all of your royalty income to the IRS each year. You will receive a 1099 each January stating the amount of royalty income you earned in the previous calendar year.

How do I find the royalties for record sales?

You should contact the publisher of each song. They can be found on www.bmi.com/repertoire.

How do I find out the names of the publishers of my deceased relative's songs?

You can log on to <http://repertoire.bmi.com> and do a Songwriter/Composer search. It will give you a list of all of the works we have registered for the writer. Then click on each title and see the publisher of record and its contact information.

Please do not hesitate to contact us at EQ@bmi.com or on the Estate Questionnaire Help Line at 212-554-7070.

FREQUENTLY ASKED QUESTIONS ABOUT BMI AND THE ESTATE PROCESS

The following information is designed to help you understand the transition process after the death of a BMI songwriter, composer or music publisher when royalties are transferred to a member of his or her family or a designated heir. The steps in the process and questions that are listed below may make it easier for both you and BMI to continue the royalty distribution as smoothly as possible. Once you have reviewed this information, please do not hesitate to contact us at EQ@bmi.com or on the Estate Questionnaire Help Line at 212-554-7070.

Royalty Transfer to Estate Process:

1. BMI contacts the family of the recently deceased BMI Affiliate, or we are notified by the family directly.
2. We then send an Estate Questionnaire that needs to be completed by someone from the family or a designated heir that gives us the necessary information regarding individuals that may be eligible as beneficiaries of the copyright royalties that BMI distributes.
3. BMI receives the completed questionnaire and supporting documents.
4. BMI drafts an heir's agreement permitting the heirs to receive direct payment of the royalties at their designated banking/ mailing addresses.
5. Heirs sign the contract affiliating them with BMI and directing the distribution flow of royalties from the song catalog.
6. Once the agreement is processed, the heirs will start to receive a royalty check on a quarterly basis if the decedent's songs are performed.
7. If any change of address takes place after the initial processing of information, the heirs need to notify BMI to ensure continual receipt of payments.

What is BMI?

BMI is a performing right organization (PRO). It collects license fees on behalf of its songwriters, composers and music publishers (“affiliates”) and distributes them as royalties to those affiliates whose works have been performed. As a PRO, BMI issues licenses to various users of music, including television and radio stations and networks; new media, including the Internet and mobile technologies such as ringtones and ringbacks; satellite audio services like XM and Sirius; nightclubs, discos, hotels, bars, restaurants and other venues; digital jukeboxes; and live concerts. It then tracks public performances of its members' music, and collects and distributes licensing revenues for those performances as royalties to more than 375,000 songwriters, composers and music publishers it represents, as well as the thousands of creators from around the world who have chosen BMI for representation in the U.S.

What kind of royalties do you deal with?

The only kinds of royalties that are paid by BMI are performance royalties. Performance royalties have two aspects: a “writer share” and a “publisher share”. If the song has no publisher, the writer (or his heirs) gets both parts. If there is a publisher, the writer gets the writer share and the publisher gets the publisher share, according to the information that was provided when the song was registered with us or submitted to us on a cue sheet.

Although royalties for other types of uses of musical compositions are paid to songwriters, composers and music publishers (such as mechanical royalties, synchronization royalties and others), that money does not come from BMI. Typically, other music-related royalties are paid by the party using the music to the copyright owner, who usually is the music publisher. The music publisher then pays a share of that money to the songwriter or composer (or his/her heirs) in accordance with the contract that the songwriter or composer had with the publisher.

Is BMI a record label or music publisher?

No.

BMI can locate him/her, that share will escheat (during BMI's normal escheat cycle) to the state of the decedent's residence at death. It is not available to be shared among the other heirs.

My deceased relative was a partner in a BMI publishing company and we don't know where the other partner is. What will BMI do with the money?

If BMI can find the other partner, we will ask him or her to sign a new agreement reestablishing the partnership with the decedent's heirs. Then the royalties for that company will be paid to the company at the address of record of the partnership (as agreed by all the new partners). If BMI cannot find the other partner (or the heirs do not wish to continue the partnership), we will discuss options with the heirs.

My deceased relative was a stockholder in a BMI publishing company which was a corporation. What will BMI do?

We will ask one of the heirs to fill out a “101 form” which advises BMI as to the new owners of the company. Except for companies where the decedent was 100% stockholder, royalties are not frozen and will continue to be paid to and in the name of the corporation, assuming BMI has a good address.

What if I don't want to use a corporation anymore for my deceased relative's publishing company?

In that case, you should advise BMI before the substitution agreement is prepared and we will include language in the agreement that will allow us to pay you in a different capacity.

How long will it be before I get paid for a work that was featured in a recent film?

BMI does not pay royalties for use of a musical work in a film when it is shown in U.S. movie theaters. If the film is shown in theaters outside of the United States, the local performing rights society will collect and pay royalties to

How long after I send back the signed substitution agreement will it take to get my share of the withheld royalties?

Under normal circumstances, about 4-6 weeks.

If I am one of several heirs and I send back my signed substitution agreement promptly but other heirs don't, do I have to wait for all agreements to be received by BMI before you will send me my share of the money?

No, as long as BMI has verified who all the heirs will be, we will release the decedent's royalties to each heir as their substitution agreement is received.

After I get my check for the withheld money, when will I get paid again?

Assuming the decedent's works are performed and earn royalties, BMI will make royalty distributions to you four times each year, in January, March, June and September, with occasional special distributions in other months.

Can I assign my share of royalties to another family member?

Yes, by notifying BMI before the substitution agreement is prepared. The assignment will be recited in the agreement, and the person to whom you are assigning the royalties will also have to sign the agreement. There is no charge for an assignment made in a substitution agreement. However, if you decide after the substitution agreement is processed by BMI that you want to assign your share to another person, you will have to complete the appropriate Royalty Assignment Verification Form (RAVF) from www.bmi.com, prepare an assignment yourself, and the person to whom you are assigning your royalties will be charged a fee for our administration costs in handling that transaction.

One of our relatives who is an heir has not been in contact with the family for years and no one knows where he is. Can the rest of the heirs divide his share of royalties?

No. If a verified heir is missing and neither the family nor

How should I notify BMI when my relative, who was a BMI affiliate, dies?

The preferable way to notify BMI of an affiliate's death and begin the process of having his or her heirs take over the decedent's royalty account is to go to www.bmi.com, click on FORMS under [Resources](#) to access the BMI Estate Questionnaire. Complete it fully and send it in to the indicated address with the documents requested.

What does BMI do when it learns of an affiliate's death?

When BMI learns that an affiliate has died, the affiliate's account is frozen to protect the proceeds of the catalog. No money will be paid out thereafter until we enter into an agreement with the affiliate's estate representative or the affiliate's heirs.

Does every heir of a decedent need to complete a separate BMI Estate Questionnaire?

No. BMI needs only one Estate Questionnaire for each affiliate who dies. It should be filled out by the family member or representative with the most knowledge about all of the decedent's royalty heirs and the estate.

Where can I get help in completing the BMI Estate Questionnaire?

If you need help in completing the Questionnaire, you can send an e-mail to EQ@bmi.com, or phone the Estate Questionnaire Help Line at 1-212-554-7070 and leave a message. A BMI Performing Rights Legal & Business Affairs staff member will get back to you promptly.

Do I have to include information about other heirs and spouses?

Yes. This is especially important when the affiliate died without a will, as children from previous relationships will be heirs and will be entitled to a portion of his or her royalties.

Do I have to have the Estate Questionnaire notarized?

No, but we require that you sign it and when you do you will be making a declaration under penalty of perjury that what you put down in it is true.

Do I have to submit original documents?

No. Legible copies are accepted. Do not send BMI documents that you want back, since we will not return them to you.

What does BMI do with the documents it receives?

They are stored in the decedent's BMI file for reference purposes in case there is ever a question as to whether the proper heirs are being paid.

Does BMI need a copy of the decedent's entire will or trust?

Yes, in order to assure that we are paying out royalties in accordance with the wishes of our affiliate.

What happens after I send in the Estate Questionnaire?

BMI will review the Estate Questionnaire and the submitted documents and then prepare a "substitution agreement."

What happens if two people send in conflicting information?

We will contact all the parties in an attempt to obtain documentation that resolves the conflict, in the absence of which we will require the parties to resolve the matter privately before preparing a substitution agreement and releasing any royalties.

How did you know how to contact me?

BMI uses a number of publicly-available resources to locate heirs of its affiliates that we learn are deceased. These resources include the internet, the decedent's co-writers, the decedent's publishers and subscription databases of people.

What is an estate?

An estate is the collection of real and personal property that is owned by someone at death. Royalties are considered intangible personal property.

What does dying intestate mean?

Someone who died intestate did not have a will when he or she died, or had a will but it was not valid under the laws of the state where he or she resided at death. Since royalties are personal property of the decedent, BMI must pay them after death to the heirs specified in the state intestate law if there was no valid will.

What is escheat?

Escheat is the process by which a company that pays out money, such as BMI, is permitted by law to remove unclaimed funds from its books on a regular cycle (usually 3-5 years) by sending it to the state of the last known address of the payee. The person whose money it is (or his or her successors) then will have to claim it from the state, in accordance with its rules.

What happened to the money that BMI escheated because it took me a long time after my relative's death to tell you?

Royalties, once escheated, cannot be reclaimed by BMI. Although BMI can tell you how much was escheated and where it was sent, the heirs of the decedent must contact the state unclaimed property office in order to retrieve them. Therefore, it is imperative that you notify BMI about your relative's death as soon as possible to avoid us escheating any of his/her royalties. We will not escheat any money earned by a decedent's works if we have been contacted by at least one heir.

Can I know how much money is on hold before we start?

BMI will reveal the amount on hold for an account only to those persons who have been verified by documents to be valid heirs.

How long does the substitution agreement process take?

Due to the complexity and volume of BMI estate matters, it can take from 10-12 weeks to complete preparation of a substitution agreement.