

ASCAP
ANNUAL
REPORT
1996

The American
Society of
Composers,
Authors &
Publishers



SAFEGUARDING THE CREATIVE COMMUNITY

- Marilyn Bergman, President and Chairman



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As you know, ASCAP's major concern continues to be legislation, on both the federal and state levels, designed to severely weaken the Society's ability to license establishments that perform our music — particularly bars and restaurants. H.R. 789, the so-called "Fairness in Music Licensing" bill that was

introduced in the last Congress, failed to pass. The temporary neutralization of that bill can be credited largely to ASCAP members like you, who took and are taking part in our grassroots meetings around the country as well as in Washington, and participating in letter writing campaigns. These efforts have been vital.

In the new session of Congress, however, new versions of the bills have been introduced. While we remain locked in a struggle over this legislation with the National Restaurant Association and the National Religious Broadcasters, we have reached an agreement with the National Licensed Beverage Association and have negotiated new group music license agreements for the on-premise licensed beverage industry. This is especially notable because the NLBA was an early sponsor of the music licensing bills. We are proud to have reached a resolution with the NLBA and it is a good one for both of our organizations.

Nevertheless, efforts to defeat the music licensing bills must be redoubled in this new Congress. Earlier this year a meeting was called in Washington by Majority Leader Trent Lott. He urged and continues to urge a commercial settlement to these differences. We have always felt that this was more appropriately a matter for a commercial rather than a legislative solution, but from the beginning the NRA and the National Independent Retail Federation have strongly resisted coming to the table.

Overturing the *La Cienega* decision is another matter of the highest legislative priority for ASCAP. In *La Cienega*, the Federal Appeals Court in California ruled that, contrary to long-established precedent in other cases, the Copyright Office's practice, and the universal practice of the music industry, the release of a recording under the 1909 Copyright Act was a "publication" of the music. For technical reasons, this ruling could have the effect of throwing countless pre-1978 musical works into the public domain. A legislative solution to counteract this erroneous decision has been introduced, and ASCAP is sparing no effort to see it enacted.

As for other legislative concerns, Copyright Term Extension remains a top priority for ASCAP. Passage of "Life Plus 70" would bring our copyright term into harmony with the European Union Nations and ensure a continued flow of revenue from Europe and the rest of the world for performances of American copyrighted music. Movement on this crucial matter is being blocked by what I like to call the "unholy"

alliance between the National Restaurant Association and the National Religious Broadcasters. Those two organizations have teamed up to press members of Congress to oppose the copyright term extension bills until they obtain their victory on the licensing bills.

And with regard to the National Information Infrastructure legislation, we at ASCAP strongly favor quick passage of the NII Act with the proviso that the rights of music creators and music publishers are clearly protected when our music is used on the internet and in any new digital applications.

Of course, important as legislative matters are, they do not consume us completely. A much more pleasant aspect of the society is supporting our members and honoring their accomplishments. One of the hats I wear is the presidency of the ASCAP Foundation, which was set up about 20 years ago to do good works of many kinds through and for music. A high point of the past year was the first annual reception honoring the recipients of ASCAP Foundation Awards and Scholarships. It was a wonderful way to bring together many of the people and organizations that directly benefit from the Foundation. We have ambitious and exciting plans for getting even more involved in music education in the coming year. Although we must continue in our struggle to safeguard the livelihood of the creative community, we must also continue to nurture the creation of new music whenever and wherever we can.

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RECORD LEVELS OF ACHIEVEMENT

- John LoFrumento, Chief Executive Officer



I am very proud to report that in 1996, the value of your ASCAP membership became greater than ever before. In so many ways, the year was an unqualified success. First and foremost, ASCAP increased revenues, increased distributions and decreased operating costs. At the same time,

we expanded our surveys and enhanced our service to members by including, among other things, exclusive member benefit options. We worked hard and reached agreement with the Radio Music License Committee for blanket and per program licenses for the period January 1, 1996 to December 31, 2000. We have continued our commitment to new technology through intensive licensing efforts on the internet and our award-winning web site. In the international arena, we've maintained our leadership in the development of global information systems. In 1996, I am happy to report that we:

□ ACHIEVED RECORD DISTRIBUTIONS - In 1996, our domestic and foreign distributions were almost \$400 million, an increase of over \$40 million from 1995. Domestic distributions increased 7.7%. Foreign distributions to our members increased 20.6% (see Financial Overview on page 4 for details).

□ REACHED LOWEST COST OF OPERATION EVER - 1996 expenses of \$76 million were \$2.8 million less than expenses in 1995 which is due to our continuing program to enhance our efficiency. As a result, we are very pleased to announce that in 1996 ASCAP's cost of operation was at its lowest level ever: 15.76% of total revenues, one of the lowest operating cost ratios in the world. On an ongoing basis, excluding \$1.7 million charged to restructuring reserves, expenses

were \$74.3 million and the operating cost ratio was 15.4%.

□ GREATLY EXPANDED ASCAP'S SURVEYS - We estimate that our survey of television covered approximately 3.5 million performances in 1996. Compare that with our 1993 survey, the last year before ASCAP adopted its new strategic agenda, which covered 30,000 hours, or about 450,000 performances. The best news is that the cost of gathering these additional performances has dropped even with the almost exponential growth of the survey. Our radio survey also continues to grow, as well. The survey, which represented 60,000 taped hours as recently as 1993, is now up to 200,000 hours. Although taping remains an important source of performance information on radio, we are obtaining most of our additional performance data from Broadcast Data Service (BDS) and station logs.

□ OFFERED UNPRECEDENTED BENEFIT OPTIONS TO ASCAP MEMBERS - We began the roll-out of benefit options exclusive to ASCAP members in early 1996 and have made available to our members Credit Union membership and a variety of national insurance programs at reasonable cost, insurance programs that we believe are important to members and their families — musical instrument and equipment insurance, medical insurance, dental insurance and term life insurance. (For more information about these benefits, see page 8).

We also offered a new financial benefit for members who receive royalties from foreign societies affiliated with ASCAP. For 1996, ASCAP changed the way it reported international royalties to its members. Reported earnings now include foreign taxes withheld and we also provide a summary of these taxes and related information to those members earning royalties in any of the 26 foreign societies that withhold taxes. Those members will now have the option to claim these taxes as a foreign tax credit, reducing their U.S. tax liability. The total potential tax benefit to

ASCAP members is about \$3 million (detailed information about this benefit was mailed to members in January).

□ ENHANCED ASCAP'S WEB SITE - ASCAP's innovative web site (<http://www.ascap.com>) is constantly developing and expanding. Last summer we launched ASCAP's Art & Commerce Cafe, an area of the site dedicated to providing useful information about the intricacies of the music business. The Cafe offers survival tips, success stories, expert opinion and detailed discussion about what happens when the creative process collides with the bottom line. In addition, *PlayBack* magazine now appears on the web at about the same time that it arrives in your mailboxes and the *PlayBack* area of the site has its own separate search feature to help you find articles in *PlayBack*'s archives, which now goes back almost two years online. Since the start of 1996, we've also expanded our web site coverage of events such as ASCAP showcases and added an ASCAP member benefits area to consolidate important information about all of ASCAP's available benefits.

I mentioned earlier ASCAP's growing international revenue. The foreign sector has taken on an importance greater than ever before in our history and we are working on many fronts to protect and further the interests of ASCAP members. One example of our involvement and commitment is ASCAP's role in developing all of the systems for CISAC's Common Information System (CIS) which will implement a numbering network for copyrighted works. There are two broad benefits to executing the plan — it will make rights societies more efficient in the short run, and will lay the foundation for communication of copyright data in the approaching digital future. Such inter-society technological developments are incorporated into ASCAP's broad strategy of upgrading our own internal information infrastructure.

None of these achievements would have been possible without the hard work and dedication of our staff, which is committed to providing the highest level of service to you, our members.

ASCAP FINANCIAL OVERVIEW

During the May Board Meeting, our independent public accountants, Arthur Andersen LLP, presented our certified financial report, "Statements of Receipts, Expenses and Change in Fund Balance for the years ended December 31, 1996 and 1995." It is our practice to forward a copy of the certified report to all members, which you can find on pages 5-7. The financial status of the Society was also discussed at ASCAP's general membership meetings held in Los Angeles, New York and Nashville. However, for those who were unable to attend any of these meetings in 1997, we are providing the following financial overview.

Total receipts increased approximately 10.5% to \$482.6 million in 1996. Domestic receipts from license fees and other sources were \$356.0 million in 1996 as compared to \$326.5 million in 1995, an increase of approximately 9.0%. Royalties from foreign societies were \$126.5 million in 1996, up 14.7% from \$110.3 million in 1995. The sources of receipts in 1996 are shown on the accompanying pie chart.

ASCAP's license fees increased across the board. Television receipts were \$158.4 million, up \$16.6 million or 11.7% over

1995. Radio receipts were \$120.0 million, up \$10.0 million or 9.1% from \$110.0 million in 1995. General and background music receipts were \$66.2 million, up \$3.0 million or 4.7% from 1995. Symphonic and Concert receipts were \$3.6 million, up \$.5 million from \$3.1 million in 1995.

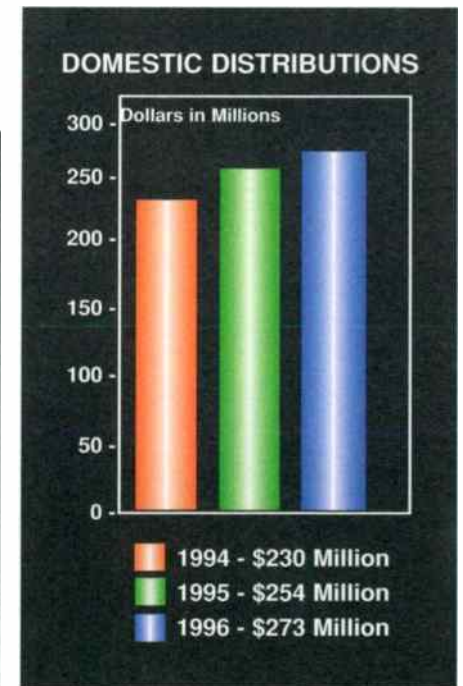
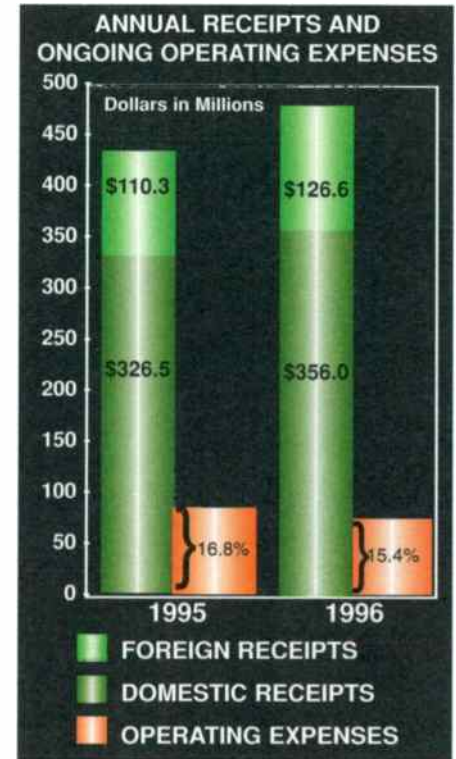
Ongoing operating expenses (excluding restructuring expenses) totaled \$74.3 million in 1996, a slight increase over the \$73.5 million in 1995. However, the ratio of ongoing operating expenses to receipts decreased from 16.8% in 1995 to 15.4% in 1996. These results represent the continued efforts of ASCAP's management to return a higher percentage of gross revenues to the members.

ASCAP's total count of employees was 588 at the end of 1996, compared with 566 at the end of 1995.

During 1996, ASCAP distributed a record \$397.4 million to members and foreign affiliated societies, an amount that establishes ASCAP's global primacy in distribution of performance royalties. This represents an increase of 11.4% from \$356.7 million in 1995. Domestic distributions increased 7.7% as ASCAP distributed \$273.4 million in 1996 compared to \$253.9 million in 1995.

Foreign distributions to members were \$124.0 million in 1996 compared to \$102.8 million in 1995, an increase of 20.6%.

Over the past year, ASCAP has offered several new benefits for its members. Included in this portfolio is a supplemental statement providing members with information regarding foreign taxes withheld. These taxes were withheld by certain affiliated foreign societies before royalties were paid to ASCAP. This information, now reported to each member with income from foreign societies, enables the member to appropriately report these withheld taxes on their tax return and, in most cases, results in a substantial tax savings.



AMERICAN SOCIETY OF COMPOSERS, AUTHORS AND PUBLISHERS
STATEMENTS OF RECEIPTS, EXPENSES AND CHANGE IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 1996 AND 1995

(000's omitted)

DOMESTIC RECEIPTS:

	1996	1995
License fees –		
Television.....	\$158,438	\$141,793
Radio.....	120,029	110,049
General and background music.....	66,192	63,227
Symphonic and concert.....	3,618	3,084
Interest on investments.....	6,606	7,290
Membership dues.....	1,152	1,039
Total domestic receipts.....	<u>356,035</u>	<u>326,482</u>

ROYALTIES FROM FOREIGN SOCIETIES (Note 5)...	126,544	110,355
Total receipts.....	<u>482,579</u>	<u>436,837</u>

EXPENSES:

Licensing, collection and legal.....	24,486	24,405
Distribution.....	16,581	16,752
Publicity and membership.....	16,732	15,559
Administrative and other.....	16,528	16,829
Total expenses.....	<u>74,327</u>	<u>73,545</u>

Excess receipts over expenses	408,252	363,292
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DISTRIBUTIONS (Note 5):

Members –		
Domestic distributions.....	248,017	230,786
Foreign distributions.....	123,982	102,796
Foreign societies.....	25,380	23,129
Total distributions.....	<u>397,379</u>	<u>356,711</u>
Current distribution to foreign societies in excess of/(less than) current receipts	1,380	(190)
Net increase in fund balance.....	12,253	6,391

FUND BALANCE, beginning of year (Note 2).....	108,985	102,594
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FUND BALANCE, end of year (Note 2).....	\$ 121,238	\$ 108,985
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The accompanying notes are an integral part of these statements.

Report of Independent Public Accountants

To the Board of Directors of ASCAP:

We have audited the accompanying statements of receipts, expenses and change in fund balance of the American Society of Composers, Authors and Publishers for the years ended December 31, 1996 and 1995. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statements of receipts, expenses and change in fund balances are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial

statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 1, these statements were prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the statements of receipts, expenses and change in fund balance referred to above present fairly, in all material respects, the receipts, expenses and change in fund balance of the Society for the years ended December 31, 1996 and 1995, on the modified cash basis of accounting described in Note 1.

Arthur Anderson LLP

New York, New York
March 31, 1997

NOTES TO FINANCIAL STATEMENTS - DECEMBER 31, 1996 AND 1995

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The American Society of Composers, Authors and Publishers (the "Society" or "ASCAP") is an unincorporated membership association of composers, lyricists and music publishers. Founded in New York in 1914, ASCAP is the oldest performing rights licensing organization in the United States. The Society maintains its financial statements on the modified cash basis of accounting. Fixed assets, including leasehold improvements, are capitalized. Depreciation of fixed assets is provided using the straight-line method based on the estimated useful lives as follows: furniture - ten years; equipment - three to five years; and automobiles - three years and four months. Leasehold improvements are amortized on a straight-line basis over the terms of the related leases. Advances to members are considered receivables. Management periodically reviews the status of advances and charges those deemed uncollectible to expense. Revenues due but not received, such as amounts due from licensees and foreign societies, and costs incurred but not paid,

both of which are significant, are not accrued (see Note 6 for payments made which were charged against the reserve for restructuring established in 1994).

The preparation of these financial statements require the use of certain estimates by management in determining the Society's assets, liabilities, receipts and expenses as well as for disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

The Financial Accounting Standards Board recently issued Statement of Financial Accounting Standards ("SFAS") No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of." The adoption SFAS No. 121 in 1996 did not have a significant impact on the Society.

Certain prior year balances have been reclassified to conform with current year presentation.

2. FUND BALANCES

Statements of Receipts, Expenses and Change in Fund Balance (000's omitted)

	December 31, 1996				December 31, 1995			
	Total	General Fund	and Concert Fund	Symphonic Foreign Incoming Fund	Total	General Fund	and Concert Fund	Symphonic Foreign Incoming Fund
License fees	\$ 474,821	\$ 344,659	\$ 3,618	\$ 126,544	428,508	\$ 315,069	\$ 3,084	\$ 110,355
Interest on investments	6,606	1,936	-	4,670	7,290	2,486	-	4,804
Membership dues	1,152	1,152	-	-	1,039	1,039	-	-
Expenses	(74,327)	(69,130)	(821)	(4,376)	(73,545)	(69,063)	(799)	(3,683)
Excess of receipts over expenses	408,252	278,617	2,797	126,838	363,292	249,531	2,285	111,476
Transfers among funds	-	1,235	(530)	(705)	-	1,402	(542)	(860)
Distributions	(397,379)	(271,607)	(1,790)	(123,982)	(356,711)	(252,407)	(1,508)	(102,796)
Current distribution to foreign societies in excess of/ (less than) current receipts	1,380	1,380	-	-	(190)	(190)	-	-
Net increase in fund balance	12,253	9,625	477	2,151	6,391	(1,664)	235	7,820
Fund balance beginning of year	108,985	4,365	5,670	98,950	102,594	6,029	5,435	91,130
Fund Balance, end of year	\$ 121,238	\$ 13,990	\$ 6,147	\$ 101,101	\$ 108,985	\$ 4,365	\$ 5,670	\$ 98,950

3. LEASE COMMITMENTS

Equipment and automobile rental and office lease expense aggregated approximately \$5,954,000 and \$6,450,000 for the years ended 1996 and 1995, respectively. The minimum rental commitments under existing noncancelable office leases are as follows (000's omitted):

1997.....	3,923
1998.....	3,766
1999.....	3,700
2000.....	3,496
2001 and thereafter.....	23,810
	<u>\$ 38,695</u>

4. BENEFIT PLANS

The Society has both a defined benefit pension plan (the "Pension Plan") and a defined contribution savings plan (the "Savings Plan") which cover substantially all of its employees.

Under the Society's Pension Plan, benefits are based on years of service and employee's compensation during the last five years of employment. The Society's policy is to fund amounts as are necessary on an actuarial basis to provide assets sufficient to meet the benefits to be paid to plan members in accordance with the requirements specified by the Employee Retirement Income Security Act. The Society contributed approximately \$1,170,000 and \$1,050,000 to the Pension Plan during 1996 and 1995, respectively.

The following table sets forth the Pension Plan's funded status at January 1, 1996 and 1995:

	1996	1995
	(000's omitted)	
Actuarial present value of:		
Vested benefit obligation	\$ 12,173	\$ 10,067
Nonvested benefit obligation	339	319
Accumulated benefit obligation	<u>\$ 12,512</u>	<u>\$ 10,386</u>
Actuarial present value of projected benefit obligation	<u>\$ 19,223</u>	<u>\$ 17,101</u>
Plan assets at fair value	\$ 12,330	\$ 9,884

The weighted average discount rate used in determining the actuarial present value of the projected benefit obligation was 7.5% in 1996 and 1995. The rate of increase in future compensation levels used in determining the actuarial present value of the projected benefit obligation was 6.4% for both years. The expected long-term rate of return on assets was 8.0% for both years.

Under the Society's Savings Plan, all employees with at least one year of service may elect to contribute from 2% through 20% of their salaries. The Society's matching contribution is equal to 100% of the first 2% and 25% of each additional percent up to 6% contributed by the employee, resulting in a maximum contribution by the Society of 3% of the employee's salary. Employees' contributions are immediately vested and the Society's matching contributions are vested after the first year of service. During 1996, the maximum annual employee contribution of pretax dollars was limited by Internal Revenue Service regulations to \$9,500 limiting ASCAP's matching contribution to \$4,750 per employee. The amounts contributed by ASCAP to the Savings Plan for 1996 and 1995 were \$640,000 and \$720,000, respectively.

5. DISTRIBUTIONS

Receipts of the Society, less expenses of operations and amounts payable to foreign societies, are distributed to members under applicable distribution formulas.

Effective with the December 31, 1996 financial statements, the Society began including taxes withheld by affiliated foreign societies as receipts. These taxes withheld, which amounted to \$3,891,000, are reflected in Royalties from Foreign Societies in the accompanying statement of receipts, expenses and change in fund balance for the year ended December 31, 1996.

Also, in 1996, the Society began including foreign taxes withheld in the summary of distribution reported to members at year-end, thereby enabling members to report them appropriately on their tax returns. These taxes, which amounted to \$3,899,000, are reflected in Foreign Distributions in the accompanying statement of receipts, expenses and change in fund balance for the year ended December 31, 1996.

6. RESERVE FOR RESTRUCTURING

The Society established a \$7,000,000 reserve for restructuring during 1994. This reserve was established principally for severance, contract computer programmers and related costs and lease and asset write-offs associated with the Society's reengineering efforts. During 1996 and 1995, \$1,703,000 and \$5,238,000, respectively, were charged against the restructuring reserve for these reengineering efforts. The unused balance of \$59,000 was transferred to the General Fund as of December 31, 1996.

7. CONTINGENCIES

The Society is continually involved in negotiations and court proceedings with its licensees to determine reasonable fees. Significant proceedings now pending involve the cable industry and a group of so-called "specialty format" radio stations. ASCAP is also engaged in negotiations with major television networks. The principal proceeding involving fees for cable television program services, the Turner Broadcasting matter, is nearing the end of the pretrial discovery phase and is now expected to be tried at the end of 1997 or early in 1998. In all such proceedings to determine reasonable fees, fees are being paid on an interim basis, subject to retroactive adjustment when final fees are arrived at by agreement or court determination.

In 1994, CBS commenced a contract action against ASCAP in New York state court alleging that under "most favored nation" clauses in prior license agreements with ASCAP for the CBS Television Network, CBS is entitled to substantial monetary damages as a result of the 1992 agreement between ASCAP and NBC with respect to license fees for the NBC Television Network. Pretrial discovery in the case is continuing. In the opinion of the Society's counsel, the likelihood of an unfavorable outcome is remote.

In 1995, SESAC, Inc. ("SESAC") filed a lawsuit against the Society in Tennessee state court, alleging tortious conduct on ASCAP's part in connection with the hiring of former SESAC employees. The court denied SESAC's motion for preliminary relief and the action is proceeding toward trial. In the opinion of the Society's counsel, the likelihood of an unfavorable outcome is remote.

In addition, the Society is subject to litigation in the normal course of business. In the opinion of the Society's counsel and management, such proceedings will not result in any material change in the Society's total receipts or the amounts available for distribution in 1997.

AT ASCAP, WE'VE GOT PLANS FOR YOU

ASCAP has always been the industry leader in protecting the songs and compositions of our members by collecting and distributing more money in performance royalty income than any other organization in the world. We are so effective because ASCAP is the only U.S. performing rights society created and controlled by songwriters, composers, and music publishers. We know what it's like to try to make a living in music. We know you have unique needs. Once again, we are the first to respond. With that in mind, ASCAP is proud to offer — exclusively to our members — a package of tailor-made benefits, including group medical, dental and term life insurance plans, instrument, equipment and studio liability insurance, and a credit union. The following information gives a brief overview of what benefits are available and whom to contact for more information.

MEDICAL, DENTAL AND TERM LIFE INSURANCE

ASCAP knows how difficult it can be for music makers to find quality health coverage at an affordable price — or worse, to have no coverage at all. So we're pleased to provide — only to ASCAP members — access to group medical, dental and term life insurance plans.

Medical Plan Highlights

- Provides freedom to choose physicians and medical care facilities through in-network or out-of-network provider
- When in-network provider is used, plan pays 90% of eligible expenses after satisfaction of the deductible
- In-network physicians' office visits (excluding surgery and x-rays) are \$10
- When out-of-network provider is used, plan pays 80% of the first \$5,000 of eligible expenses after deductible is satisfied
- After deductible is met, eligible expenses paid at 100% for the balance of that calendar year.

This program is underwritten by CNA and administered by Seabury & Smith.

For more information, ASCAP members can call Seabury & Smith directly at 1-888-272-2744.

Dental Plan Highlights

- Regular exams, routine cleanings and x-rays at no charge
- No deductibles
- No annual dollar limits on care
- Convenience of coverage without claim forms
- Patient knows costs in advance
- Specialized care with an approved referral, at the same fees listed on the patient charge schedule
- Complete and/or partial coverage also provided for (as per CIGNA program overview): Diagnostic/Preventive Restorative Crowns and Bridges, Endodontics, Periodontics, Prosthetics and Repairs, Oral surgery, Orthodontics and Emergency Services.

This program is offered by CIGNA Dental Health and administered by The Cooper Group.

For more information, ASCAP members can call CIGNA directly at 1-800-869-7188.

Term Life Plan Highlights

- Inclusive coverage offered in all states
- Gender rated
- Smoker/non-smoker rates offered
- Guaranteed issue up to \$10,000
- Volume discounts for face values in excess of \$100,000
- Available for coverage of up to \$1,000,000.

This program is underwritten by CNA and administered by Seabury & Smith.

For more information, ASCAP members can call Seabury & Smith directly at 1-888-272-2744.

INSTRUMENT INSURANCE AND GENERAL LIABILITY STUDIO INSURANCE

You can't afford to have the tools you use to make your music damaged, lost or stolen. Your instruments and equipment are an integral part of your livelihood. You need the peace of mind that comes from knowing you're covered if something happens — whether you're at home or on the road. So ASCAP has made available a low-cost insurance plan that covers musical instruments, equipment, computers and software against theft, loss and insurable damage anywhere in the world. Even your charts and arrangements are covered.

For a minimum annual premium of \$25

you receive: •\$2,632 of musical instrument coverage •\$2,500 computer and media coverage •\$5,000 of valuable paper coverage. Of course, if your instruments and equipment are worth more, you can purchase additional coverage at the rate of 95¢ per \$100 of value for instruments and 50¢ per \$100 of value for computers and software.

This coverage is underwritten by General Accident Insurance Company of New York and is offered through Sterling & Sterling.

Additional insurance protection has just been made available to those members who own or operate recording or rehearsal studios. You may now obtain general liability insurance to provide protection in the event an outside party sues you claiming that your negligence caused them to incur bodily injury or that their property was damaged. The annual premium is \$300, regardless of your studio size or income, for \$1,000,000 in coverage. The carrier is Firsman's Fund Insurance Company, one of the nation's largest and oldest insurance companies.

For more information, ASCAP members can call Sterling & Sterling directly at 1-800-767-7837.

CREDIT UNION

ASCAP is now offering its members a first-time benefit for any U.S. performing rights organization: the option of participating in a credit union with a wide array of financial services, including specially-tailored features such as direct deposit of performance royalties and loans based on catalog valuation. The IAG Federal Credit Union offers the following benefits exclusively to ASCAP members: •Automatic direct deposit of royalties •Loan payments customized to royalty distribution dates •Loans secured by catalog valuation •Tax-Deferred Retirement Plans (SEP/IRAs) •Customer Service staff trained to handle the unique needs of ASCAP members.

To receive an ASCAP/IAG Credit Union application, ASCAP members can call 1-800-431-2754.

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