

soundexchange

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October 5, 2006

RECEIVED

**BY HAND**

United States Copyright Office  
Library of Congress  
Office of the General Counsel  
James Madison Building, Room 407  
First and Independence Avenue, SE  
Washington, D.C. 20559-6000

OCT 5 2006

GENERAL COUNSEL  
OF COPYRIGHT

Re: Notice of Intent to Audit Live365, Inc.

To Whom It May Concern:

Pursuant to Subsection 262.6(c) of the Copyright Office's regulations, 37 C.F.R. § 262.6(c), SoundExchange, as the sole collective designated by the Copyright Office to collect and distribute the statutory royalties paid by eligible nonsubscription transmission services and new subscription services under 37 C.F.R. § 262.4(b)(1), hereby notifies the Copyright Office of its intent to expand its audit of the licensee Live365, Inc. ("Live365").

On December 23, 2005, SoundExchange filed with the Copyright Office a Notice of Intent to Audit Live365 for the years 2002, 2003, and 2004. SoundExchange commenced that audit in July 2006 and is now in the process of having its auditor, Royalty Review Council, conduct on-site verifications of Live365's books and records for portions of the foregoing period. In order to minimize disruptions to Live365 and maximize the efficiency of the audit, Live365 has consented to SoundExchange's expanding the scope of its audit to cover the year 2005 provided SoundExchange files a Notice of Intent to Audit that year with the Copyright Office.

Therefore, SoundExchange is notifying the Copyright Office of its intent to expand its audit of Live365 to cover the year 2005 for both its subscription and nonsubscription transmissions.

The audit shall be conducted by Royalty Review Council, located at 15456 Ventura Blvd., Suite 203, Sherman Oaks, CA 91403.

Pursuant to 37 C.F.R. § 262.6(c), a copy of this Notice of Intent to Audit is being served contemporaneously upon Live365.

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In the event the Copyright Office no longer has jurisdiction over this matter following enactment of the Copyright Royalty and Distribution Reform Act of 2004, SoundExchange is also serving a copy of this Notice of Intent to Audit upon the Copyright Royalty Board. This Notice has been served upon the Copyright Office, however, in light of the language in current Copyright Office regulations.

Sincerely,

Handwritten signature of Gary R. Greenstein in black ink.Handwritten initials, possibly 'H' and 'F', in black ink.

Gary R. Greenstein  
General Counsel  
202.828.0126

cc: Mark Lam  
Ara Hovanesian  
Copyright Royalty Board