



# NATIONAL RELIGIOUS BROADCASTERS MUSIC LICENSE COMMITTEE (NRBMLC) 2005 RADIO STATION LICENSE AGREEMENT

**AGREEMENT**, referred to hereinafter as "License Agreement", made at New York, N.Y., on *(date)* \_\_\_\_\_ between **BROADCAST MUSIC, INC.**® (a corporation organized under the laws of the State of New York (referred to hereinafter as **BMI**) with principal offices at 320 West 57th Street, New York, N.Y. 10019) and

\_\_\_\_\_  
(Legal Name of Licensee)

**PLEASE CHECK  
APPROPRIATE  
BOX AND  
COMPLETE**

- A corporation organized under the laws of the State \_\_\_\_\_
- A partnership consisting of \_\_\_\_\_  
\_\_\_\_\_
- An individual residing at \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(hereinafter called Licensee) with offices located at \_\_\_\_\_

\_\_\_\_\_  
(Street Address)

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ Telephone No. \_\_\_\_\_

and operating the radio broadcasting station (hereinafter called Station (subject to the eligibility requirements detailed at Paragraph 1.B. below)) presently located at \_\_\_\_\_

\_\_\_\_\_  
(Street Address)

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ Telephone No. \_\_\_\_\_

Fax No. \_\_\_\_\_

and presently designated by the call letters \_\_\_\_\_

- AM
- FM

and assigned frequency \_\_\_\_\_

E-mail Address \_\_\_\_\_

Radio Station Web Site (as defined below) located at http:// \_\_\_\_\_



**PLEASE CHECK ONE OF THE FOLLOWING OPTIONS:**

- I hereby elect the blanket license
- I hereby elect the per program license

**IF YOU ARE SELECTING A LICENSE TYPE DIFFERENT FROM YOUR STATION'S CURRENT LICENSE TYPE, THE ELECTION TO CHANGE WILL TAKE EFFECT AS OF THE 1<sup>ST</sup> DAY OF THE MONTH FOLLOWING THE DATE OF SIGNING THIS AGREEMENT.**

If Licensee has engaged in or currently engages in one or both of the following activities, please check the appropriate box(es) and complete the table below (if applicable):

**Digital Multicasting:**

- Simultaneous digital transmission of the analog signal
- Digital multicasting of content (other than the analog signal)

|                                | Call Letters | Digital Multicasting Format/Slogan | Launch Date |
|--------------------------------|--------------|------------------------------------|-------------|
| Digital Multicasting Station 1 |              |                                    |             |
| Digital Multicasting Station 2 |              |                                    |             |
| Digital Multicasting Station 3 |              |                                    |             |
| Digital Multicasting Station 4 |              |                                    |             |

**Internet Streaming:**

Earliest Streaming Activity Date: \_\_\_\_\_

- Streaming the main analog (or analog/digital) signal over the Internet only

Analog URL: \_\_\_\_\_

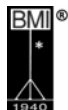
- Streaming one or more digital multicasting signal(s)

Multicasting URL Station 1: \_\_\_\_\_

Multicasting URL Station 2: \_\_\_\_\_

Multicasting URL Station 3: \_\_\_\_\_

Multicasting URL Station 4: \_\_\_\_\_



## 1. Term and Scope

A. The "Term" of this License Agreement shall mean the period commencing on January 1, 2005 and ending on December 31, 2010. The Term shall automatically extend to include the years 2011 through 2013 ("Extended Term"), unless BMI receives a written notice of termination from Licensee by no later than September 1, 2010. Upon the expiration of this License Agreement, the terms of this License Agreement in its final year shall continue without change on an interim basis thereafter for one (1) year, subject to retroactive adjustment upon the determination or agreement of a final fee.

B. In order for Station to be eligible for this License Agreement, Station must satisfy one of the following eligibility requirements:

(1) A commercial radio station both represented by the NRBMLC and licensed under the interim NRBMLC 1998 Blanket or Per Program License as of January 1, 2005; or

(2) A commercial radio station purchased after January 1, 2005 by an owner or an affiliate of an owner (under common ownership or control) of another station licensed under this License Agreement at the time of such purchase; or

(3) In the event that an owner of one or more stations presently licensed under this License Agreement enters into a Local Manager Agreement to operate a commercial radio station that is presently licensed under the Radio Music License Committee (RMLC) Agreement, the terms and conditions of the managed station's existing BMI license agreement shall apply. This License Agreement shall only be applicable if the owner of one or more stations presently licensed under this License Agreement purchases the managed station and elects to have the station licensed under this License Agreement.

## 2. Definitions

A. "**Local Manager**" shall mean any entity not under common ownership or control of Licensee which is authorized to resell 10% or more of Station's air time and (1) simulcasts or sells announcements on Station in combination with a radio station owned or operated by the entity, which station has entered into an NRBMLC 2005 Radio Station License Agreement; or (2) has assumed, contractually or otherwise, responsibility for the management of Station. An entity which would otherwise qualify as a Local Manager but which is authorized to resell less than 10% of Station's air time shall be deemed to be a Time Broker.

B. "**Local Management Agreement**" shall mean any agreement under which any other entity becomes a Local Manager in regard to the Station licensed under this License Agreement.

C. "**Time Broker**" shall mean any entity that has no direct or indirect managerial ownership or connection with Licensee that purchases and resells any portion of the Station's air time or the Station's radio broadcasting facilities.

D. "**U.S. Territory**" shall mean the United States, its Commonwealth, territories and possessions.

E. "**Radio Broadcasting**" shall mean over-the-air aural analog broadcasting in all of its forms, except that it shall not include delivery over the Internet or computer online service. Radio Broadcasting shall include, on an experimental basis, simultaneous transmission of an FCC-licensed digital broadcast signal identical in content to the Radio Station Signal licensed hereunder.

F. "**Radio Station Signal**" shall mean Station's FCC-licensed over-the-air analog radio broadcast transmission.

G. "**Broadcast Signal Streaming**" shall mean the simultaneous streaming of the Radio Station Signal or the digital multicast signal of any Digital Multicasting Station over the Internet in the U.S. Territory from the Radio Station Web Site without alteration (except for advertising or inserts during commercial breaks, or in the event that program providers will not grant permission for the transmission of certain program content over the Internet, Station may substitute programming which has aired on Station within the previous 30 days) and without repackaging by a third party. For the avoidance of doubt, Broadcast Signal Streaming does not include side channels and/or interactive transmissions which will be subject to appropriate separate licensing.

H. "**Radio Station Web Site**" shall mean Licensee's Internet domain comprising a series of interrelated web pages currently registered with a domain name registration service located at the URL address identified at the beginning of this License Agreement and which Licensee makes available to the general public over the Internet.

I. "**Network Program**" shall mean any radio program simultaneously broadcast by any means by any network licensed as a network by BMI. Network Program shall include "rebroadcasts," "delayed broadcasts" and "repeat broadcasts" of a



Network Program as those terms are understood in the broadcasting industry, even though non-simultaneous. Payments made to the originating network by an affiliated station in connection with such program may not be deducted. Licensee shall report all billings

to and/or cash received from the furnishing network. "Billing(s)" as used in this License Agreement shall exclude the non-cash portion of transactions such as trade and barter sales. Any program furnished by a network which is not licensed as a network by BMI shall be deemed to be a Local Radio Program.

J. **"Occasional Network Program"** shall mean any program broadcast simultaneously or by so-called "delayed" or "repeat" broadcasts on any group of two or more stations that are affiliated with Station for the purpose of broadcasting those programs. For example, when Station acts as a flagship station for purposes of creating an ad hoc sports network on two or more stations affiliated with Station for this purpose, Licensee is deemed to be operating on an occasional network and Licensee shall report all revenue it receives from sponsors for that occasional network programming.

K. **"Cooperative Program"** shall mean any program furnished by a network to Station under an agreement permitting Station to broadcast such program on a sustaining basis or on a commercial basis under the sponsorship of a local, regional or national advertiser contracting directly with Station or its representative for the incorporation of the commercial credits of such advertiser into such program, as broadcast by Station.

L. **"Local Radio Program"** shall mean any radio program and announcements, including a Cooperative Program, a Simulcast Program and any Occasional Network Program, broadcast by Station, other than a Network Program. For the purposes of this License Agreement, sports, special events and other programs furnished by networks not licensed by BMI, as well as any program originating from a station which holds an NRBMLC 2005 Radio Station License Agreement, shall be deemed to be Local Radio Programs.

M. **"Simulcast Program"** shall mean any program broadcast by two or more stations which are owned by Licensee, and are broadcast either simultaneously or on a "delayed broadcast" or "repeat broadcast" basis. Simulcast Programs shall also include such programs for which Licensee acts as a Time Broker or Local Manager.

N. **"Digital Multicasting"** shall mean, on an experimental basis, the over-the-air, aural, non-subscription-based broadcasting of one or more digital radio signals adjacent in frequency, but not identical in content, to the Radio Station Signal.

O. **"Background for an Announcement"** shall mean mood, atmosphere, or thematic music performed as background to an otherwise non-musical commercial, public service, or station promotional announcement not exceeding sixty (60) seconds in length.

P. **"Jingle"** shall mean an advertising, promotional or public service announcement containing musical material (with or without lyrics) where the musical material was originally written for advertising, promotional or public service announcement purposes, or a musical work, originally written for other purposes, with the lyrics changed for advertising, promotional or public service announcement purposes, not exceeding sixty (60) seconds in length and used with the permission of the interested writer or publisher affiliated with BMI.

Q. **"Incidental Performance"** shall mean music used as themes or signatures; bridges, cue or background music aggregating less than two and one-half minutes in duration in any Programming Period (as defined below); public domain music in arrangements controlled by BMI; and music which is used only incidentally to the broadcast of an actual public event or sports event.

R. **"Feature Performance"** shall mean a performance of music other than music used as an Incidental Performance, Background for an Announcement or a Jingle as defined herein.

S. **"Gross Revenue"** shall mean:

(1) (a) All billings (standard accrual method) charged to or on behalf of sponsors, donors and subscribers, but excluding non-cash billings applicable to transactions such as trade and barter sales, for the use of the broadcasting facilities of Station, including, without limitation:

(i) Local Radio Programs as defined above (including programs furnished by a network not licensed as a network by BMI and programs originating from another station which holds an NRBMLC 2005 Radio Station License Agreement, and Occasional Network Programs);

(ii) Network Programs;

(iii) contributions and donations; and



(iv) the cash portion of billings attributed to Time Brokers or providers of the “program services” in “barter” arrangements by such parties that have no direct or indirect managerial ownership or connection with Licensee; and

(v) Net Promotional Revenue.

(b) All billings on behalf of and payments made directly to, or as authorized by, Licensee, its employees, representatives, agents or any other person acting on Licensee’s behalf, and all billings on behalf of and payments made to any company, firm or corporation under the same or substantially the same ownership, management or control as Licensee, for the use of the broadcasting facilities of the Station. Such billings and payments shall not include billings on behalf of and payments made to third parties, such as networks or program suppliers, that are not under the same or substantially the same ownership, management or control as the Licensee, or non-cash payments such as payments in goods or services commonly referred to as trade or barter. Subject to Paragraph 2.I. above, if Licensee is owned or controlled by a network, Gross Revenue shall not include billings by or cash payment to the network.

(c) In the event Licensee acts as a Local Manager for another station’s facilities, all billings charged to, or cash payments made by, sponsors or donors for the use of the managed station’s facilities in the areas indicated in Paragraph 2.S. (1)(a)(i) through (v) above, subject to the terms of any LMA-05-A Agreement entered into by Licensee pursuant to Paragraph 14 below.

(d) In the event that Licensee owns or controls one or more stations which are licensed by BMI under separate blanket, per program or digital multicasting licenses, and Licensee’s Gross Revenues are derived from any source, either in whole or in part, as the result of offerings of the stations’ broadcast facilities in combination, Licensee shall make an allocation on a reasonable basis (taking into account factors such as, but not limited to, separate sales by the stations for comparable facilities during the report period or the immediately preceding period, and/or the relative ratings of the stations during the report period) of the *combined* Gross Revenues and all applicable deductions when filing all Annual Financial Reports required under the terms of this Agreement.

(e) All billings and/or cash received by Station for any program furnished by a network which is not licensed as a network by BMI.

(f) All billings to and/or cash received from, or on behalf of, (1) the sponsors of any program which originates from a station which holds an NRBMLC 2005 Radio Station License Agreement, and (2) affiliated stations.

(g) For the avoidance of doubt, the term “Gross Revenue” shall not include any revenue treated under this License Agreement as Radio Station Web Site Revenue or Digital Multicasting Station Revenue.

T. **“Net Promotional Revenue”** shall mean all cash payments that Licensee receives from third parties for the promotion of their businesses via the broadcast facilities of Station other than paid programs or commercial announcements (such as, but not limited to, Bridal or Craft Shows, Direct Mailings, Special Sponsored Events or Publications, produced and promoted by Station), less those out-of-the-ordinary costs, such as booth rentals, printing and mailing expenses, and cost of goods sold, that would not have otherwise been incurred without the promotional activity. Deductible costs may not exceed the cash payments received.

U. **“Net Revenue”** shall mean for stations reporting using the standard accrual/billing basis, Gross Revenue reduced by:

- (1) bad debts actually written off (increased by any bad debt recoveries) or rebates paid;
- (2) rate card discounts (cash quantity and/or frequency actually allowed); and
- (3) advertising agency commissions payable to an outside agency not owned or controlled by Licensee and actually incurred (not to exceed 15% of commissionable sales).

V. **“Adjusted Net Revenue”** shall mean Net Revenue less any sums received from networks licensed by BMI with respect to Network Programs (but only with respect to that portion of the sums received from the network attributable to such Network Program announcements which are related to Network Programs and are carried by the Station and provided that Station carries 90% or more of the BMI licensed network along with the accompanying commercials), and sums received for the broadcasting of local political programs (net of advertising agency commissions).

W. **“Digital Multicasting Station Revenue”** shall mean revenue attributable to each individual Digital Multicasting Station operated by Station and identified above on page 2 of this License Agreement. If Station operates more than one (1) Digital Multicasting Station, each Digital Multicasting Station shall be treated separately for the purpose of calculating Digital Multicasting Station Revenue.



For example, if Station operates two (2) Digital Multicast Stations: Digital Multicasting Station 1 and Digital Multicasting Station 2, revenue attributable to Digital Multicasting Station 1 shall be referred to as Digital Multicasting Station 1 Revenue and revenue attributable to Digital Multicasting Station 2 shall be referred to as Digital Multicasting Station 2 Revenue.

X. **“Programming Period”** shall mean a fifteen (15) minute period of Radio Broadcasting and/or Digital Multicasting commencing on the hour and at fifteen (15), thirty (30), and forty-five (45) minutes past the hour without regard to whether such period contains one or more programs or announcements.

Y **“Programming Period Subject to Feature Fee”** shall mean a Programming Period containing any non-Network Programs (i.e., Local Radio Programs) which includes any performance of music in the BMI repertory other than (1) Incidental Performances or Jingles or as Background for an Announcement, as those terms are defined herein, or (2) public performances that are direct or source licensed or that otherwise do not violate the exclusive right of public performance under the Copyright Act.

Z. **“Weighted Programming Periods”** shall mean the total number of fifteen (15) minute periods within any non-Network Program (i.e. Local Radio Programs) within a Quarterly Music Report Period during each of the following time periods, multiplied by the applicable weight set forth below for the corresponding time period:

|                  | <u>Time Period</u>      | <u>Applicable Weight</u> |
|------------------|-------------------------|--------------------------|
| <b>Weekdays:</b> | Midnight to 6:00 A.M.   | .25                      |
|                  | 6:00 A.M. to 10:00 A.M. | 1.00                     |
|                  | 10:00 A.M. to 3:00 P.M. | .50                      |
|                  | 3:00 P.M. to 7:00 P.M.  | .75                      |
|                  | 7:00 P.M. to Midnight   | .50                      |
| <b>Weekends:</b> | Saturdays and Sundays   | .25                      |

AA. **“Weighted Programming Periods Subject to Feature Fee”** shall mean the total number of Programming Periods Subject to Feature Fee within a given Quarterly Music Report Period during each of the time periods identified in the definition of “Weighted Programming Periods,” multiplied by the applicable weight set forth in that definition.

BB. **“Revenue Per Weighted Programming Period”** shall mean Adjusted Net Revenue for the full calendar year divided by the aggregated total of Weighted Programming Periods for all time periods derived from the Quarterly Music Reports submitted for the full calendar year.

CC. **“Revenue Subject to Feature Fee”** shall mean Revenue Per Weighted Programming Period multiplied by the aggregated total of Weighted Programming Periods Subject to Feature Fee derived from the Quarterly Music Reports submitted for the full calendar year.

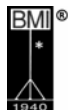
DD. **“Revenue Subject to BMI Blanket Fee”** shall mean Adjusted Net Revenue (Short Method Option) or, at the option of Licensee, Adjusted Net Revenue less the total of the following itemized deductions to the extent the total exceeds 25% of Adjusted Net Revenue (Long Method Option):

(1) Net Talent Fees Allowed. All compensation actually paid by the station directly to “on-air” personnel acting as: (a) master of ceremonies or disk jockey on musical programs; (b) vocalist or instrumentalist engaged for a special program; (c) featured newscaster or news commentator; (d) featured sportscaster; (e) master of ceremonies on an entertainment program; or (f) announcer. If such person(s) has a 40% or more ownership interest in the station, this deduction shall not be allowed. If such person(s) holds a managerial capacity at the station and spends less than 100% of his or her time performing any of the duties enumerated in this Paragraph 2(DD), the total compensation amount shall be reduced in proportion to the amount of time spent on said duties.

The names, description of on-air duties and compensation must be indicated separately on the Annual Financial Report supplied by BMI. Talent deductions are not permitted for personalities/personnel related to programs not produced by Station.

(2) News Service and Audio News Service. Licensee may deduct the actual cash payment (excluding barter) made by it to an independent supplier of news service (e.g., AP, agricultural reports), whether for hard or electronic copy or audio service. These costs must be for general news services and must be paid to an independent supplier of such news service.

(3) The actual cost incurred by Station (excluding barter) for a specific local commercial program for: (a) payments to the telephone company or similar transmission facility for remote pickup necessary to broadcast such program from outside the Station’s studios; and (b) rights for broadcasting a sports or other special event but not to exceed the amount actually paid to or for the original holder of the broadcast rights for the program.



EE. **“Radio Station Web Site Revenue”** shall mean all revenue generated in connection with the Radio Station Web Site by Station and/or Licensee, or by anyone acting on Station’s and/or Licensee’s behalf, for or from: (1) access to or use of all or any part(s) of the Radio Station Web Site (e.g., subscription fees, online time, and other transactional charges); and (2) advertising (e.g., banners, in-streams ads, hotlinks) on, or sponsorship of, all or any part(s) of the Radio Station Web Site, including revenue from third parties paid to Station and/or Licensee for including their programming on the Radio Station Web Site, commissions from third

parties on transactions, and the fair market value of any thing or service in lieu of cash considerations (i.e., trade and barter) to the extent that Station and/or Licensee recognizes the value of such thing or service received in lieu of cash consideration as revenue for accounting purposes. Radio Station Web Site Revenue includes revenue from the sale of proprietary software used to access all or any part(s) of the Radio Station Web Site, but only to the extent that Station and/or Licensee, or someone acting on Station’s and/or Licensee’s behalf, package(s) or include(s) access to or use of the Radio Station Web Site with the license for the software. Radio Station Web Site Revenue also includes any donations that Station and /or Licensee, or someone acting on Station’s and/or Licensee’s behalf, receive(s) in connection with the Radio Station Web Site. Radio Station Web Site Revenue does not include revenue from the direct sale of physical goods, or revenue generated solely in connection with any web site hosting or stream hosting services Station and/or Licensee provides for third party web sites that are not licensed under this License Agreement. Station and/or Licensee can deduct advertising agency commissions from Station and/or Licensee’s advertising revenue, but only up to 15% actually incurred to a third party advertising agency that Station and/or Licensee does not own or control. Station and/or Licensee can also deduct any bad debts that Station and/or Licensee writes off during a reporting period which are related to any billings that Station and/or Licensee previously reported, but Station and/or Licensee must include any recoveries of bad debts that were previously written off. For the avoidance of doubt, the term “Radio Station Web Site Revenue” shall not include any revenue treated under this License Agreement as Gross Revenue.

FF. **“Quarterly Music Report Period”** shall mean the one (1) week period each calendar quarter for which Licensee is required to submit a Quarterly Music Report pursuant to Paragraph 9.B.(1) of this License Agreement.

### 3. BMI Grant

A. BMI hereby grants to Licensee, for the Term hereof, a non-exclusive license to publicly perform, by Radio Broadcasting on Licensee’s Local Radio Programs by Station, non-dramatic performances of all musical works, the right to grant public performance rights of which BMI may, during the Term hereof, own or control.

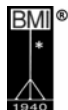
B. BMI hereby grants to Licensee for the Term a non-exclusive license to publicly perform all musical works in the BMI Repertoire during the Term in the U.S. Territory by (1) Digital Multicasting; and (2) Broadcast Signal Streaming, where applicable, subject to the payment and reporting obligations detailed below. This License Agreement does not cover the transmission of the Radio Station Signal or Digital Multicasting signal by streaming over the Internet where the Radio Station Signal or Digital Multicasting signal is accessed directly or indirectly from a third party web site (e.g. Live365), or any uses of music on the Radio Station Web Site other than Broadcast Signal Streaming; such other uses shall be subject to appropriate separate licensing. In the event that all or a portion of the Radio Station Web Site is included on a tier of services by a third party (including, but not limited to, content bundling by a third party) for additional revenue, either independently or with other web sites, LICENSEE shall immediately notify BMI in writing. BMI and LICENSEE expressly agree that any such uses are not licensed under this Agreement and shall be subject to appropriate separate licensing.

C. The rights granted hereby shall not include the right to perform more than thirty (30) minutes of a full-length dramatic or dramatico-musical work (or a substantial part of a short dramatic or dramatico-musical work) such as an opera, operetta, musical show or ballet, but this exclusion shall not apply to such performances from (1) a score originally written for and performed as part of a radio program, or (2) the original cast, soundtrack or similar album of a dramatic or dramatico-musical work other than an opera.

D. The performances licensed hereunder may originate at any place, whether or not such place is licensed to publicly perform the musical works licensed hereunder, and regardless of the manner, means or methods of such origination. Nothing in this License Agreement shall be deemed to grant a license to anyone authorizing any public performance in such other place of any such composition.

E. Nothing herein shall be construed as authorizing Licensee to grant to any cable system (including MMDS or similar wireless services) the right to retransmit to the public or publicly perform by any means, method or process whatsoever, any of the musical compositions licensed hereunder.

F. BMI will, upon specific reasonable written request made by Licensee, indicate whether a number of specific musical compositions listed by Licensee are licensed by BMI. Licensee shall provide: (1) title; (2) writer/composer; (3) publisher; and (4) recording artist of each musical composition requested to be identified. In the event Licensee does not provide BMI with all of the information requested herein, BMI will attempt to identify whether such musical compositions are licensed by BMI, but will be under no obligation to make such identifications.



#### 4. License Fees

##### A. Per Program License Fees

(1) Licensee agrees to pay to BMI with respect to Radio Broadcasting for each year of the Term of this License Agreement as a per program license fee hereunder:

##### 2005

The per program license fee for 2005 shall be calculated using the "weighted hour subject to fee" methodology set forth in the NRBMLC-1998 BMI Per Program License applied to the monthly music reports submitted for the period January through June 2005, using the Base Fee and Feature Fee rates set forth herein for 2006 and then dividing the resulting Feature Fee by 1.35.

##### 2006

**Base Fee** = .10% of Adjusted Net Revenue

**Feature Fee** = 2.25% of Revenue Subject to Feature Fee

##### 2007 through 2010 (and as may be extended for the years 2011-2013)

**Base Fee** = .09% of Adjusted Net Revenue

**Feature Fee** = 2.25% of Revenue Subject to Feature Fee

(2) In no event shall the license fee payable to BMI by Licensee for Radio Broadcasting (in addition to the separate requirement for an annual minimum fee for Digital Multicasting and/or Broadcast Signal Streaming, if applicable) be less than an amount equal to \$382 for 2005, and for each subsequent year, an amount equal to the minimum fee for the prior year adjusted to reflect any percentage increase in the Consumer Price Index (National, All Items) between October of the preceding year and October of the next preceding year.

(3) (a) Beginning January 1, 2006, and for all succeeding years of the Term of this License Agreement, each month during the Term hereof, on or before the first day of the following month Licensee shall pay to BMI an estimated fee equal to one-twelfth of the actual per program license annual fee for the immediately preceding year (if less than an entire calendar year, said sum shall be annualized), adjusted to reflect the percentage increase in the Consumer Price Index (National, All Items) between October of the preceding year and October of the next preceding year. For purposes of this estimated fee for the year 2006, the fee for a station operating under the per program license in 2005 shall be recalculated as set forth above for 2005. Notwithstanding any of the foregoing, in any calendar year of the Term hereof (including the Extended Term), as of the month when BMI receives the Annual Financial Report required to be supplied by Paragraph 5, below, applicable to the immediately prior year, any adjustment to increase the estimated fee required by a discrepancy between prior billings and monthly payments actually due in accordance with this subparagraph shall, at BMI's option, be prorated over the remaining monthly payments due during that calendar year.

(b) If Station was not licensed by BMI under a per program license during the preceding year, Licensee shall supply BMI with a good faith estimate of its Base Fee and Feature Fee. In the event Licensee was not licensed by BMI under a per program license during the preceding year and underestimates its fee under the preceding sentence by more than 15% of the final fee, Licensee will owe BMI an interest charge equal to .5% of the underpayment multiplied by the number of months between the date Licensee first operated under the per program license and the date Licensee filed its Annual Financial Report for that first year of operation under the license.

(4) (a) If the annual license fee exceeds the amount previously billed that year, Licensee shall pay any such additional amount to BMI within thirty (30) days of receipt of BMI's invoice. If said amount remains unpaid forty-five (45) days following the Station's receipt of said invoice, interest will begin to accrue at the rate of 1% per month thereafter.

(b) If the estimated fees paid by Licensee for any calendar year exceed the annual license fee due for said year and Station is current in all reports due under this License Agreement, Licensee will be entitled to a credit of the overage paid; provided, however, that if the overage paid is greater than three times the monthly payments required by Paragraph 4.A.(3)(a) for said



calendar year (or if the Station is no longer licensed by BMI), BMI shall, within thirty (30) days of receipt of written request sent from Licensee for the attention of Licensing-Accounting, BMI, 10 Music Square East, Nashville TN 37203-4399, refund the excess payment; and provided further that Licensee shall be entitled to a refund only if the overage (which exceeds three times Licensee's monthly payments) by Licensee, results in a net balance due Licensee. In this event, the amount of the refund shall not exceed the amount of the net balance due Licensee. Any fees subject to a good faith dispute as a result of a BMI audit shall not be considered in determining whether there is a net balance due Licensee for purposes of this subparagraph. If BMI fails to refund said amount within forty-five (45) days following BMI's receipt of Station's request for a refund, interest will begin to accrue at the rate of 1% per month thereafter.

**B. Blanket License Fees**

(1) Licensee agrees to pay to BMI with respect to Radio Broadcasting for each year of the Term of this License Agreement as a blanket license fee hereunder:

|                    |   |
|--------------------|---|
| <b><u>2005</u></b> | <b>1.725%</b> of Revenue Subject to BMI Blanket Fee (or 1.553% if Net Revenue is less than \$150,000) |
| <b><u>2006</u></b> | <b>1.735%</b> of Revenue Subject to BMI Blanket Fee (or 1.562% if Net Revenue is less than \$150,000) |
| <b><u>2007</u></b> | <b>1.740%</b> of Revenue Subject to BMI Blanket Fee (or 1.566% if Net Revenue is less than \$150,000) |
| <b><u>2008</u></b> | <b>1.745%</b> of Revenue Subject to BMI Blanket Fee (or 1.571% if Net Revenue is less than \$150,000) |
| <b><u>2009</u></b> | <b>1.750%</b> of Revenue Subject to BMI Blanket Fee (or 1.575% if Net Revenue is less than \$150,000) |
| <b><u>2010</u></b> | <b>1.750%</b> of Revenue Subject to BMI Blanket Fee (or 1.575% if Net Revenue is less than \$150,000) |

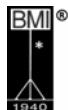
(2) In the event the Term is extended for the years 2011 - 2013, the following blanket license fees for Radio Broadcasting shall apply:

|                    |   |
|--------------------|---|
| <b><u>2011</u></b> | <b>1.760%</b> of Revenue Subject to BMI Blanket Fee (or 1.584% if Net Revenue is less than \$150,000) |
| <b><u>2012</u></b> | <b>1.765%</b> of Revenue Subject to BMI Blanket Fee (or 1.589% if Net Revenue is less than \$150,000) |
| <b><u>2013</u></b> | <b>1.770%</b> of Revenue Subject to BMI Blanket Fee (or 1.593% if Net Revenue is less than \$150,000) |

(3) Beginning January 1, 2006, and for all succeeding years of the Term of this License Agreement, the \$150,000 Revenue Subject to BMI Blanket Fee threshold referred to at Paragraphs 4.B. (1) and (2) above shall be adjusted to reflect the percentage increase in the Consumer Price Index (National, All Items) between October of the preceding year and October of the next preceding year.

(4) In either case Licensee shall pay a minimum fee per calendar year for Radio Broadcasting (in addition to the separate requirement for an annual minimum fee for Digital Multicasting and/or Broadcast Signal Streaming, if applicable) each year this License Agreement is in effect in the amount of \$500 for 2005, and for each subsequent year an amount equal to the minimum fee for the prior year adjusted to reflect any percentage increase in the Consumer Price Index (National, All Items) between October of the preceding year and October of the next preceding year.

(5) For each month during the Term hereof Licensee shall, on or before the first day of the following month, pay to BMI a sum equal to one twelfth of the annual fee payable hereunder for the preceding calendar year (if less than a calendar year, said sum shall be annualized), adjusted to reflect the percentage increase in the Consumer Price Index (National, All Items) between October of the preceding year and October of the next preceding year. Notwithstanding any of the foregoing, in any calendar year of the Term hereof, as of the month when BMI receives the Annual Financial Report required to be supplied by Paragraph 5 hereof applicable to any immediately prior year, any adjustment to increase the estimated fee required by a discrepancy between prior billings and monthly payments actually due in accordance with this Paragraph shall, at BMI's option, be prorated over the remaining monthly payments due during that calendar year.



(6) (a) For calendar year 2005, if the annual license fee exceeds the amount previously billed for that year, Licensee shall pay any such additional amount to BMI within thirty (30) days of invoicing by BMI.

(b) If the annual license fee for any calendar year of the Term subsequent to 2005 exceeds the monthly installments applicable to such year's fee, Licensee shall pay any such additional amount to BMI at the time the Annual Financial Report is due.

(c) If the amount paid by Licensee for any calendar year exceeds the annual license fee due for said year and Station is current in all reports due under this Agreement, Licensee will be entitled to a credit of the overage paid; provided, however, that if the overage paid is greater than three times the monthly payments required by Paragraph 4.B.(4) for said calendar year, BMI shall, within thirty (30) days of receipt of written request from Licensee sent for the attention of Licensing-Accounting, BMI, 10 Music Square East, Nashville TN 37203-4399, refund the excess payment; and provided further that Licensee shall be entitled to a refund only if the overage (which exceeds three times Licensee's monthly payments) by Licensee, results in a net balance due Licensee. In this event, the amount of the refund shall not exceed the amount of the net balance due the Licensee. Any fees subject to a good faith dispute as a result of a BMI audit shall not be considered in determining whether there is a net balance due Licensee for purposes of this subparagraph.

### C. Digital Multicasting License Fees

In the event that Licensee also engages in Digital Multicasting, Licensee agrees to pay BMI for Digital Multicasting for each year of the Term of this License Agreement as follows:

(1) Licensee shall promptly notify BMI in writing of its intention to operate (a) Digital Multicasting Station(s) and provide BMI with details of the Digital Multicasting Station(s), in particular the extent to which music shall be used;

(2) So long as Digital Multicasting Station Revenue for each individual Digital Multicasting Station is less than \$50,000.00 per annum, Licensee shall pay to BMI an annual fee of \$250 for 2005, and for each subsequent year, an amount equal to the fee for the prior year adjusted to reflect any percentage increase in the Consumer Price Index (National, All Items) between October of the preceding year and October of the next preceding year. For the avoidance of doubt, this annual fee is payable for each Digital Multicasting Station operated by Station and is in addition to the annual fee due from Licensee for Radio Broadcasting and/or Broadcast Signal Streaming;

(3) In the event that Digital Multicasting Station Revenue is \$50,000 or more for any Digital Multicasting Station, such Digital Multicasting Station and Licensee must enter into a separate form NRBMLC Digital Multicasting Station License for that Digital Multicasting Station.

In the event that Licensee operates more than one Digital Multicasting Station, any Digital Multicasting Station(s) that do(es) not generate \$50,000 or more Digital Multicasting Station Revenue shall continue to be licensed under this License Agreement.

### D. Broadcast Signal Streaming License Fees

In the event that Licensee also engages in Broadcast Signal Streaming, Licensee agrees to pay BMI in respect of Broadcast Signal Streaming for each year of the Term of this License Agreement as follows:

(1) Licensee shall promptly notify BMI in writing of its intention to engage in Broadcast Signal Streaming and provide BMI with details of this service, in particular the extent to which music shall be used; and

(2) Licensee shall pay to BMI the greater of the following:

(a) an annual minimum fee of \$283 for 2005, and for each subsequent year, an amount equal to the minimum fee for the prior year adjusted to reflect any percentage increase in the Consumer Price Index (National, All Items) between October of the preceding year and October of the next preceding year. This annual minimum fee is for Broadcast Signal Streaming only and is in addition to the annual minimum fee(s) due from Licensee for Radio Broadcasting and/or Digital Multicasting; or

(b) (i) in the event that Licensee elects to pay for Radio Broadcasting at the blanket license fee rates detailed at Paragraph 4.B. (1) and (2), the license fee payable for Broadcast Signal Streaming shall be calculated by applying the same rates detailed at Paragraph 4.B. (1) and (2) and actually utilized by Licensee in its Annual Financial Report for each year of the Term to the Radio Station Web Site Revenue;

(ii) in the event that Licensee elects to pay for Radio Broadcasting at the per program license fee rates detailed at Paragraph 4.A., Licensee shall pay BMI an effective rate percentage of the Radio Station Web Site Revenue. The effective rate percentage is calculated by dividing the total license fee paid or payable for Radio Broadcasting for the relevant year, by the Net Revenue generated by Radio Broadcasting for the relevant year. The effective rate percentage is then applied to the Radio Station Web Site Revenue to determine the license fee payable for Broadcast Signal Streaming.



## 5. Annual Financial Reports

A. Commencing on or before April 1, 2006, and on or before the later of (1) April 1<sup>st</sup> of each contract year thereafter; (2) forty-five (45) days following Licensee's receipt of a written request from BMI (if Station has elected the Blanket option); and (3) forty-five (45) days following Licensee's receipt of music use information from BMI (if Station has elected the Per Program option), Licensee shall render Annual Financial Reports to BMI, on forms supplied by BMI (examples of the blanket and per program Annual Financial Reports are annexed hereto), covering the period of the preceding calendar year. With respect to the blanket license, if Licensee reports via the Long Method Option, it must show all deductions in order to arrive at Amount Subject to BMI Fee as herein provided. If any Annual Financial Report is not received by BMI within sixty (60) days after the due date, Licensee will be required to use the Short Method Option for such report.

B. Should BMI make available to Licensee the option of reporting electronically, Licensee will make reasonable efforts to report to BMI electronically.

## 6. Blanket License Reporting Basis

A. Licensee must report for the Term of this License Agreement on a Billing Basis (standard accrual method); provided, however, that if Licensee keeps its books and records of account on a cash receipts basis and has been reporting to BMI on a cash receipts basis for two years prior to the commencement of the Term of this License Agreement, Licensee may continue to report on a cash receipts basis for such period as long as it continues to keep its books and records of account on that basis.

B. All billings made prior to the termination of this License Agreement with respect to local radio broadcasts during the Term hereof shall be accounted for by Licensee as and when such billings are made by Licensee.

## 7. Per Program License Reporting Basis

All per program station reports shall be made on a billing basis. All billings made subsequent to the termination of this License Agreement with respect to local radio broadcasts made during the Term of the License Agreement shall be accounted for by Licensee as if made prior to termination or expiration.

## 8. Taxes

In the event that the payment of any license fee to BMI by Licensee pursuant to this License Agreement causes BMI to become liable to pay any state or local tax which is based upon the license fees received by BMI from licensees, Licensee agrees to pay to BMI the full amount of such tax together with Licensee's fee payment(s) as invoiced by BMI; provided, however, that (1) BMI shall make reasonable efforts to be exempted or excused from paying such tax, and (2) BMI is permitted by law to pass through such tax to Licensee.

## 9. Music Use Reports

A. **All Stations.** Licensee, upon written request from BMI made on not less than one (1) week's notice specifying the period to be covered not to exceed seven (7) days within one (1) year, agrees to furnish to BMI (at BMI's request electronically via a secure web site, if feasible for Station) a report of Licensee's performances, by Station, by Radio Broadcasting and Digital Multicasting, of all musical works, indicating the compositions performed by title, and at least one of writer/composer and recording artist, or by such other convenient method as may be designated by BMI. If Station engages in Digital Multicasting, Station shall report separately to BMI in the aforesaid reports those hours Station was Digitally Multicasting.

### B. Per Program License Stations

(1) For each calendar year of this License Agreement, commencing with 2006, Licensee agrees to furnish to BMI on thirty (30) days written notice a full, true, complete and accurate report, either electronically via BMI's Internet-based reporting application or on forms furnished by BMI, for one (1) week per calendar quarter (referred to as a "Quarterly Music Report"), which shall indicate, with respect to all Programming Periods during the week, regardless of origin, which have any musical content, the following: (a) the full title of each Feature Performance (as defined in Paragraph 2.R.) of a musical work; (b) the date and time of performance; and (c) at least one of the name(s) of the writer(s)/composer(s) or recording artist(s).

A representative of BMI shall advise Licensee which week per quarter this will be done. Licensee may concede one or more Programming Period(s) to contain BMI licensed Feature Performances of music in lieu of providing the Feature Performance information set forth in this subparagraph, rendering these Programming Periods subject to Feature Fee.



(2) A Quarterly Music Report shall be requested of Licensee and submitted to BMI for each calendar quarter, regardless of Licensee's format or amount of feature music use during the report week (including no feature music use).

(3) Licensee shall not be required to include the Feature Performance information set forth in Paragraph 9.B.(1) for music in programming from a radio network licensed as a network by BMI, music in political programming and music in Programming Periods which Licensee concedes to contain BMI licensed music. Every Programming Period which contains at least one Feature Performance of music (other than a Programming Period in which the only music falls into one of the aforementioned exempt categories) shall be accounted for on the report.

(4) Said report shall be due to BMI on or before thirty (30) days after the week to which the report pertains. In the event that Licensee shall fail to submit any Quarterly Music Report or fail to report performances of musical compositions as required by Paragraph 9, the following shall apply:

- (a) **First Instance:** BMI shall advise Licensee in writing of same and will issue Licensee a warning.
- (b) **Second Instance:** BMI shall advise Licensee in writing of same and will issue Licensee a warning.
- (c) **Third and all Subsequent Instances:** BMI shall advise Licensee in writing of same and Licensee shall pay BMI the Blanket fee equivalent for each of the prospective three (3) months following the month in which the Quarterly Music Report was due.

(5) Licensee's failure to report timely or correctly may not be cured by Licensee's submission of a late report for said period.

(6) BMI shall have the option to substitute Licensee's Per Program License with the Blanket License effective on a going forward basis for the duration of the Term should Licensee consistently incur Instances for failing to submit complete and accurate Quarterly Music Reports when due. In such case, Licensee may request conversion back to the Per Program License starting January 1, 2010, provided Licensee meets the license change requirements outlined in Paragraph 11. If Licensee is converted by BMI to the Blanket License after January 1, 2010, Licensee shall not be permitted a change back to the Per Program license for the remainder of the Term through December 31, 2013.

(7) Licensee's count of Instances incurred during the period 2006 through 2009, if any, shall be reset to zero commencing on January 1, 2010. Instances incurred by Licensee starting in 2010 shall be treated in the order described in Paragraph 9. B. (4), commencing with the assessment of a First Instance.

## 10. Audits

A. BMI shall have the right by its duly authorized representative(s), during customary business hours, on notice in writing of not less than ten (10) business days, to examine the books and records of account of Licensee only to such extent as may be necessary to verify any reports required by this License Agreement. All information coming to BMI's attention as a result of any such examination of Licensee's books and records shall be held completely and entirely confidential and shall not be used by BMI other than in connection with its administration of this License Agreement.

B. The period for which BMI may audit pursuant to Paragraph 10.A. shall be limited to four (4) calendar years preceding the year in which the audit is made, provided that if an audit is postponed at the request of Licensee, and BMI grants such postponement, BMI shall have the right to audit for the period commencing with the fourth calendar year preceding the year in which notification of intention to audit was first given by BMI to Licensee. The four (4) year limitation on BMI's right to audit shall not apply if Licensee fails or refuses after written notice from BMI to produce the books and records necessary to verify any report required hereunder.

C. In the event that any BMI audit reveals that additional license fees are owed to BMI, Licensee shall pay interest on such additional license fees of 1% per month from the date(s) such fees should have been paid pursuant to this License Agreement if the underpayment is 7% or more of the annual license fee previously reported, and at least \$1,000. Licensee shall pay interest on such additional license fees of 1% per month beginning thirty (30) days after the date BMI invoices such additional license fees to Licensee if the underpayment is less than 7% or less than \$1,000.

D. If Licensee disputes all or part of BMI's claim for such additional license fees arising from an audit, Licensee shall, within thirty (30) days from the date BMI invoices additional fees, (1) notify BMI in writing of the basis for such dispute and (2) pay to BMI any license fees not in dispute together with the applicable interest on additional license fees not in dispute in accordance with subparagraph C. above. If there is a good faith dispute between Licensee and BMI with respect to all or part of the additional license fees which BMI has invoiced pursuant to this subparagraph, upon resolution of the disputed amount, subparagraph C shall govern payment of the interest due; provided, however, that no interest will be charged Licensee for the disputed license fees in the period



beginning on the date of Licensee's written notice to BMI of the dispute and ending sixty (60) days after BMI responds to Licensee's notice of the dispute.

E. Interest calculated in accordance with this Paragraph and concerning additional license fees which Licensee disputes in accordance with subparagraph D. above shall be adjusted pro-rata to the amount arrived at by Licensee and BMI in resolution of the dispute with respect to additional license fees due.

F. The period for which Licensee may amend any Annual Financial Report submitted pursuant to this License Agreement shall be limited to four (4) calendar years following the year for which such report was required to be filed pursuant to Paragraph 5.A.; provided, however, that if BMI audits for prior years, Licensee may amend its Annual Financial Report for such year(s). Licensee shall have the right to amend any portion of a previously submitted Annual Financial Report and the right to correct computational or reporting errors. Once Licensee submits an Annual Financial Report to BMI pursuant to this License Agreement, Licensee may amend said Annual Financial Report only one time. If Licensee amends an Annual Financial Report pursuant to this provision, the time for BMI to audit said Annual Financial Report will be four (4) years after the filing of said amended Annual Financial Report by Licensee.

## **11. Blanket/Per Program License Changes**

Provided that Licensee is current in all license fee payments and reports required hereunder and upon thirty (30) days' prior written notice, Licensee may switch license types between blanket and per program to become effective from the first day of the following month using the election form at Exhibit A to this License Agreement. Licensee may switch license types up to two times in any contract year. Retroactive changes to the per program license are not permitted.

## **12. Licensee's Failure To Report**

In the event that Licensee shall fail to render any report required hereunder, when and as due, BMI, may, in addition to any other remedies available to it in this License Agreement, calculate the estimated amounts payable as hereinabove provided.

## **13. Indemnification**

BMI agrees to indemnify, save and hold harmless and to defend Licensee, its advertisers and their advertising agencies and its and their officers, employees and artists, from and against all claims, demands and suits that may be made or brought against them or any of them with respect to the performance under this License Agreement of any material licensed hereunder, provided that this indemnity shall not apply to broadcasts of any musical work performed by Licensee after written request from BMI to Licensee that Licensee refrain from performance thereof. Licensee agrees to give BMI immediate notice of any such claim, demand or suit, and agrees immediately to deliver to BMI all papers pertaining thereto. BMI shall have full charge of the defense of any such claim, demand or suit, and Licensee shall cooperate fully with BMI therein.

## **14. Local Management Agreement**

A. In the event Licensee enters into a Local Management Agreement as defined in Paragraph 2.B. hereof, within thirty (30) days of such agreement: (1) Licensee shall provide BMI with a copy of such agreement and (2) Licensee and Local Manager shall provide BMI with two (2) fully executed copies of BMI's LMA-05-A Agreement, a sample copy of which is annexed hereto and made part hereof. The fully executed LMA-05-A Agreement makes Local Manager a party to this License Agreement, and this License Agreement shall be deemed amended by said LMA-05-A Agreement.

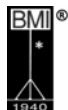
B. In the event Licensee becomes a Local Manager by entering into a Local Management Agreement with another station, Licensee shall notify BMI within thirty (30) days of entering into the agreement.

C. In the event that Licensee and/or Local Manager do not provide to BMI, on a timely basis, the documentation required by Paragraph 14.A. this License Agreement may be terminated by BMI on ten (10) days' notice, provided the failure to provide the required documentation remains uncured.

D. In the event that the Local Management Agreement provided to BMI terminates prior to its stated termination date, Licensee and Local Manager shall immediately notify BMI of such termination.

## **15. Assignment**

This License Agreement shall be non-assignable except to the person, firm or corporation acquiring the Federal Communications Commission license of the Station, and upon assignment to such station and upon acceptance in form approved by BMI of the



application of Licensee hereunder, the Licensee shall be relieved of future liability under this License Agreement as long as all reports have been filed by Licensee and all fees due BMI under this License Agreement have been paid to BMI, and further provided such assignee executes a new License Agreement. Notwithstanding anything herein to the contrary, this License Agreement shall not be assigned to a new owner of Station who is not represented by the NRBMLC.

#### **16. Licensee's Breach**

In the event that Licensee shall fail to make any payment or render any report (other than a Quarterly Music Report) under this License Agreement, when and as due, BMI shall notify Licensee in writing of the delinquency and provide at least an additional thirty (30) days within which Licensee may submit the payment or report. If the payment is not submitted within the extension period and BMI has provided the notice described above by certified mail, return receipt requested, BMI may, at its option terminate this License Agreement. The right to cancel shall be in addition to any and all other remedies which BMI may have, including the remedies set forth in Paragraph 9.B. (4), above. No waiver by BMI of full performance of this License Agreement by Licensee in any one or more instances shall be deemed a waiver of the right to require full and complete performance of this License Agreement thereafter or of the right to cancel this License Agreement in accordance with the terms of this paragraph.

#### **17. Late Payment Charge**

BMI may impose a late payment charge of 1% per month from the date the payment was due on any monthly or annual payment that is received by BMI more than one (1) month after the date payment was due.

#### **18. Arbitration**

All disputes of any kind, nature or description arising in connection with the terms and conditions of this License Agreement, except for those within the jurisdiction of the BMI Rate Court under Article XIV of the BMI Consent Decree, shall be submitted to the American Arbitration Association in the City and State of New York for arbitration under its then prevailing rules, the arbitrator(s) to be selected as follows: Each of the parties shall, by written notice to the other, have the right to appoint one arbitrator. If, within ten (10) days following the giving of such notice by one party, the other shall not, by written notice, appoint another arbitrator, the first arbitrator shall be the sole arbitrator. If two arbitrators are so appointed, they shall appoint a third arbitrator. If ten (10) days elapse after the appointment of the second arbitrator and the two arbitrators are unable to agree upon the third arbitrator, then either party may, in writing, request the American Arbitration Association to appoint the third arbitrator. The award made in the arbitration shall be binding and conclusive on the parties and judgment may be, but need not be, entered in any court having jurisdiction. Such award shall include the fixing of the costs, expenses and reasonable attorneys' fees of arbitration, which shall be borne by the unsuccessful party.

#### **MISCELLANEOUS**

**19.** In the event that the Federal Communications Commission revokes or fails to renew the broadcasting license of Licensee, or in the event that the governmental rules and regulations applicable to Station are suspended or amended so as to forbid the broadcasting of commercial programs by Licensee, Licensee may notify BMI thereof, and BMI, within ten (10) days of the receipt of such notice shall, by written notice to Licensee, at BMI's option, either terminate or suspend this License Agreement and all payments and services hereunder for the period that such condition continues. In the event that BMI elects to suspend this License Agreement, such suspension shall not continue for longer than six (6) months, and this License Agreement shall automatically terminate at the end of six (6) months. In the event that the condition giving rise to the suspension shall continue for less than six (6) months, BMI at its option, and on written notice to Licensee, may reinstate this License Agreement at any time within thirty (30) days after the cessation of such condition.

**20.** In the event that any law now or hereafter enacted of the state, or political subdivision thereof, in which Station and/or Licensee is located shall result in major interference with BMI's operations or in the refusal of a substantial number of radio stations therein to enter into license agreements with BMI or to make payments to BMI, BMI shall have the right at any time to terminate this License Agreement on no less than sixty (60) days' written notice to Licensee.

**21.** Wholly-owned stations shall report and pay separately, and be treated for all purposes as separate stations, provided, however, that any stations in the same market that are simulcast during 100% of their broadcast day and that are licensed under this form of License Agreement may report and pay together. Two wholly-owned stations in separate markets may report and pay together provided that they are 100% simulcast and that they pay two minimum fees, if applicable.

**22.** A. BMI may, if it so elects, at any time during the Term of this License Agreement, but not prior to January 1, 2006, require that the Quarterly Music Reports required under Paragraph 9.B. of this License Agreement be submitted to BMI electronically via its free, Internet-based reporting application. In such case:

- (1) BMI will provide Licensee sixty (60) days' written notice of its election; and



- (2) BMI will provide appropriate specifications for computer use that does not require the acquisition of additional software by Licensee.

B. If BMI exercises its election hereunder and Licensee does not report in accordance with such requirements Licensee shall pay to BMI a data entry charge of \$1.00 per page for each month that Licensee's reports are not made in computer readable form as provided in Paragraph 22.A. Licensee will not be required to pay this data entry charge for forms or cue sheets furnished to Licensee by third-party program producers or syndicators that Licensee forwards to BMI as permitted by Paragraph 9.B., or for computer readable reports that Licensee generates from computer systems used by Licensee.

**23.** On written notice to Licensee, BMI may, effective with such notice, withdraw from the license granted hereunder any musical work as to which any legal action has been instituted or a claim made that BMI does not have the right to license the performing rights in such work or that such work infringes another composition.

**24.** Except as set forth below, any notice required or permitted to be given under this License Agreement shall be in writing and shall be deemed duly given when sent by ordinary first class mail to the party for whom it is intended at its address hereinabove stated, or any other address which either party hereto may from time to time designate for such purpose, and when such notice is so mailed, it shall be deemed given upon the mailing thereof, provided, however, that any notice of conversion required to be given under Paragraph 9.B.(6) and notice of termination under Paragraph 14.C., and any notice given under Paragraph 16 upon which BMI intends to base termination of this License Agreement, shall not be effective unless provided by certified mail, return receipt requested; and provided further that any written notice of Instance sent by BMI pursuant to Paragraph 9.B.(4) advising Licensee of its failure to submit a Quarterly Music Use Report shall be sent by first class mail. Any such notice sent to BMI shall be to the attention of BMI Media Licensing, 10 Music Square East, Nashville, TN 37203. Any such notice sent to Licensee shall be to the attention of the person signing this License Agreement on behalf of Licensee or such other person as Licensee may advise BMI in writing.

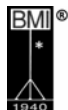
**25.** This License Agreement constitutes the entire understanding between the parties, shall not be binding until signed by both parties and cannot be waived or added to or modified orally, and no waiver, addition or modification shall be valid unless in writing and signed by the parties. This License Agreement, its validity, construction and effect shall be governed by the laws of the State of New York. The fact that any provisions herein are found to be void or unenforceable by a court of competent jurisdiction shall in no way affect the validity or enforceability of any other provisions. All headings in this License Agreement are for the purpose of convenience and shall not be considered to be part of this License Agreement.

**26.** With respect to Broadcast Signal Streaming and Digital Multicasting, this License Agreement is experimental in nature and without prejudice to the parties' respective positions related thereto, and nothing contained herein shall be construed to be binding with respect to future periods or precedential. Furthermore, nothing contained in this License Agreement with respect to Broadcast Signal Streaming and Digital Multicasting is intended to reflect BMI's, the NRBMLC's, or Licensee's position with respect to the reasonable value of the license granted herein, and BMI, the NRBMLC, and Licensee hereby expressly reserve their rights to re-evaluate the appropriateness of the fees and terms herein and take other positions regarding appropriate rates and terms for Broadcast Signal Streaming and Digital Multicasting.

**27.** This License Agreement may be executed in any number of counterparts and by facsimile signature, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

## **28. Repertoire Database**

BMI will make available, free of charge, a database of feature compositions (other than Jingles, themes, signatures, bridges and cues) licensed by BMI, that may be accessed via the Internet. Licensee shall bear its own expense of accessing the Internet. The database will identify the title of each composition and the name of the author and copyright owner.



**BROADCAST MUSIC, INC.**

\_\_\_\_\_  
**LICENSEE (Legal Name)**

By \_\_\_\_\_  
(Signature)

By \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name of Signer)

\_\_\_\_\_  
(Print Name of Signer)

\_\_\_\_\_  
(Title of Signer)

\_\_\_\_\_  
(Title of Signer)

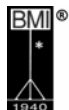
**LOCAL MANAGER**

By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name of Signer)

\_\_\_\_\_  
(Title of Signer)

Date: \_\_\_\_\_





# NRBMLC-2005 Station Election to Change License Type

Call Letters:     -

BMI Account #:

FCC Community of Licensee: (City) \_\_\_\_\_ (ST) \_\_\_\_\_

Legal Name of Licensee: \_\_\_\_\_

Group Owner (if applicable): \_\_\_\_\_

Station Frequency: \_\_\_\_\_ Previous Format: \_\_\_\_\_

Date of Change: \_\_\_\_\_ New Format: \_\_\_\_\_

Check (✓) the appropriate box:

Convert to Blanket License (currently licensed as Per Program)

Convert to Per Program License (currently licensed as Blanket)

Prospective License Type Change Date\*:

\* Your station may change its license type on a GOING FORWARD BASIS only. Retroactive changes are NOT allowed, regardless of when your station's format or level of music use changed. A completed version of this form must be submitted to BMI at least thirty (30) days prior to the prospective license type change date (i.e., submitting this form to BMI by 5/31 will make your station eligible to convert effective as of 7/1 at the earliest). Your station must be current in all reports and payments due BMI under your current license type in order to convert as of the prospective change date. Otherwise, your request will become effective the 1st of the month following the date your station resolves its outstanding balance and/or reports.

### COMPLETE THIS SECTION ONLY IF YOU'VE INDICATED CONVERSION TO PER PROGRAM ABOVE

Please provide a contact for Per Program quarterly music reporting below. In addition, indicate the average number of hours your station is normally on air and the estimated the number of hours containing feature music use during each time period listed (rounded to the nearest 0.25 hour).

Contact Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
Fax number: \_\_\_\_\_  
Email address: \_\_\_\_\_

| Time Period                      | Hours On Air         | Hours With Feature Music |
|----------------------------------|----------------------|--------------------------|
| Weekdays: 12am – 6am (max 6 hrs) | <input type="text"/> | <input type="text"/>     |
| Weekdays: 6am – 10am (max 4 hrs) | <input type="text"/> | <input type="text"/>     |
| Weekdays: 10am – 3pm (max 5 hrs) | <input type="text"/> | <input type="text"/>     |
| Weekdays: 3pm – 7pm (max 4 hrs)  | <input type="text"/> | <input type="text"/>     |
| Weekdays: 7pm – 12am (max 5 hrs) | <input type="text"/> | <input type="text"/>     |
| Saturdays: All Day (max 24 hrs)  | <input type="text"/> | <input type="text"/>     |
| Sundays: All Day (max 24 hrs)    | <input type="text"/> | <input type="text"/>     |

**PLEASE SIGN THE COMPLETED FORM IN THE BOX AT RIGHT AND EITHER:**

- FAX it to attention of BMI Media Licensing Dept. at (615) 401-5764, or
- MAIL it to the following address:  
**Broadcast Music, Inc.  
Attn: Media Licensing Dept.  
10 Music Square East  
Nashville, TN 37203**

\_\_\_\_\_  
(Signature of Legal Signatory or LMA Broker)

\_\_\_\_\_  
(Print Name of Legal Signatory or LMA Broker)

\_\_\_\_\_  
(Title of Legal Signatory or LMA Broker)

\_\_\_\_\_  
(Date Signed)

**BMI Received Date**

