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**UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK**

In re XM SATELLITE RADIO COPYRIGHT  
LITIGATION,

MASTER DOCKET

06 Civ. 3733 (LAK)

vs.

**DECLARATION OF  
JENNIFER M. VEITENGRUBER  
IN SUPPORT OF PLAINTIFFS'  
MOTION FOR A SECOND  
DISTRIBUTION OF THE NET  
SETTLEMENT FUNDS**

This Document Relates to: 07 Civ. 4682 (LAK)

I, JENNIFER M. VEITENGRUBER, declare and state as follows:

1. I am a Director of Operations at Garden City Group, LLC ("GCG").<sup>1</sup> The following statements are based on my personal knowledge and information provided by other experienced GCG employees working under my supervision and, if called on to do so, I could and would be competent to testify thereto.

2. GCG was selected and engaged by the Parties and appointed by the Court in the above-captioned action (the "Action") to serve as the Administrator as described in the Stipulation and Agreement of Settlement (the "Settlement Agreement"), and the December 6, 2010, Notice Order (the "Order").

3. Pursuant to the Court's Order for Distribution of the Net Settlement Funds dated

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<sup>1</sup> The Garden City Group, Inc. is now Garden City Group, LLC.

1 April 9, 2014 (the "Distribution Order"), GCG updated the distribution calculation to  
2 accommodate the additional fees awarded by the Court at paragraph 5 of the Distribution Order. In  
3 updating the calculation, GCG determined that two (2) of the claims that were originally deemed  
4 eligible were owned or controlled by an excluded party, and the settlement awards for these  
5 claims, totaling \$515.25, were therefore omitted from the distribution. GCG further determined  
6 that a portion of the sound recordings assigned to one (1) claim should not have been allocated to  
7 that claimant. Accordingly, the settlement award of \$36,662.56 for this claimant was also omitted  
8 from the distribution, and a revised settlement award of \$712.97 was issued using the funds held  
9 in reserve pursuant to paragraph 3 of the Distribution Order (the "Reserve").

10 4. Between June 13, 2014, and June 19, 2014, GCG issued settlement checks to  
11 3,830 claimants. All settlement checks had a stale date of 90 days. On June 18, 2014, GCG  
12 issued letters to 316 claimants who had not provided their tax identification number and/or the  
13 corresponding documentation but had not yet received notification that this information was still  
14 required. A copy of the letter is attached hereto as **Exhibit A**.

15 5. Between September 30, 2014, and December 31, 2014, GCG issued settlement  
16 checks to the 316 claimants who had previously received tax letters.

17 6. GCG received notification from the administrator representing two (2) eligible  
18 claimants whose settlement awards had not yet been paid that although the administrator was a  
19 *Famous Music* Settlement Participant, the entities for which they had submitted these claims were  
20 not owned or controlled by them at the time they participated in the *Famous Music* Settlement.  
21 Accordingly, GCG issued checks for the previously held settlement awards of \$11,482.96 and  
22 \$38.77 to these claimants on March 4, 2015.

23 7. During the course of the distribution process, GCG received correspondence from a  
24 number of claimants requesting further review of their claim. In most cases these requests were  
25 because the claimant disagreed with the basis for rejection or believed that not all of their sound  
26 recordings and/or musical compositions had been taken into consideration. GCG considered all  
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1 such requests, including those where a deficiency was only cured by the correspondence received  
2 post-distribution, and following review of the claims, issued 17 further payments from the Reserve  
3 totaling \$5,064.53.

4 8. The settlement awards for 168 claimants were subject to statutory tax withholding,  
5 and withholding payments totaling \$105,134.37 were made to the IRS following distribution of  
6 the settlement awards to these claimants.

7 9. Any settlement checks that were returned to GCG by the U.S. Postal Service with a  
8 forwarding address were promptly re-mailed using the updated address information.

9 10. Between June 2015 and September 2015, GCG conducted extensive research and  
10 outreach to claimants whose checks had not been cashed and were stale. This additional work  
11 resulted in the reissue of over 250 unclaimed settlement awards totaling more than \$230,000.

12 11. GCG distributed 4,148 settlement awards from the Net Settlement Funds totaling  
13 \$2,797,597.57, of which \$647,644.00 was paid out of the Net Musical Composition Settlement  
14 Fund and \$2,149,953.57 was paid out of the Net Sound Recording Settlement Fund. GCG also  
15 issued 18 payments from the Reserve totaling \$5,777.50, of which \$2,826.81 was paid in respect  
16 of the Musical Composition Settlement Class and \$2,950.69 was paid in respect of the Sound  
17 Recording Settlement Class.

18 12. Prior to distribution, the Net Musical Composition Settlement Fund, including the  
19 \$25,000 musical composition reserve, totaled \$673,149.25. After payment to the Musical  
20 Composition Settlement Class of the settlement awards described above totaling \$650,470.61, the  
21 balance of the Net Musical Composition Settlement Fund stood at \$22,688.44.

22 13. Prior to distribution, the Net Sound Recording Settlement Fund, including the  
23 \$25,000 sound recording reserve, totaled \$2,211,616.13. After payment to the Sound Recording  
24 Settlement Class of the settlement awards described above totaling \$2,152,904.26, the balance of  
25 the Net Sound Recording Settlement Fund stood at \$58,711.87.

26 14. Of the settlement awards issued pursuant to the Distribution Order, 453 were  
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1 uncashed or returned to GCG as undeliverable. One (1) check was returned by the claimant with a  
2 note stating that the award was not accepted. These checks have been voided and the payments  
3 returned to their respective settlement funds. The unclaimed payments total \$14,586.46, of which  
4 \$8,249.34 relates to awards issued to the Musical Composition Settlement Class and \$6,337.12  
5 relates to awards issued to the Sound Recording Settlement Class.

6 15. On December 23, 2015, GCG requested a refund from the IRS of withholding  
7 amounts paid in respect of settlement awards that were not claimed. On February 17, 2016, GCG  
8 received a refund check in the sum of \$250.08, of which \$98.41 related to the Musical  
9 Composition Settlement Class and \$151.67 related to the Sound Recording Settlement Class. On  
10 March 22, 2016, GCG received a check in the sum of \$713.88, comprising a refund of \$711.27  
11 plus interest of \$2.61, of which \$71.85 related to the Musical Composition Settlement Class and  
12 \$642.03 related to the Sound Recording Settlement Class.

13 16. Since the date of the Order, nine (9) Additional Musical Composition Settlement  
14 Class Payments totaling \$5,074.14 have been deposited in the escrow account, and the Settlement  
15 Funds have attracted interest totaling \$16.11, of which \$5.71 can be attributed to the Musical  
16 Composition Settlement Class Fund and \$10.40 can be attributed to the Sound Recording  
17 Settlement Class Fund.

18 17. Including the additional amounts described above, the residual Net Musical  
19 Composition Settlement Fund is \$36,187.92, and the residual Net Sound Recording Settlement  
20 Fund is \$65,853.06.

21 **DISTRIBUTION OF RESIDUAL SETTLEMENT FUNDS**

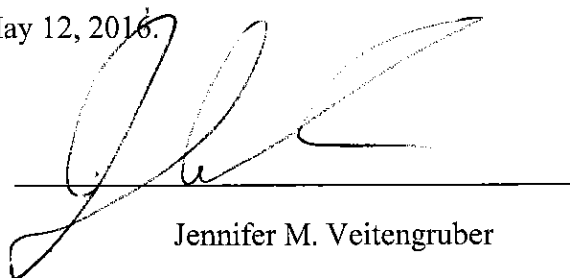
22 18. GCG recommends that the residual settlement funds be distributed amongst those  
23 claimants who (a) cashed the settlement check issued to them pursuant to the Distribution Order,  
24 and (b) whose pro rata share(s) of the residual settlement funds is greater than or equal to \$25.00.  
25 This would result in supplemental settlement checks being issued to 462 claimants with a total  
26 value of \$89,224.42.

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1 19. Should the Court approve a supplemental distribution on the above basis, GCG  
2 anticipates fees and out-of-pocket expenses of approximately \$12,000 to complete the  
3 supplemental distribution. Accordingly, GCG requests approval of fees and out-of-pocket  
4 expenses of \$12,816.56, being the balance of the residual settlement funds after deduction of the  
5 amounts to be distributed, to complete the supplemental distribution and to finalize the  
6 administration of the Settlement.

7 I declare, under penalty of perjury, that the forgoing is true and correct.

8 Executed in Seattle, Washington on May 12, 2016.

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12 Jennifer M. Veitengruber

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# Exhibit A



**RETURN SERVICE REQUESTED**

Claim No:



Control No:

Date: June 18, 2014

**Response Due Date: August 02, 2014**

Tax ID:

JANE CLAIMANT  
123 4TH AVE  
APT 5  
SEATTLE, WA 67890

Dear Claimant:

On April 9, 2014, the Court granted Plaintiffs' Motion for Distribution of the Net Settlement Funds. The Claims Administrator has reviewed the claim documentation submitted by the above-named claimant in this Settlement and is unable to distribute the full award without a fully-completed tax form. Please review the instructions below carefully and submit the appropriate Form.

- If you are a U.S. person, submit a completed Form W-9.
- If you are a foreign individual, submit a completed Form W-8BEN.
- If you are a foreign entity, you will in most cases need to submit a completed Form W-8BEN-E. However, you should first review the directions at the top of that Form carefully, as there are separate forms for some types of entity, such as Foreign Intermediaries or Flow-Through Entities.

Forms can be downloaded from the Forms & Publications section of the IRS website at [irs.gov](http://irs.gov) along with instructions on how to complete them. Please note that all of the above Forms were recently revised, and only the current revision of the Form will be accepted.

The completed Form can be submitted to the Claims Administrator by email to [notavxm@gcginc.com](mailto:notavxm@gcginc.com), by fax to +1 (206) 876 5201, or by mail to the above address. The Form must be received no later than August 02, 2014. If you do not submit a Form, or if the Form is not correctly filled out, the Claims Administrator will issue the settlement award net of tax withholding at the applicable rate, which is 28% for U.S. persons and 30% for foreign individuals or entities without further notice.

If you have any questions, please email [notavxm@gcginc.com](mailto:notavxm@gcginc.com). Please note that the Claims Administrator is unable to provide tax advice.

GCG  
Claims Administrator