

**BMI-10**  
**Account #** \_\_\_\_\_  
**BMI®** **License Type** \_\_\_\_\_  
**Radio Station**  
**Blanket/Per Program License Agreement**

AGREEMENT, made between BROADCAST MUSIC, INC., a corporation organized under the laws of the State of New York with principal offices at 7 World Trade Center, 250 Greenwich Street, New York, N.Y. 10007 (“**BMI**”) and

Call Letters and Band : \_\_\_\_\_ Frequency: \_\_\_\_\_

FCC Community of License: \_\_\_\_\_  
(City) (State) (FCC ID)

\_\_\_\_\_  
(Legal Name of LICENSEE)

**Please Check Appropriate Box and Complete**

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

(hereinafter “**You**” or “**Your**” or “**LICENSEE**”) licensing the radio broadcasting station (“**Station**”) presently receiving mail at:

\_\_\_\_\_  
(Street Address or P.O. Box)  
\_\_\_\_\_  
(City) (State) (Zip Code) (\_\_\_\_\_) (Telephone Number)

Location of Station: *Check box if same as above*  
\_\_\_\_\_  
(Street Address)  
\_\_\_\_\_  
(City) (State) (Zip Code)

email address: \_\_\_\_\_

with the Radio Station Web Site URL: http:// \_\_\_\_\_

(herein the “**BMI-10 License**”).

**1. Term.**

The term of the BMI-10 License commences as of January 1, 2010, and ends on December 31, 2016, unless earlier terminated as hereinafter provided (the “**Term**”).

**2. Definitions.**

A. “**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.

B. “**BMI Repertoire**” shall mean musical works for which BMI may own or control the right to grant public performing right licenses at the time of Station’s performance.

C. “**Feature Performance**” shall mean any performance that is either a principal focus of audience attention, such as a song or other musical composition, whether performed “live” or by means of a recording, or other feature musical subject matter on a radio program that is not a performance as a Theme or signature, bridge, cue or background music, Jingle, or in conjunction with an advertising promotion, or public service announcement or logo.

D. “**Gross Revenue from Radio Broadcasting**” shall mean all:

(1) billings for Station’s Radio Broadcasting (as defined below) operations payable by or on behalf of:

- (a) Advertisers, sponsors, donors, Local Managers (as defined below), or any other party for the use of the facilities of the Station,
- (b) sponsors of, or donors to, Your Simulcast Programs (as defined below), and
- (c) sponsors of, or donors to, Your Occasional Network Programs (as defined below), and
- (d) any of the above that is receivable by any Local Manager (as defined below), and

(2) Net Promotional Revenue (as defined below).

Such billings include all amounts payable to You, Your employees, representatives, agents or any other person acting on Your behalf, including time brokers. Such amounts shall not include billings payable to independent third parties, such as networks or program suppliers, or non-cash billings payable in goods or services commonly referred to as “trades” or “barter.”

E. “**Gross Revenue from New Media Transmissions**” shall mean all billings payable by or on behalf of advertisers, sponsors, donors, subscribers, or any other party in

connection with “New Media Transmissions” (as defined below). Such billings include all amounts payable to You, Your employees, representatives, agents, or any other person acting on Your behalf. Such amounts shall not include billings payable to independent third parties, such as networks or program suppliers, or non-cash billings payable in goods or services commonly referred to as “trades” or “barter.”

F. **“Incidental Use”** shall mean music other than a Feature Performance, including Themes or signatures; bridges, cue, or background music; Background for an Announcement; a Jingle; public domain music in arrangements controlled by BMI on which BMI pays no royalties; and music that is used only incidentally to the broadcast of a news event or sports event.

G. **“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.

H. **“Local Management Agreement”** shall mean any agreement under which any other entity becomes a Local Manager in regard to Station.

I. **“Local Manager”** shall mean any entity not under common ownership or control of LICENSEE that is authorized to resell 10 percent 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 the BMI-10 License, or (2) has assumed, contractually or otherwise, responsibility for the management of Station and the payment of license fees. Nothing in this definition shall limit the obligations of the Station owner to BMI.

J. **“Music-Format Station”** shall mean any station that has Feature Performances of music in the BMI Repertoire in more than 90 of its “Weighted Program Periods” (as defined below) in any given week on its terrestrial analog signal.

K. **“Net Promotional Revenue”** shall mean all amounts payable to You by third parties for the direct or indirect promotion of their businesses via the broadcast facilities of the 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 the 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 amounts due.

L. **“New Media Transmissions”** shall include any performance transmitted via the Internet, wireless data networks, or any other similar transmission facilities, where a commercial relationship exists between such performance and LICENSEE’s Radio Broadcasting. By way of example, a commercial relationship exists when: (1) there is in-common branding and marketing between LICENSEE’s New Media Transmissions and LICENSEE’s Radio Broadcasting; and/or

(2) there are bundled sales of advertising availabilities and/or sponsorship across LICENSEE's Radio Broadcasting and LICENSEE's New Media Transmissions.

M. **“Non-Music Format Station”** shall mean any station that has Feature Performances of music in the BMI Repertoire in 90 or fewer of its “Weighted Program Periods” (as defined below) in any given week on its terrestrial analog signal.

N. **“Occasional Network Programs”** shall mean all programs that You cause to be broadcast simultaneously or by so-called “delayed” or “repeat” broadcasts on any group of two or more radio stations that are affiliated with You for the purpose of broadcasting those programs. For the purposes of the BMI-10 License, any sports network that You operate is deemed to be an occasional network.

O. **“Program Period”** shall mean a fifteen (15) minute period of broadcasting 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.

P. **“Radio Broadcasting”** shall mean audio “over-the-air” broadcasts by means of Station's FCC-licensed terrestrial analog signals and HD/multicasting via its FCC-assigned digital facilities (sometimes referred to as “multicasting” or “HD Radio”) as identified with the FCC's unique station identifier or FCC Facility ID. Radio Broadcasting excludes FCC-licensed low power audio broadcasting with similar technical characteristics and requirements as currently defined in 47 C.F.R. § 73.801, et seq., but it includes FM Translators as defined in 47 C.F.R. § 74.1231.

Q. **“Radio Station Signal”** shall mean Station's FCC-licensed over-the-air radio broadcast transmission.

R. **“Revenue Subject to Fee from Radio Broadcasting”** shall mean “Gross Revenues from Radio Broadcasting” less a 12% deduction.

S. **“Revenue Subject to Fee from New Media Transmissions”** shall mean Gross Revenue from New Media Transmissions less a 25% deduction, unless such deduction is modified pursuant to Paragraph 6 of the agreement between BMI and the Radio Music License Committee (“RMLC”) that is attached as Exhibit A to the BMI-10 License (“**BMI/RMLC Agreement**”), the terms of which are incorporated herein by reference.

T. **“Simulcast Programs”** shall mean all programs broadcast simultaneously or by so-called “delayed” or “repeat” broadcasts by two or more radio stations that You own or for which You act as a time broker.

U. **“Theme”** shall mean a performance of a work that is regularly associated with a radio program and identifies that program to the listener when used as the opening and/or closing music.

V. **“Through-to-the-Audience License”** shall mean, in reference to the scope of the rights granted under the BMI-10 License, a non-exclusive license that authorizes the transmission and retransmission of any Radio Broadcast or New Media Transmission to subscribers, listeners, or viewers so long as each entity involved in the transmission or retransmission other than LICENSEE has an economic relationship with LICENSEE. For the avoidance of doubt, nothing in this license shall be construed as authorizing LICENSEE to grant to bars, restaurants, taverns, hotels, retail establishments, or other similar businesses or establishments any right to perform publicly any of the musical compositions licensed under the BMI-10 License.

W. **“U.S. Territory”** shall mean the United States, its Commonwealth, territories and possessions.

X. **“Weighted Program Period”** means a Program Period multiplied by the following weights:

	<u>Time Period</u>	<u>Applicable Weight</u>
<u>Weekday</u>	Midnight to 6:00am	0.25
	6:00am to 10:00am	1.00
	10:00am to 3:00pm	0.50
	3:00pm to 7:00pm	0.75
	7:00pm to Midnight	0.50
<u>Weekend</u>	Saturday & Sunday	0.25

### 3. **BMI Grant.**

A. BMI grants LICENSEE a non-exclusive Through-to-the-Audience License to perform publicly in the U.S. Territory, by Radio Broadcasting and New Media Transmissions, non-dramatic performances of all musical works in the BMI Repertoire during the Term.

B. The rights granted in the BMI-10 License shall not include the right to perform or license the performance of more than one song or aria from a dramatic or dramatico-musical work that is an opera, operetta or musical show or more than five (5) minutes from a dramatic or dramatico-musical work that is a ballet, if such performance is accompanied by the dramatic action, costumes, or scenery of that dramatic or dramatico-musical work.

C. 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. Except as provided in Paragraph 3.A above, nothing in the BMI-10 License shall be deemed to authorize LICENSEE to grant to others any performance or other rights in any of the musical compositions licensed under the BMI-10 License or to extend to the receiver of LICENSEE’s Radio Station Signal or to any place at which the performances licensed by the BMI-10 License originate if other than at Station and for which a separate license for such performances is required.

D. Except as otherwise granted herein, nothing herein shall be construed as authorizing LICENSEE to grant to others, including but not limited to any cable system, satellite carrier (including MMDS or similar wireless services), online services, or ISP the right to retransmit to the public or publicly perform by any means, method or process whatsoever any of the musical compositions licensed hereunder or as authorizing any receiver of any radio broadcast to publicly perform or reproduce the same by any means, method, or process whatsoever.

#### **4. License Fee; Minimum Fee.**

A. The terms of the BMI/RMLC Agreement, attached hereto as Exhibit A, are incorporated herein by reference.

B. For all periods through December 31, 2011, if Station was licensed under the terms of the 2007 BMI Radio Station Blanket/Per Program License Extension Agreement (BMI-07) or the 2010 BMI Radio License Extension Agreement (LI-01/10-RMLC-07-Ext), the license fees due and payable, and all the additional terms and conditions that shall be applicable hereunder for such periods, shall be as provided in the BMI/RMLC Agreement.

C. If Your terrestrial analog signal broadcast has more than 90 Weighted Program Periods per week that contain at least one Feature Performance of music in the BMI Repertoire, or You otherwise elect, You will pay a license fee on the blanket basis for Your Radio Broadcasting, subject to the election provisions of Paragraphs 7.A, 7.B and 7.C below, and You agree to pay BMI a license fee of 1.7% of Your Revenue Subject to Fee from Radio Broadcasting for each year 2012 through 2016 of the BMI-10 License.

D. If Your terrestrial analog signal broadcast has 90 or fewer Weighted Program Periods per week that contain at least one Feature Performance of music in the BMI Repertoire, You may elect to pay a license fee on the program-period basis for Your Radio Broadcasting, subject to the election provisions of Paragraphs 7.A, 7.B and 7.C below, and You agree to pay BMI the following license fee for each year 2012 through 2016 of the BMI-10 License:

(1) A base fee of 0.2958% of Revenue Subject to Fee from Radio Broadcasting, plus

(2) A supplemental fee, calculated based upon the number of Weighted Program Periods in Your terrestrial analog signal broadcast per week containing at least one Feature Performance of music in the BMI Repertoire, as follows:

<u>Weighted Program Periods Per Week with Feature Performances of music in the BMI Repertoire</u>	<u>Supplemental Fee</u>
0	None (“ <b>Base Fee Only</b> ”)
1-4	9% of base fee (“ <b>Minimum Supplemental Fee</b> ”)
5-20	45% of base fee (“ <b>Median Supplemental Fee</b> ”)
21-90	200% of base fee (“ <b>Maximum Supplemental Fee</b> ”)
91 or more	Blanket basis only

E. If Your New Media Transmissions are limited to streaming Your Radio Broadcasting via the Internet, wireless data networks, or any other similar transmission facilities, You agree to include Your Revenue Subject to Fee from New Media Transmissions with Your Revenue Subject to Fee from Radio Broadcasting when calculating Your license fee pursuant to either Paragraph 4.C or 4.D above.

F. If Your New Media Transmissions are not limited to streaming Your Radio Broadcasting via the Internet, wireless data networks or any other similar transmission facilities, and if any of Your New Media Transmissions contain Feature Performances of music in the BMI Repertoire, subject to Paragraph 7.D below, You agree to pay BMI a license fee of 1.7% of Your Revenue Subject to Fee from New Media Transmissions for each year 2012 through 2016 of the BMI-10 License in addition to Your license fee for Radio Broadcasting.

G. If Your New Media Transmissions are not limited to streaming Your Radio Broadcasting via the Internet, wireless data networks, or any other similar transmission facilities, and if all of Your New Media Transmissions contain no Feature Performances of music in the BMI Repertoire, subject to Paragraph 7.D below, You agree to pay BMI a license fee of 0.2958% of Your Revenue Subject to Fee from New Media Transmissions for each year 2012 through 2016 of the BMI-10 License in addition to Your license fee for Radio Broadcasting.

H. **Minimum Fee.** In no event shall Your total annual license fee be less than \$588.

I. **Annual Reports.** You will submit a report of the license fee due for each year 2012 through 2016 of the BMI-10 License by April 1 of the following year, by fully completing the Statement of Account that will be made available on BMI’s website. For the avoidance of any doubt, all Annual Reports must be submitted using the electronic format and Internet-based delivery transmission methodology to be developed by BMI and agreed to by the RMLC, and any Annual Report attempted to be submitted to BMI by LICENSEE in any other fashion will be deemed a non-submission of an Annual Report, subject to the provisions of Paragraph 4.I. BMI will promptly confirm electronically to LICENSEE receipt of the Annual Reports required by this Paragraph.

J. **Monthly Payments in 2012-2016.** For each month in 2012, LICENSEE shall, on or before the first day of the following month, pay to BMI an amount equal to one-twelfth (1/12) of the estimated annual fee payable by Station to BMI after taking into consideration: (i) the reduction in the estimated fee based on projected total industry fees for 2012 of \$150 million, and (ii) a pro-rata share of the \$70.5 million refund as provided in the BMI/RMLC Agreement.

For each month in calendar years 2013 through 2016, LICENSEE shall, on or before the first day of the following month, pay to BMI a sum equal to one-twelfth (1/12) of the license fee for the preceding calendar year (annualized for any reported period less than a year), adjusted in accordance with the information provided in the Annual Report and any change in the Consumer Price Index (All Urban Consumers, all items) during the 12 months ending in the preceding October; however, for purposes of calculating Monthly Payment in any given year this change shall not be less than zero. If BMI does not receive the report required by Paragraph 4.H. for any calendar year when due, the on-account monthly payments will be in the amount of the monthly payments due for the preceding year plus 24 percent, and payments at that rate will continue until the required report is received. If the Station commenced broadcasting after January 1, 2012, You will furnish BMI with a good-faith estimate of Your Revenue Subject to Fee from Radio Broadcasting and Your Revenue Subject to Fee from New Media Transmissions for the first year of operation, and the on-account monthly payments during the first calendar year of broadcasting will be one-twelfth (1/12) of the fee provided in Paragraphs 4.B. through 4.F. for a station having such revenue, however in no case shall the fee for such station be less than the pro-rated minimum fee provided for in Paragraph 4.G. above. BMI will promptly confirm to LICENSEE receipt of the Monthly Payments required by this Paragraph. The reflection of a payment on the next invoice shall constitute sufficient confirmation for purposes of this section.

**K. Billing or Accrual Basis.** License fee reports will be made on a billing or accrual basis by all stations, except that any station may report on a cash basis if its books have been kept on a cash basis, in which case LICENSEE shall not be entitled to the deduction provided for in Paragraph 2.R. of the BMI-10 License, and LICENSEE shall be entitled to one-half of the deduction provided for in Paragraph 2.S of the BMI-10 License.

**L. Combination Sales.** If the use of the broadcasting facilities of the Station is sold in combination with any other stations that You own, operate, or control that are licensed by BMI under the BMI-10 License, the combination revenue shall be allocated among the stations 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 the relative ratings of the stations during the report period.

**M. Annual Adjustments.** The annual license fee due for any year may be adjusted in accordance with the information provided in the Annual Report. If the annual license fee due for any year of the Term exceeds the monthly installments previously billed for that year, BMI will invoice the additional amount due in the month following receipt of the Annual Report, and LICENSEE shall pay BMI such amount within thirty (30) days of receipt of such invoice. If the monthly installments billed for any year of the Term exceed the annual license fee due for that year, BMI will credit LICENSEE the amount of the excess and apply it to Your future monthly installments or will refund it to You upon Your written request if it is greater than four (4) monthly installments required by Paragraph 4.I above.

**N. Taxes.** In the event that the payment of any license fee to BMI by LICENSEE pursuant to the BMI-10 License causes BMI to become liable to pay any state or local tax which

is based upon the license fees received by BMI from licensees (excluding taxes which may be computed based upon income), the LICENSEE agrees to pay BMI the full amount of such tax together with LICENSEE's fee payment(s) as invoiced by BMI, within normal payment terms; provided, however, that BMI is permitted by law to pass through such tax to LICENSEE; and provided further that LICENSEE and BMI will cooperate in making reasonable efforts to seek to be exempt from the tax.

O. **Late or Non-Payments.** BMI may impose a late or non-payment charge of 1.0% per month from the date the payment was due on any monthly payment that is received by BMI after the date payment was due.

## 5. Audits.

A. **Right to Audit.** BMI has the right by its duly authorized representatives, at any time during customary business hours, upon reasonable notice, to examine Your books and records of account only to the extent necessary to verify any report required by the BMI-10 License, for a period no more than three (3) calendar years prior to the year in which the audit is requested. BMI will consider all data and information coming to its attention as a result of any such examination of books and records as confidential pursuant to Paragraph 13 below.

The three (3)-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.

BMI shall not have the right to audit for any reported calendar years prior to 2012.

B. **Audit Finance Charges.** If BMI's audit discloses that You underpaid license fees due BMI:

(1) You will pay a finance charge on the additional license fees of 1.0% per month from the date(s) the fees should have been paid pursuant to the BMI-10 License if the underpayment is 5% or more but not less than \$1000.

(2) You will pay a finance charge on the additional license fees of 1.0% per month beginning thirty (30) days after the date BMI bills the additional license fees to You if the underpayment is less than 5% or less than \$1000.

(3) You may dispute all or part of BMI's audit claim. If You do, You must, within thirty (30) days from the date that BMI bills the additional fees: (i) advise BMI, in writing, of the basis for Your dispute and (ii) pay BMI any fees indisputably owed together with any applicable finance charges. If there is a good-faith dispute between us with respect to all or part of the additional fees that BMI has billed pursuant to this Paragraph, no finance charges will be billed with respect to the disputed fees for a period beginning on the date BMI billed the fees to You and ending sixty (60) days from the date that BMI responds to Your written notification of the existence of a dispute.

(4) Finance charges computed in accordance with this Paragraph and pertaining to additional fees that You dispute in accordance with Subparagraph (3) above will be adjusted pro-rata to the amount arrived at by You and BMI in resolution of the dispute.

C. **Correction of Errors.** You may correct computational errors on the Annual Reports required by Paragraph 4.H for the calendar year preceding the year in which the corrected report is submitted without incurring any penalty, provided that the corrected report is submitted to BMI within ninety (90) days after the Annual Report was originally due under Paragraph 4.H.

## **6. License Breach.**

In the event that LICENSEE shall fail to make payment or render any report under the BMI-10 License when and as due, BMI may give LICENSEE thirty (30) days' notice in writing to cure such breach or default. In the event that such breach or default has not been cured within thirty (30) days of said notice, BMI may cancel the BMI-10 License effective upon the failure to cure such breach or default. The right to cancel shall be in addition to any and all other remedies that BMI may have at law or in equity.

## **7. Blanket/Per Program License Changes and Ownership Changes.**

A. If LICENSEE has elected to pay license fees for Radio Broadcasting on the blanket basis as set forth in the BMI-10 License, LICENSEE may, as of the first day of January, April, July, or October during any calendar year of the BMI-10 License, upon not less than forty-five (45) days' prior written notice to BMI using a form supplied by BMI (a copy of which is to be forwarded to the RMLC by Station) elect to be licensed on a program period basis as set forth in the BMI-10 License, provided that Station has changed formats from a Music Format Station to a Non-Music Format Station and LICENSEE is current in all blanket license payments and reports required hereunder as of the effective date of LICENSEE's election.

B. If LICENSEE has elected to pay license fees for Radio Broadcasting on a program period basis as set forth in the BMI-10 License, LICENSEE must provide BMI with not less than forty-five (45) days' prior written notice to BMI in the event that Station has changed formats from a Non-Music Format Station to a Music Format Station, and LICENSEE shall be deemed to have elected to be licensed on a blanket basis as of the next ensuing January 1, April 1, July 1, or October 1 (whichever occurs first after the election to change format) following the proper notice.

C. If LICENSEE has elected to pay license fees for Radio Broadcasting on a program period basis as set forth in the BMI-10 License, LICENSEE may, as of the first day of January, April, July, or October during any calendar year of the BMI-10 License, upon not less than forty-five (45) days' prior written notice to BMI using a form to be supplied by BMI (a copy of which is to be forwarded to the RMLC by Station) elect to be licensed on a blanket basis as set forth in the BMI-10 License, provided that LICENSEE is current in all program period license fees and reports due hereunder.

D. LICENSEE may, upon not less than forty-five (45) days' prior written notice to both BMI and the RMLC, elect to change the basis on which it pays its license fees for New Media Transmissions using the form attached as Exhibit B as of the first day of January, April, July, or October (whichever occurs first after the election to change such basis) during any calendar year commencing January 1, 2012. LICENSEE's election with respect to New Media Transmissions must comply with the requirements set forth in Paragraphs 4.D, 4.E, and 4.F above.

E. Upon any filing to the FCC by LICENSEE for any requested change in ownership of Station, based on current FCC Application Forms 314, 315, and 316, LICENSEE shall notify BMI of such request contemporaneously.

F. Upon any filing to the FCC by LICENSEE for any request to cease Radio Broadcasting, LICENSEE shall notify BMI of such request contemporaneously.

## **8. Indemnification.**

So long as You are not in default or arrears in payment under the BMI-10 License, BMI agrees to indemnify, save and hold harmless and 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 the BMI-10 License of any material licensed hereunder; provided that this indemnity shall not apply to: (a) broadcasts of any musical work performed by LICENSEE after written request from BMI to LICENSEE that LICENSEE refrain from performance thereof or (b) compositions for which BMI's affiliates have exercised their right to restrict pursuant to Paragraph 14 below. 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. Notwithstanding anything to the contrary herein, BMI's obligation to indemnify LICENSEE for Internet streaming transmissions shall be limited to those claims, demands, or suits that are made or brought within the U.S. Territory.

## **9. Local Management Agreement.**

A. In the event LICENSEE enters into a Local Management Agreement as defined in Paragraph 2.H hereof, within thirty (30) days of such agreement: (1) LICENSEE shall provide BMI with a copy of such agreement, and (2) Local Manager shall execute the BMI-10 License in the signature space provided below. By signing the BMI-10 License Local Manager becomes a party to this BMI-10 License and shall assume, with LICENSEE, all of the rights and obligations set forth in the BMI-10 License for the full period the Local Management Agreement is in effect.

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 LICENSEE and/or Local Manager do not provide to BMI the documentation required by Paragraph 9.A on a timely basis, the BMI-10 License may be terminated by BMI on ten (10) days' written notice.

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

## **10. Assignment.**

The BMI-10 License shall be non-assignable except to the person, firm, or corporation acquiring the Federal Communications Commission license of Station, and upon assignment to such person, firm, or corporation and upon acceptance in form approved by BMI of the application of LICENSEE hereunder, LICENSEE shall be relieved of liability for any obligations from the date of assignment going forward under the BMI-10 License as long as all Annual Statements have been filed by LICENSEE and all fees due BMI under the BMI-10 License have been paid to BMI. Any assignment contrary to this Paragraph shall be void. The BMI-10 License shall inure to the benefit of and shall be binding upon the parties and their respective successors and assigns, but no assignment shall relieve the parties of their respective obligations under the BMI-10 License Extension.

## **11. Arbitration.**

With the specific exception of disputes which may be within the jurisdiction of the United States district court having jurisdiction under the Final Judgment entered on November 18, 1994 in *United States v. Broadcast Music, Inc.*, No. 64-civ-3787 (the "BMI Consent Decree"), all disputes of any kind, nature, or description arising in connection with the terms and conditions of the BMI-10 License shall be submitted to the American Arbitration Association in the city, county 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 (1) 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 (2) 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 (2) 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 thereon in any court having jurisdiction. Such award shall include the fixing of the reasonable costs, expenses, and attorneys' fees of arbitration, which shall be borne by the unsuccessful party.

## 12. Music Use Reports.

A. **All Stations.** LICENSEE, upon written request from BMI made on not less than two (2) weeks' notice specifying the period to be covered, agrees to furnish to BMI (at BMI's request electronically via a secure web site) a report of LICENSEE's performances by Station of all musical works, including music used as a Theme, indicating the compositions performed by title, writer/composer (if known), and artist, or by such other convenient method as may be designated by BMI, but such report need not be furnished for more than one (1) week of each year of the Term. If reasonably feasible for Station, in lieu of the one (1)-week report required above, BMI may require LICENSEE to transmit to BMI, for each day that Station broadcasts/streams its signal, a complete report of its Feature Performances by electronic means.

### B. Program-Period Stations.

(1) LICENSEE agrees to furnish to BMI and to the RMLC, on thirty (30) days' notice from BMI a full, true, complete, and accurate report, on forms furnished by BMI (at BMI's request electronically), for one (1) week per calendar quarter ("Quarterly Music Report"), which shall indicate, with respect to all programming during the week, regardless of origin, which has any Feature Performances, the following: (a) the full title of each Feature Performance; (b) the date and time of performance; and (c) the name(s) of the writer(s)/composer(s), if known, and/or recording artist(s). BMI, or a representative of BMI, shall advise LICENSEE which week per quarter this will be done. The Quarterly Music Report shall be submitted with respect to all programming periods, even if there were no Feature Performances (in which case only the requested identifying information need be completed along with the statement "No Music Used"), but shall not be required to include the information set forth in this Subparagraph for music in programming from a radio network licensed as a network by BMI, music in political programming, or music in programming periods that LICENSEE concedes contain BMI music. Every programming period that contains Feature Performances shall be listed on the report, even if the music falls into one of the exempt categories enumerated herein. In those cases, however, the category of exemption shall be indicated on the report form, listing the name of the network in the case of a network program. BMI will promptly confirm to LICENSEE receipt of the reports required by this Paragraph.

(2) Said report shall be due to BMI and to the RMLC on or before thirty (30) days after the week to which the report pertains. In the event LICENSEE fails to submit any Quarterly Music Report or fails to report performances of musical compositions as required by Subparagraph B.(1) above, the following shall apply:

(a) *First Instance:* BMI shall advise LICENSEE in writing of same and will issue LICENSEE a warning.

(b) *Second and all Subsequent Instances:* BMI shall advise LICENSEE in writing of same and LICENSEE shall pay BMI \$1,000 + 5.75 times the monthly per program fee for each of the prospective three (3) months.

(c) *Failure to Report:* LICENSEE's failure to report timely or correctly may not be cured by LICENSEE's submission of a late report for said period.

(3) For any quarter in which LICENSEE furnishes to BMI a complete electronic report of its Feature Performances for 24 hours a day, for each day, LICENSEE will not be required to submit Quarterly Music Reports.

### **13. Confidentiality.**

A. BMI shall treat as confidential, and shall not disclose to any third party (other than its employees, directors and officers and agents, in their capacity as such, on a need-to-know basis, and other than that as set forth in Subparagraph B below), any proprietary information provided to BMI by LICENSEE in connection with the BMI-10 License; provided, however, that if BMI is served with a subpoena or other legal notice compelling the production of any such proprietary information, BMI shall be obligated to give prompt written notice to LICENSEE of such subpoena or other notice. LICENSEE shall inform BMI in writing within seven (7) days of receiving written notification of a subpoena or other legal notice of its intention to object to such production, in which event LICENSEE shall bear the burden of opposing such production. If the subpoena requires a response or compliance in fewer than fourteen (14) days, BMI will inform LICENSEE in writing within three (3) days of receiving the subpoena, and LICENSEE must inform BMI of its intention to oppose the production no later than five (5) days before compliance is called for.

B. BMI is hereby authorized to provide to the RMLC such of LICENSEE's proprietary information, provided to BMI pursuant to the BMI-10 License as the RMLC may request in connection with its representation of the local radio industry, unless LICENSEE notifies BMI in writing to the contrary. The RMLC has agreed to treat as confidential any proprietary information provided to it by BMI pursuant to this Paragraph during the Term.

### **14. Right to Restrict.**

A. BMI's affiliates may restrict the Radio Broadcasting of their compositions, up to a maximum of 500 in the aggregate at any given time, only for the purpose of preventing harmful effect upon other interest under the copyrights of such works; provided, however, that: (1) limited licenses will be granted upon application to BMI entirely free of additional charge if the copyright owners are unable to show reasonable hazards to their major interests likely to result from such Radio Broadcasting; (2) the right to restrict any composition will not be exercised for the purpose of permitting the fixing or regulating of fees for the recording or transcribing of the composition; (3) in no case will any charges, "free plugs," or other consideration be required for permission to perform a restricted composition; and (4) in no event will any composition be restricted after its initial radio broadcast for the purpose of confining further radio broadcasts to a particular artist, station, network, or program.

B. BMI also may in good faith restrict the Radio Broadcasting of any composition, over and above the number specified in the preceding Subparagraph, as to which any suit has

been brought or threatened on a claim that the composition infringes a composition not contained in the BMI Repertoire or on a claim that BMI does not have the right to license the public performance of the composition by Radio Broadcasting.

**15. Miscellaneous.**

A. 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 must notify BMI thereof within ten (10) business days of such condition, and BMI shall, within ten (10) days of the receipt of such notice, by written notice to LICENSEE, at BMI's option, either terminate or suspend the BMI-10 License and all payments and services hereunder for the period that such condition continues. In the event BMI elects to suspend the BMI-10 License, such suspension shall not continue for longer than six (6) months, and the BMI-10 License shall terminate automatically at the end of such six (6) months' suspension. In the event 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 the BMI-10 License at any time within thirty (30) days after the cessation of such condition.

B. In the event 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 located therein to enter into license agreements with BMI or to make payments to BMI, BMI shall have the right at any time to terminate the BMI-10 License on no less than sixty (60) days' written notice to LICENSEE.

C. Any notice required or permitted to be given under the BMI-10 License shall be in writing and shall be deemed duly given when sent by ordinary first-class U.S. mail to the party for whom it is intended at its mailing address hereinabove stated or at any other address that either party hereto may from time to time designate in writing for such purpose (excluding any correspondence address contained in invoices for the remittance of payments or provided for the submission of reports). Any such notice sent to BMI shall be to the attention of the Senior Vice President, Licensing, BMI, 7 World Trade Center, 250 Greenwich Street, New York, NY 10007. Any such notice sent to LICENSEE shall be sent, at BMI's option, to the attention of the person signing the BMI-10 License on behalf of LICENSEE or to the General Manager, Business Manager or Owner of Station.

D. 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 the work or that the work infringes another composition.

E. The BMI-10 License constitutes the entire understanding between the parties, 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. The BMI-10 License, its validity,

construction and effect shall be governed by the laws of the State of New York, without giving effect to its law of conflict of laws. 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. No waiver by BMI of full performance of the BMI-10 License by LICENSEE in any one or more instances shall be deemed a waiver of the right to require full and complete performance of the BMI-10 License thereafter or of the right to cancel the BMI-10 License in accordance with the terms of the BMI-10 License. This agreement may be executed in 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.

F. To the extent that any conflict exists between the BMI-10 License and the BMI/RMLC Agreement, the BMI-10 License shall control.

**IN WITNESS WHEREOF, the BMI-10 License, made at New York, New York, has been duly executed by BMI and LICENSEE on**

\_\_\_\_\_  
*(Month)*                      *(Day)*                      *(Year)*

<p><b>BROADCAST MUSIC, INC.</b></p>  <p><b>By:</b> _____  <b>(Signature)</b></p> <p>_____</p> <p><b>(Print Name of Signatory)</b></p> <p>_____</p> <p><b>(Title of Signatory)</b></p>	<p><b>LICENSEE</b></p>  <p>_____</p> <p><b>(Legal Name)</b></p> <p><b>By:</b> _____  <b>(Signature)</b></p> <p>_____</p> <p><b>(Print Name of Signatory)</b></p> <p>_____</p> <p><b>(Title of Signatory)</b></p>
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**Complete only if in a Local Management Agreement (Per Paragraph 9.A.)**

\_\_\_\_\_  
**LOCAL MANAGER (Legal Name)**

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

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

**Start Date of LMA:** \_\_\_\_\_

\_\_\_\_\_  
**(Print Name of Signatory)**

**End Date of LMA:** \_\_\_\_\_

\_\_\_\_\_  
**(Title of Signatory)**