

BMI
Local Television Station Music Performance
Adjustable Fee Blanket License

This agreement (the “**Agreement**”), made in New York, New York on _____, 20____, between Broadcast Music, Inc. (“**BMI**”), 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, New York 10007-0030, and

_____,
(Legal name of LICENSEE)

<p><i>PLEASE CHECK APPROPRIATE BOX AND COMPLETE</i></p>	<p><input type="checkbox"/> A corporation organized under the laws of: _____</p> <p><input type="checkbox"/> A limited liability company organized under the laws of: _____</p> <p><input type="checkbox"/> A partnership composed of: _____</p> <p><input type="checkbox"/> An individual residing at: _____</p>
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(“**LICENSEE**”) with offices located at: _____

City _____ State _____ Zip _____ Telephone No.() _____

and operating the television broadcasting station located at:

City _____ State _____ Zip _____ Telephone No.() _____

and presently designated by the call letters _____.

IT IS HEREBY AGREED AS FOLLOWS:

1. TERM. The term (the “**Term**”) of this Agreement shall be the period beginning July 1, 2014 and ending December 31, 2017 unless earlier terminated as hereinafter provided.

2. DEFINITIONS. As used in this Agreement, the following terms shall have the following respective meanings:

(a) “**AFBL**” shall mean the BMI Local Television Station Music Performance Adjustable Fee Blanket License.

(b) “**Affiliated Station**” shall mean any free, over the air television broadcasting station licensed by the FCC which is located in the United States, its commonwealth, possessions and territories, that regularly broadcasts Programs transmitted by a television network licensed by BMI during the term hereof.

(c) “**Ambient Uses**” shall comprise the following uses of music in BMI’s repertoire:

- (1) each use of music in a news or public affairs Program that:
 - A. does not exceed fifteen seconds’ duration; and either
 - B. has not been inserted by Station or the producer of the Program or Program segment and is audible during:
 - (i) coverage of a news story or event;
 - (ii) news coverage of a sports or athletic event or competition;
 - (iii) reviews and/or coverage of a live entertainment event;
 - (iv) previews or reviews of a play, concert or movie;
 - (v) interviews (except where the music is performed “live” during the interview by the celebrity/interviewee); or
 - (vi) teasers or promotions for upcoming news segments used within the news show; or
 - C. is contained in a file clip or footage utilized by Station, or by the producer of the Program or Program segment, which file clip or footage met the criteria of Subparagraphs B(i), (ii), (iii) or (iv) above at the time the file clip or footage was created.

(2) each use of music (without regard to duration) in a sports event Program that has not been inserted by Station or the producer of the Program or Program segment, other than:

A. uses of music that are part of an athletic performance choreographed to music (e.g., figure skating, gymnastics, synchronized swimming); or

B. musical performances that are the subject of sustained, focused coverage during a pre-game or halftime show or event, or during a time out or other break in the action.

(d) **“Announcement”** shall mean any commercial, promotional, or public service announcement (exclusive of program length “infomercials” of greater duration than 120 seconds), or any producer’s or distributor’s logo.

(e) **“BMI Consent Decree”** shall mean the consent decree entered in United States v. BMI, 64 Civ. 3787 (S.D.N.Y.), as amended.

(f) **“Blanket License Fee”** shall mean LICENSEE’s blanket license fee for Station as calculated pursuant to the methodology prescribed in Schedule I of Exhibit A hereto.

(g) **“COMMITTEE”** shall mean the Television Music License Committee, LLC, a limited liability corporation organized under the laws of the State of New York, which is duly authorized to represent local television stations in music licensing matters.

(h) **“Incidental Use”** shall mean the use of music in the broadcast of Non-Network Announcements.

(i) **“LMA Operator”** shall mean any person, firm or corporation not under the same or substantially the same ownership, management or control as LICENSEE with whom LICENSEE has entered into a Local Marketing Agreement.

(j) **“License Fee Month”** shall mean the month during which the performances licensed pursuant to this AFBL take place.

(k) **“Local Marketing Agreement”** shall mean any arrangement between LICENSEE and an LMA Operator that:

(1) authorizes the resale by an LMA Operator of the use of the Television Broadcasting facilities of Station;

(2) permits an LMA Operator to provide Programs for all or substantially all of the time Station is on the air;

(3) provides for the sale by an LMA Operator of all or substantially all local commercial time broadcast on Station; and

(4) provides that LMA Operator will assume responsibility for the payment of license fees.

(l) **“Locally-Produced Television Program”** shall mean any Non-Network Television Program produced by, or expressly for, LICENSEE or a jointly-owned group of local television stations of which LICENSEE is a member.

(m) **“Monthly Blanket License Fee”** shall mean the amount used as the starting point for determining LICENSEE’s fee pursuant to Paragraph 4(b) hereof. For the period July 1, 2014-December 31, 2014 and for each of the calendar years 2015 through 2017, LICENSEE’s Monthly Blanket License Fee shall be equal to one-twelfth (1/12) of the Blanket License Fee.

(n) **“Network Announcement”** shall mean any Announcement transmitted by a television network licensed by BMI as a network at the time such Announcement is broadcast on the network, and broadcast simultaneously or by so-called “delayed” or “repeat” broadcasts (sometimes known as “rebroadcasts”) over two or more Affiliated Stations of a network licensed by BMI.

(o) **“Network Television Program”** shall mean any Program, transmitted by a television network licensed by BMI as a network at the time such Program is broadcast on the network, identified as a Program of the network, and broadcast simultaneously or by so-called “delayed” or “repeat” broadcasts (sometimes known as “rebroadcasts”) over two or more Affiliated Stations of a network licensed by BMI.

(p) **“New Media Transmission”** shall mean transmission of Programs and/or Announcements over mobile, wireless or any other digital platform other than Television Broadcasting.

(q) **“Non-Network Announcement”** shall mean any Announcement broadcast by Station other than a Network Announcement.

(r) **“Non-Network Television Program”** shall mean any Program broadcast by Station other than a Network Television Program.

(s) **“Otherwise Cleared BMI Music”** shall mean BMI music for which LICENSEE has been granted a license to perform publicly by means of Television Broadcasting either: (i) Directly by the composer(s), author(s), arranger(s), publisher(s) or owner(s) of such music, or licensees thereof (a **“Direct License”**) or (ii) through the program producer or other authorized sublicensor of such rights(a **“Source License”**).

(t) **“Program”** shall mean all material (visual or otherwise) broadcast by Station other than Announcements.

(u) **“Station”** shall mean and be restricted to the FCC-licensed commercial television broadcasting station whose ownership and call letters are indicated above.

(v) **“Station Web Site”** shall mean the Web Site(s) operated by or for Station as Station-affiliated Web Site(s), and shall include any Web Site(s) that is (are) shared between two or more television stations in the same market, or two or more television stations with a common owner, including stations owned and operated by the same television network. Station Web Site shall not include a Web Site operated by or for a television network, including Station's affiliated network, except to the extent the Web Site is operated as a Station-affiliated Web Site for one or more owned and operated stations. Current Station Web Site URL(s) is (are) http://_____. For avoidance of doubt, the following web sites (and other similar web sites that may now or hereafter exist) shall not constitute Station Web Sites or Station-affiliated Web Sites: www.fox.com, www.americanidol.com, www.thefactorusa.com, www.familyguy.com, www.thesimpsons.com, and www.cwtv.com.

(w) **“Syndicated Television Program”** shall mean: (i) any Non-Network Television Program supplied to LICENSEE and other television stations by a producer, distributor, or by a television network which is not licensed by BMI; or (ii) any other Non-Network Program that is not a Locally-Produced Television Program.

(x) **“Television Broadcasting”** shall mean free, unscrambled, point-to-multipoint over-the-air local broadcasting by means of television, and shall include Station's FCC-licensed primary signal (**“Main Channel”**) as well as its digital multicast channels broadcast over-the-air within Station's local market.

(y) **“Web Site”** shall mean an Internet computer service comprising a series of interrelated web pages registered with a domain name registration service that Station transmits or causes to be transmitted either directly or indirectly to persons who receive the service over the Internet by means of a personal computer or by means of another device capable of receiving Internet transmissions.

3. GRANT OF RIGHTS.

(a) BMI hereby grants to LICENSEE, for the term hereof, a non-exclusive license to perform publicly all musical works the right to grant public performing right licenses of which BMI may during the term hereof control:

- (1) By Television Broadcasting as part of LICENSEE's Non-Network Television Programs and Non-Network Announcements from Station; and
- (2) By streaming Non-Network Television Programs and Non-Network Announcements on a Station Web Site on a live, delayed or on-demand basis.

(b) BMI hereby grants to LICENSEE for the term hereof, on a through-to-the-audience basis, a non-exclusive license to perform publicly via New Media Transmission all musical works the right to grant public performing right licenses of which BMI may during the Term hereof control, contained in Non-Network Television Programs and Announcements (i)

streamed on a Station Web Site, and (ii) delivered to viewers as part of programming supplied by Station via mobile, wireless or any other digital platform so long as each third party transmitting entity involved in the transmission or retransmission of such Programs and Announcements via New Media Transmissions has an economic relationship with Station, and provided that, upon request by BMI, such third party entities are identified by LICENSEE to BMI. This grant of rights is limited to audiovisual programming (but excluding platforms that are music video focused), and covers audio programming only to the extent it is incidental to the transmission of audiovisual programming.

(c) For the rights granted in this Paragraph 3, the territory shall mean the United States, its commonwealth, territories and possessions.

(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 method of such origination, but nothing herein shall be deemed to grant a license to such place itself (or to the parties responsible for such performances) for the public performances in such place of any such works.

(e) The license granted herein shall not include dramatic rights, the right to perform dramatico-musical works in whole or in substantial part, the right to present individual works in a dramatic setting or the right to use the music licensed hereunder in any other context which may constitute an exercise of the "grand rights" therein. It is nonetheless expressly understood that nothing contained in this Paragraph shall be construed so as to limit the ability of LICENSEE to perform any works contained in Syndicated Television Programs, motion pictures initially produced for theatrical exhibition or music videos which LICENSEE would otherwise have the right to perform under this Agreement.

(f) BMI will, upon specific reasonable written request made by LICENSEE, indicate whether one or more specified musical works listed by LICENSEE are licensed by BMI. LICENSEE shall provide the title and the writer/composer of each musical composition requested to be identified.

(g) Except as expressly herein otherwise provided, and without limiting the scope of rights granted herein, nothing herein contained shall be construed as authorizing LICENSEE to grant to others any right to reproduce, retransmit or publicly perform by any means, method or process whatsoever, any of the musical works licensed hereunder or as authorizing any receiver of any television broadcast to publicly perform or reproduce the same by any means, method or process whatsoever.

(h) The license granted herein shall not include the right to adapt the musical works licensed hereunder or to make any other versions thereof.

(i) The license granted herein includes New Media Transmission of Programs on a non-precedential, experimental basis.

4. LICENSE FEE/STATEMENTS.

This Agreement expressly incorporates, and LICENSEE agrees to be bound by, the terms of the letter agreement between BMI and COMMITTEE attached hereto as Exhibit A (the “**2013 Letter Agreement**”).

(a) LICENSE FEES FOR JULY 1, 2014 THROUGH DECEMBER 31, 2017. In consideration of the license herein granted for the period from July 1, 2014 through December 31, 2017, LICENSEE agrees to pay to BMI for each calendar month of such period the total of the following AFBL Fee:

(b) AFBL Fee. The AFBL Fee shall be the sum of the Administrative Fee, Floor Fee and BMI Performance Fee.

(1) The Administrative Fee. The Administrative Fee shall be three percent (3%) of the Monthly Blanket License Fee.

(2) The Floor Fee. The Floor Fee shall be twenty-two percent (22%) of the Monthly Blanket License Fee, and is inclusive of compensation for Incidental Uses and Ambient Uses of BMI music.

(3) The Monthly BMI Performance Fee. The BMI Performance Fee shall be seventy eight percent (78%) of the LICENSEE’s Monthly Blanket License Fee multiplied by the BMI Performance Factor.

(4) The AFBL Fee may be mathematically represented as follows:

$(\text{Monthly Blanket Fee} \times .03) + (\text{Monthly Blanket Fee} \times .22) + [(\text{Monthly Blanket Fee} \times .78) \times (\text{Monthly BMI Performance Factor})]$.

(5) The Monthly BMI Performance Factor. The Monthly BMI Performance Factor for each reporting period shall be calculated by a ratio the numerator of which shall consist of the total number of LICENSEE’s share-weighted BMI Performance Values as determined in Subparagraph (c), for which the music is not Otherwise Cleared BMI Music, *i.e.*, performances of BMI music which are licensed to Station through BMI for this reporting period; and the denominator of which is the total number of LICENSEE’s share-weighted BMI Performance Values that occurred during the reporting period. Both the numerator and the denominator shall exclude Incidental and Ambient Performances of BMI music.

(c) BMI Performance Values. BMI Performance Values shall be based on the BMI performances in Non-Network Television Programming broadcast on LICENSEE’s Primary Channel. BMI Performance Values shall be calculated as follows:

- (1) Each performance will be share-weighted to reflect the percentage ownership shares of BMI-affiliated publishers, and will then be weighted by Duration, a Type of Use Weight, and an Audience Weight.
- a. The Duration of each performance will be measured in seconds;
 - b. Type of use weight will be calculated as follows:
 - (i) feature and theme performances will be given a Type of Use Weight of three (3); and background performances will be given a Type of Use Weight of one (1).
 - (ii) The type of use will be as indicated on the cue sheet provided by the producer, except that there will be no more than one opening and one closing theme for each Program. If BMI believes a type of use is wrongly identified on the cue sheet provided by the producer, BMI shall adjust the producer cue sheet. BMI shall provide LICENSEE with a copy of any revised cue sheets upon reasonable request.
 - (iii) In the case of a serialized program, theme credit is given only when a work is used in multiple episodes of a television program. Works, other than the theme as described above, used at the opening and/or closing of an individual episode of a series will be credited in accordance with their actual use (feature or background).
 - c. The Audience Weight will be calculated as follows:
 - (i) BMI shall use Tribune Media data as the source of LICENSEE'S broadcast schedule. In the event LICENSEE identifies an error in the reported Tribune program information, LICENSEE may override Tribune program information by reporting to BMI information regarding the time, day and program actually broadcast.
 - (ii) The Audience Weight for each Program containing a BMI performance shall be based on Nielsen Household ("HHL") values.
 - (iv) For a LICENSEE in a Nielsen metered market, the Audience Weight shall be the reported Nielsen

HHL D value for the Program containing the BMI performance.

- (v) For a LICENSEE in a Nielsen non-metered market, the sweeps month audiences will be used for the Audience Weight during the sweeps months, and the average reported Nielsen HHL D values for each hour and day slot during a given sweeps month shall be used as the Audience Weight for all Programs airing in that hour and day slot for the ensuing months, up to and until the next sweeps month.
 - (iii) In the event that any of the Exceptional Programs, as described in Subparagraph (vi) below, air during a sweeps month, the Audience Weight for all Programs airing during that hour and day slot during the months following, up to, and until the next sweeps period, shall be based on the average Nielsen HHL D values of the hour and day slots during the sweeps month exclusive of the Nielsen HHL D value of the Exceptional Programs.
 - (vi) Exceptional Programs include: Super Bowl, Daytona 500, Indianapolis 500, NCAA basketball tournament, NCAA bowl games/football tournament, and any programs subsequently agreed to be Exceptional programs by BMI and the COMMITTEE.
 - (vii) For a Program with no reported Nielsen HHL D value (*i.e.*, a hash mark), thirty-three percent (33%) of the lowest Nielsen HHL D value reported for any program during the reporting period for the relevant market in which the performance is broadcast shall be used as the Audience Weight.
- (d) For programs with missing or unreported cue sheets, Proxies for BMI music use will be used in accordance with Paragraph 11 below.

5. MONTHLY PAYMENT OF ESTIMATED FEE.

Estimated fees for the first six (6) months that a LICENSEE is on this License shall be equal to the LICENSEE's Blanket License fee. Thereafter, estimated fees shall be equal to the average of the final monthly fees previously paid by LICENSEE to BMI under this License.

(a) LICENSEE shall remit its monthly payment of estimated fees to BMI, on or before the last day of the calendar month to which they are attributable (*e.g.*, the payment for January 2015 is due the last day of January 2015).

(b) Monthly Reporting and Processing. BMI and LICENSEE shall follow the Reporting Schedule as described in Subparagraphs (1) through (5) below, as follows:

(1) Within one (1) month after the end of the License Fee Month, BMI shall provide LICENSEE (or, at LICENSEE's request, LICENSEE's agent) with a list of: (1) Locally-Produced Television Programs broadcast by LICENSEE during the License Fee Month; and (2) Locally-Produced Television Programs for which BMI has a cue sheet. BMI shall also identify any applicable Source or Direct Licenses previously submitted to BMI by LICENSEE.

(2) Within two (2) months after the end of the License Fee Month, LICENSEE shall identify any errors in BMI's list of Locally-Produced Programs broadcast and also shall provide to BMI:

a. Source Licenses or Direct Licenses related to BMI music used in any Program broadcast during the License Fee Month that have not already been submitted to BMI. LICENSEE may redact fee terms from Source Licenses or Direct Licenses prior to submission.

b. Cue sheets, in electronic form, for each Locally-Produced Television Program broadcast during the License Month for which BMI does not already have a cue sheet.

(i) Cue sheets must contain the following information:

- i. cue sequence number;
- ii. work title;
- iii. cue duration (in seconds);
- iv. usage code (Theme, Feature, Background, Logo);
- v. interested party information for each reported cue record, including interested party type (if available), interested party name, IPI Base number (if available), society code (if available), entitled party share (if available);
- vi. for feature works, and only if available,

1. performer;
2. album title;
3. album UPC;
4. and ISRA.

vii. for library cues, and only if available,

1. library name;
2. disk number;
3. cut number.

viii. Direct License indicator.

(3) Within three (3) months after the end of the License Fee Month, BMI shall identify to LICENSEE any:

- A. validation errors or inquiries found within LICENSEE's submitted Source Licenses or Direct Licenses;
- B. deficiencies in Locally-Produced Television Program cue sheets; and
- C. missing non-Locally Produced Television-Program cue sheets.

(4) Within four (4) months of the end of the License Fee Month:

- A. LICENSEE shall respond to any BMI inquiry relating to Source Licenses or Direct Licenses as described in Subparagraph (3); and
- B. LICENSEE shall report back to BMI regarding, and correct, any deficiencies identified in Locally-Produced Television Program cue sheets.

(5) Within five (5) months after the end of the License Fee Month, BMI shall furnish LICENSEE with a detailed fee statement (the "AFBL Fee Statement") containing the following information:

- A. AFBL Fee for the License Fee Month;
- B. amount of adjustment to estimated fees previously paid by LICENSEE;

- C. all Programs and air dates;
- D. the license fee prior to the adjustment for Otherwise Cleared BMI Music at the Program level;
- E. the adjustment for Otherwise Cleared BMI Music at the Program level; and
- F. Source Licenses and/or Direct Licenses applied at the Program Level.

No amendments to the AFBL Fee Statement shall be made unless an issue is raised by the LICENSEE in accordance with Subparagraph (c) below and any amendments to the statement will be limited to the specific issues raised by the LICENSEE.

(c) Dispute Resolution Period. Within six (6) months after the end of the License Fee Month, BMI and LICENSEE (or LICENSEE's agent) shall meet and confer regarding credits determined by BMI, as well as Source License or Direct License processing and questions regarding Locally-Produced Television Programs. All issues or disputes regarding the AFBL Fee Statement must be raised during the period.

(1) Any disputes remaining unresolved forty five (45) days after BMI issues the AFBL Fee Statement will be subject to arbitration as described in Paragraph 18, except that such unresolved disputes shall be consolidated with unresolved disputes from such prior or subsequent months to allow all unresolved disputes in a six (6) month period to be arbitrated together.

(2) Notwithstanding the foregoing, BMI may submit to arbitration a LICENSEE's non-payment of any and all undisputed amounts owed at any time.

(d) Failure to Comply with Reporting Schedule. LICENSEE and BMI will endeavor to meet all reporting deadlines as described in Subparagraph (b).

(1) If LICENSEE fails to comply with its reporting deadlines, BMI shall be excused from complying with any subsequent reporting deadlines until after such time that LICENSEE has met its reporting obligations. Beginning in July 2015, if LICENSEE fails to comply with the reporting deadlines in Subparagraph (b) in three (3) or more License Fee Months in any twelve (12) month period BMI will have the right to refuse to offer the AFBL to such LICENSEE for the succeeding twelve (12) months, in addition to all other available remedies. In the event that BMI so elects to refuse to offer the AFBL to LICENSEE,

BMI shall provide written notice to the LICENSEE informing it of BMI's election. Within fifteen (15) days of receipt of such notice, LICENSEE will be required to elect either a Blanket or Per Program license.

- (2) If BMI fails to comply with its reporting deadlines, LICENSEE shall be excused from complying with any subsequent reporting deadlines until after such time that BMI has met its reporting obligations. Beginning in July 2015, if BMI fails to comply with the reporting deadlines in Subparagraph (b) in two (2) or more License Fee Months in any twelve (12) month period, LICENSEE shall receive a five percent (5%) deduction off of the AFBL Fee payable for that month and the succeeding three (3) months, in addition to all other available remedies.

(e) Program Recordings.

- (1) LICENSEE shall keep copies of its Locally-Produced Programs for four (4) months following broadcast. Upon no less than thirty (30) days' advance written notice of a request from BMI, LICENSEE shall furnish to BMI copies of DVDs, or other electronic media permitting audio-visual transcription in a mutually agreeable format (collectively referred to herein as "Transcriptions") of all of its Locally-Produced Programs for a period of one (1) week. LICENSEE shall provide a reasonable number of Transcriptions to BMI in response to requests by BMI made within the prescribed six (6) month period, and subject to the limitation that BMI may request Transcriptions of no more than one (1) week or the equivalent of one (1) week of Locally-Produced Television Programs per month. Such Transcriptions shall be provided to BMI, with suitable identification of the location on them of the Programs to which BMI's request may be directed. If LICENSEE fails to respond within two (2) months after the end of the License Fee Month to a timely request from BMI for a Transcription of a Locally-Produced Television Program, LICENSEE shall be required to pay a fee for the Program in accordance with the proxy rules set forth in Paragraph 11(a).

- (2) Not more frequently than three (3) times during any consecutive twelve (12) month period, and upon not less than thirty (30) days' written notice to LICENSEE, BMI may request that LICENSEE provide BMI with either: (A) Transcription of up to one (1) consecutive week of Syndicated Television Programs, or (B) Transcriptions of four (4) consecutive episodes of a Program that airs once a week. BMI shall use its best efforts not to request from LICENSEE Transcriptions of programs for which it has received recordings from other sources.

(3) Any Transcriptions provided to BMI pursuant to this Agreement are for the exclusive use of BMI in performance of its obligations hereunder. BMI shall not copy, distribute or otherwise make such Transcriptions available to any entity, other than the COMMITTEE. Upon BMI's completion of its review of such recordings, BMI shall promptly return such Transcriptions to LICENSEE or destroy them at LICENSEE's request.

(4) LICENSEE at its option may send BMI a sample Transcription strictly for the purpose of allowing BMI to determine if the Transcription is of reasonably sufficient quality and in an acceptable format to enable BMI to determine whether the Programs on it contain music in BMI's repertoire. Within a reasonable period of time following its receipt of such a Transcription, BMI shall notify LICENSEE of any perceived problems in the Transcription's quality or format, and thereafter LICENSEE and BMI shall attempt, in good faith, to resolve any such problems.

6. LICENSE ELECTION

(a) LICENSEE may retroactively elect an AFBL, starting on the first day of a month, during the July 1, 2014 through December 31, 2014. Beginning January 1, 2015 LICENSEE may elect an AFBL, as of the first day of a month, prospectively on thirty (30) days prior written notice to BMI. Thereafter, LICENSEE may, on a prospective basis, elect to change between an AFBL and a Blanket or Per Program license not more than twice in any calendar year and only upon thirty (30) days prior written notice to BMI.

(b) During the first twelve months in which a LICENSEE is on an AFBL, a LICENSEE may, not more than two times, retroactively elect a Blanket or Per Program License for a particular reporting month within fifteen (15) days after the conclusion of that reporting month.

7. SOURCE AND DIRECT LICENSES

(a) BMI will accept, for purposes of determining whether BMI music is Otherwise Cleared BMI Music, any final Direct or Source Licenses submitted within three (3) months after the end of the License Fee Month. If a signed copy of the Source or Direct License is not available at the deadline, BMI will accept other documentary evidence confirming the existence of an agreement, such as correspondence between the LICENSEE (or program producer) and the composer or invoices submitted by the composer. Such indicia will not be accepted for performances of BMI music occurring more than six (6) months following the first month for which the agreement is used to demonstrate that performances are of Otherwise Cleared BMI Music.

8. AFBL REPORTS

(a) All reports covering the months July 2014 through December 2014 shall be processed beginning on January 1, 2015. A credit for any amounts owed to LICENSEE for the July 1, 2014 through December 31, 2014 period will be provided on July 31, 2015, at the close of the dispute resolution period described in Paragraph 5(c) below.

(b) In accordance with the terms set forth in the 2013 Letter Agreement, on or after January 1, 2016, the COMMITTEE may, at its sole discretion, elect to allow for a LICENSEE, or its agent, to prepare AFBL reports. If the COMMITTEE makes such an election:

- (1) BMI will have six (6) months from the date of such election to modify its systems and mechanisms used to administer the AFBL to allow for the LICENSEEs (or their agents) to prepare the AFBL reports; and
- (2) All local television LICENSEEs (whether licensed via an AFBL, blanket, or per program license) will pay their allocated share of a one-time fee of three hundred thousand dollars (\$300,000), reflecting BMI's costs related to the modifications of its systems and mechanisms used to administer the AFBL. This three hundred thousand dollar (\$300,000) fee will be allocated by the COMMITTEE across all Blanket License, Per Program License and AFBL LICENSEEs in the same manner as industry-wide blanket fees are allocated, and will be paid over the six (6) month period following the election of the COMMITTEE to allow for LICENSEEs, or their agents, to prepare AFBL reports.
- (3) In the event that the COMMITTEE does elect to allow for LICENSEE or its agent to prepare AFBL reports, LICENSEE and BMI agree to comply with the reporting requirements set forth in Paragraph 5(b), except that LICENSEE, not BMI, will be required to provide a detailed fee statement report to BMI within five (5) months after the end of the License Fee Month, and BMI may raise issues or disputes regarding the statement during the Dispute Resolution Period. No amendments to the detailed fee statement shall be made unless an issue is raised by BMI during the Dispute Resolution Period and any amendments to the statement will be limited to the specific issues raised by the BMI.

9. SUBMISSION OF SOURCE LICENSES AND DIRECT LICENSES

(a) LICENSEE shall submit a copy of Source Licenses to BMI by sending the Source Licenses to BMI via a secure FTP site made available by BMI to the LICENSEE which will provide confirmation of delivery, or by other electronic means agreed to by the BMI and the COMMITTEE. With respect to each Source License obtained from a person or entity who is not a writer, composer or publisher affiliate of BMI, LICENSEE shall additionally furnish to BMI such information as may be in the possession of LICENSEE as will enable BMI to determine the

names of the works licensed and the authors, composers, arrangers or publishers of the works licensed. In this regard, if the licensing entity is a “music library,” this obligation shall be satisfied by LICENSEE’s identification of the title of the specific track of a compact disc, or other recording containing music from the library, performed by LICENSEE. If the licensing entity is a program producer or other authorized licensor of such rights, such obligation shall be fulfilled by LICENSEE’s furnishing of a cue sheet for the program in which the licensed works appear when BMI does not already possess the cue sheet and makes a request of LICENSEE to provide same. If LICENSEE is unable to supply, or BMI is otherwise unable to obtain, the music use or other information required by this Subparagraph, the parties shall have the same rights and obligations as may otherwise be available to them regarding payment and reporting in circumstances in which a program contains unidentified music, as set forth in Paragraphs 4, 5 and 6 hereof.

(b) With respect to each Direct License, LICENSEE shall furnish to BMI a list of works and catalogs covered and the authors, composers, arrangers or publishers of the works licensed under the Direct License.

10. LATE PAYMENTS AND FEES.

(a) If any estimated payment is not received by BMI by the within twenty (20) days following the date on which the payment is due, BMI may collect a late-payment charge of one percent (1%) per month (simple interest) calculated from the date such payment was due.

(b) The payment provisions of this Section shall not apply in circumstances in which LICENSEE is unable to submit its payment when due because of “*force majeure*” (e.g., earthquake, hurricane, fire, flood) and where LICENSEE submits within sixty (60) days of the due date an on-account payment equal to its prior month’s license fee, which will be credited against the actual fees owing for that month once the detailed final fee statement is provided.

(c) Calculated Fee Exceeds Estimated Fee.

(1) Where any calculated monthly fee computed by BMI exceeds the estimated fee paid by LICENSEE, LICENSEE shall remit the payment of any such excess fee within thirty (30) days of LICENSEE’s receipt of the Billing Statement Report unless LICENSEE disputes all or part of such adjusted fee pursuant to the provisions of Paragraph 5(c) above.

(2) If any such payment due is not received by BMI within thirty (30) days of LICENSEE’s receipt of the appropriate billing statement, LICENSEE shall pay to BMI a late payment charge of one percent (1%) per month (simple interest) calculated from the thirtieth (30th) day following LICENSEE’s receipt of said billing statement; provided, however, that if LICENSEE disputes in good faith such an adjustment by BMI pursuant to the procedures provided for in Paragraph 5(c) above, such a late payment charge shall not be applied.

(d) Estimated Fee Exceeds Calculated Fee.

(1) Where the monthly fee estimated and paid by LICENSEE exceeds the monthly fee computed by BMI, BMI shall credit LICENSEE's account for the amount of any such excess fee, or, if LICENSEE so elects, and the amount of such adjustment, net of any other amounts owing by LICENSEE to BMI other than any audit claims, exceeds LICENSEE's monthly AFBL Fee, BMI shall, within thirty (30) days of receiving notification from LICENSEE of such election, refund to LICENSEE the amount of any such excess fee.

(2) If any such refund or credit is not received by LICENSEE within thirty (30) days of BMI's receipt of notification by LICENSEE of such election, LICENSEE shall be entitled to receive, in addition to such refund, an additional sum computed at a rate of one percent (1%) per month (simple interest) calculated from the thirtieth (30th) day following BMI's receipt of said election.

11. ADJUSTMENTS FOR UNIDENTIFIED MUSIC.

(a) Where neither BMI nor LICENSEE has obtained a cue sheet by the deadlines provided above, proxies shall be used for missing cue sheets as follows:

(1) If neither BMI nor LICENSEE has obtained a cue sheet for a Locally-Produced Television Program that is a news Program, BMI shall apply BMI Performance Values as follows: BMI shall assume one (1) minute of Theme/Feature music per program hour and nine (9) minutes of Background music per program hour.

(2) If neither BMI nor LICENSEE has obtained a cue sheet for a Locally-Produced Television Program that is not a news Program, BMI shall apply BMI Performance Values as follows: BMI shall assume five (5) minutes of Theme/Feature music per program hour and nine (9) minutes of Background music per program hour.

(3) If neither BMI nor LICENSEE has obtained a cue sheet for a single episode in a Syndicated Television Program for which there is cue sheet information available for at least twenty (20) other episodes of the same series, BMI shall adjust BMI Performance Values as follows: BMI shall use the average BMI music in the other episodes in the series for which cue sheets are available.

(4) If neither BMI nor LICENSEE has obtained a cue sheet for a Syndicated Television Sports Program, BMI shall adjust BMI Performance Values as follows: BMI shall use the average BMI music applicable to each sport, as calculated by BMI based on available cue

sheets for that sport within the prior year provided that a sufficient number of cue sheets are available. If an insufficient number of sport-specific cue sheets are available, but BMI can demonstrate that the Theme and/or Background music was composed by a BMI-affiliate, BMI may use the resources and information available to it to prepare a temporary cue sheet, which BMI shall provide to the LICENSEE. The LICENSEE, or its agent, will have the opportunity to review and dispute any portion thereof.

(5) If neither BMI nor LICENSEE has obtained a cue sheet for any Paid Programming or Infomercials, BMI shall adjust BMI Performance Values as follows: the program will be presumed to have no BMI music.

(6) If neither BMI nor LICENSEE has obtained a cue sheet for another instance of a Syndicated Television Program, BMI shall adjust BMI Performance Values as follows: the program will be presumed to have no BMI music, unless BMI can demonstrate through documents that the Theme and/or Background music was composed by a BMI affiliate. In such instances, BMI will use the resources and information available to it to prepare a temporary cue sheet, which it shall provide to the LICENSEE. The LICENSEE, or its agent, will have an opportunity to review and dispute any portion thereof.

12. AUDIT RIGHTS

(a) BMI and COMMITTEE shall jointly hire an independent CPA firm to provide a review of: (i) the internal controls at BMI relevant to the AFBL reporting process; and (ii) the methodology used to estimate the program audience size for LICENSEEs located in non-metered markets. The COMMITTEE shall be given full access to the CPA firm's final review report, which shall include recommendations for improvement of the reporting process, internal controls, and the methodology used to estimate the program audience size for LICENSEEs located in non-metered markets. The COMMITTEE shall not have access to, or disclosure of, the underlying data.

(b) BMI and the COMMITTEE shall jointly engage an independent CPA firm to periodically perform a review of the reports issued by BMI. This CPA firm will be subject to a confidentiality agreement to be approved jointly by BMI and COMMITTEE in which it will agree that any information provided by BMI will be used solely by the CPA firm and solely for the purpose of reviewing the accuracy of the AFBL reports. The standards for this review and the data made available will be determined by the CPA firm. The purpose of the review will be to assure that the BMI reporting process is accurately reporting performance rights, fees and values as provided under the BMI AFBL license. This review will include an analysis of the accuracy of the underlying data and the accuracy of the methodology used to estimate the program audience size for LICENSEEs located in non-metered markets. This review may include a comparison of cue sheets provided by LICENSEE directly or through any third party.

(c) All of BMI's reports will be done in a standard machine readable format and the data underlying each of these reports will be made accessible to the CPA firm, as requested, using a standard electronic methodology, including any and all cue sheets for programs aired by any AFBL-licensed stations requested.

(d) Deficiencies in the reporting process or data by the CPA firm will be addressed within thirty (30) days by BMI and any amounts owing to LICENSEEs will either be refunded or credited to LICENSEE at the election of LICENSEE. Any amounts owing to BMI shall be paid within thirty (30) days of BMI providing notice and an invoice to LICENSEE.

(e) If the independent CPA firm determines that the methodology used to estimate program audience size in a non-metered market is either unfairly penalizing licensed LICENSEEs or can be materially improved, BMI and the COMMITTEE agree to revise the methodology so that it more accurately estimates audience size of programs in non-metered markets.

13. LOCAL MARKETING AGREEMENT.

(a) If LICENSEE is, or becomes, a party to a Local Marketing Agreement, LICENSEE and the LMA Operator shall execute a letter to BMI, in the form attached as Exhibit B and made a part of this Agreement, requesting amendment of this Agreement to add LMA Operator as a party. When such a letter has been fully executed by LICENSEE, the LMA Operator and BMI, this Agreement shall be deemed amended accordingly.

(b) BMI shall be entitled to receive, upon request, a copy of the entire Local Marketing Agreement or, if LICENSEE so requests, a copy of the portion of the agreement which sets forth the respective obligations of LICENSEE and the LMA Operator regarding the payment of BMI fees, accountings, record keeping and administrative responsibilities. An officer of LICENSEE shall certify that it is a true and correct copy of the agreement.

14. INDEMNIFICATION. Provided that LICENSEE has not failed to cure a material breach or default of its payment obligations hereunder within thirty (30) days of receiving notification from BMI thereof under this Agreement, 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, and each of them 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 licensed under this Agreement of any works in the BMI repertoire that are licensed hereunder and paid for or payable to BMI; provided, however, that such indemnity shall be limited to those claims, demands and suits that are made or brought within the United States, its territories, commonwealth and possessions, and provided further that this indemnity shall not apply to broadcasts of any musical work performed by LICENSEE which is not contained in the BMI repertoire at the time of performance by LICENSEE or to performances of a musical work which are subject to a credit taken for Direct Licenses or Source Licenses during the performance period, or which is the subject of a written notice of withdrawal in accordance with Paragraph 16 hereof. LICENSEE agrees to give BMI immediate notice of any such claim, demand or suit and agrees to deliver immediately 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. LICENSEE, however, shall have the right to engage counsel of its own at its own expense who may participate in the defense of any such action. The provisions of this Paragraph shall survive termination of this Agreement, but solely with respect to performances broadcast by LICENSEE during the term of this Agreement.

15. NEW MEDIA RIGHTS WITHDRAWAL. BMI hereby represents and warrants that the rights granted herein are not affected by any withdrawal from BMI by certain publishers of the right to license works for certain digital uses. If, and to the extent a claim, demand or suit is brought against LICENSEE for its New Media Transmissions, BMI and LICENSEE shall have the same rights and obligations as set forth in Paragraph 14 above.

16. WITHDRAWAL OF WORKS. BMI reserves the right upon written notice to LICENSEE to 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 right in such work or that such work infringes another work. BMI shall notify LICENSEE as promptly as reasonably possible of any such withdrawal and shall attempt to determine and advise LICENSEE at the time of such notice of any Syndicated Television Program in which any such withdrawn work may be contained.

17. ASSIGNMENT. This license shall be non-assignable except to the person, firm or corporation acquiring the Federal Communications Commission license of LICENSEE, and upon assignment to the acquiring person, firm or corporation and upon the acceptance by BMI in form approved by BMI of the application of LICENSEE hereunder, LICENSEE shall be relieved of future liability under this Agreement as long as all reports required by this Agreement have been submitted by LICENSEE and all fees due BMI under this Agreement have been paid to BMI. Nothing herein is intended to limit the new owner's entitlement to a license pursuant to Article XIV of the BMI Consent Decree.

18. ARBITRATION.

(a) With the specific exception of disputes which may be within the jurisdiction of the United States district court having jurisdiction under the BMI Consent Decree (or any successor rate-setting process), all disputes of any kind, nature or description arising in connection with the terms and conditions of this Agreement shall be submitted to the American Arbitration Association in New York, 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 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 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 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, subject to the provisions of Subparagraph (b) below.

(b) If, during the term of this Agreement, any dispute arises between BMI and LICENSEE concerning the interpretation of any of the provisions of this Agreement, the resolution of which, in the judgment of BMI or COMMITTEE, either jointly or severally, has or may have industry-wide impact, BMI and COMMITTEE shall first endeavor to resolve such dispute, failing which either party may refer the matter to arbitration (unless the parties agree on some alternative mechanism for dispute resolution); and LICENSEE agrees to be bound by the results of all of such arbitrations involving BMI and COMMITTEE. In the event of such a reference, each party shall bear its own costs, expenses and attorneys' fees. In the event of such a reference, either party, as a preliminary matter, shall be entitled to assert that the dispute between the parties is not properly dealt with under the terms of this Subparagraph.

(c) Outstanding disputes regarding the operational and financial results of a monthly report pursuant to Paragraph 5 not resolved within thirty (30) days of receipt of the independent CPA firm's final audit report, or within six (6) months of the close of the reporting period, whichever is sooner, will be subject to arbitration, except that a LICENSEE and BMI may submit such matters to arbitration not more than once in any given six (6) month period. Outstanding disputes from months within a six (6) month period will be consolidated in a single arbitration proceeding. Notwithstanding the foregoing, BMI may submit to arbitration a LICENSEE's non-payment of any and all undisputed amounts owed at any time.

19. FORCE MAJEURE. If LICENSEE cannot submit a cue sheet, Source License or Direct License, or otherwise is unable to comply with a reporting deadline within the reporting schedule as outlined in Paragraph 5(b) due to *force majeure* (e.g., earthquake, hurricane, fire, flood), LICENSEE shall submit necessary materials to BMI as soon as practicable. All subsequent reporting deadlines will run from the date of LICENSEE's submission of missing materials, in accordance with Paragraph 5(b). If BMI cannot submit any of the materials or reports, or otherwise is unable to comply with a reporting deadline within the reporting schedule as outlined in Paragraph 5(b) due to *force majeure* (e.g., earthquake, hurricane, fire, flood), BMI shall submit necessary materials to LICENSEE as soon as practicable. All subsequent reporting deadlines will run from the date of BMI's submission of missing materials, in accordance with Paragraph 5(b).

20. TERMINATION BY LICENSEE. LICENSEE shall have the right to terminate this Agreement, upon ten business days' notice to BMI, in the event of: (a) the termination or suspension of the governmental licenses covering LICENSEE, or any substantial alteration or variation of the terms and conditions thereof; or (b) the suspension of operations by LICENSEE for a substantial period of time.

21. BREACH OR DEFAULT. Upon LICENSEE's breach or default of any payment, accounting or substantive reporting obligation required under the terms of this Agreement, 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 then terminate this Agreement. Such termination shall be in addition to any other remedy available to BMI under law or in equity.

22. NOTICE. Any notice of termination given hereunder shall be given by registered or certified mail or delivery service for which there is proof of delivery to and receipt by the addressee. Any other notice required or permitted to be given under this Agreement 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 office address hereinabove stated, or any other address which either party hereto may from time to time designate for such purpose, and when notice is so mailed, it shall be deemed given upon the mailing thereof. Any notice sent to BMI shall be to the attention of S.V.P. Licensing Department. Any notice sent to LICENSEE shall be to the attention of the person signing this Agreement on behalf of LICENSEE or such other person as LICENSEE may advise BMI.

23. INTERFERENCE IN OPERATIONS. In the event that any law hereafter enacted of the state, or political subdivision thereof, in which LICENSEE is located shall result in major interference with the operations of BMI in that state or political subdivision, or in a substantial increase of the cost to BMI of operating within that state or political subdivision, BMI shall have the right, upon notice to COMMITTEE and upon a showing that the matters referred to affect the licensing of performing rights under this Agreement, to apply to the judge with supervisory authority over the BMI Consent Decree for whatever relief BMI deems appropriate, including termination of this Agreement.

24. ALTERNATIVE LICENSES OFFERED. LICENSEE acknowledges that the BMI Local Television Station Blanket License for the term commencing January 1, 2005 and ending December 31, 2017 (the “**Blanket License**”) and the BMI Local Television Station Per Program License for the term commencing January 1, 2005 and ending December 31, 2017 (“**Per Program License**”) are being offered to LICENSEE simultaneously with this Agreement and LICENSEE is entering into this Agreement instead thereof. LICENSEE may elect to change from an AFBL to a Per Program License or a Blanket as of the first day of a month, prospectively on prior written notice to BMI (an “**Election**”). By making an Election, LICENSEE agrees to all the terms of the elected agreement. Thereafter LICENSEE may switch back to the AFBL in accordance with the provisions of the Blanket License or Per Program License, as applicable. An Election to change between this Agreement and the Blanket License or Per Program License may be made by LICENSEE not more than twice in any calendar year 2014 through 2017.

25. CONFIDENTIALITY.

(a) BMI shall treat as confidential, and shall not disclose to any third party (other than its employees, directors and officers, in their capacity as such, on a need-to-know basis, and other than as set forth in Subparagraph (b) below), any financial or other proprietary documents or information provided to BMI by LICENSEE in connection with this Agreement.

(b) BMI is hereby authorized to provide to COMMITTEE such of LICENSEE’s financial or other proprietary documents or information, provided to BMI pursuant

to this Agreement, as COMMITTEE may request in connection with its representation of the local television industry in future negotiations with BMI, future rate court proceedings, litigation or disputes over the implementation or interpretation of this Agreement, unless LICENSEE notifies BMI in writing to the contrary. As reflected in Exhibit A hereto, COMMITTEE has agreed to treat as confidential any financial or other proprietary documents or information provided to it by BMI pursuant to this Paragraph.

26. **WITHOUT PREJUDICE.** The parties are entering into this Agreement without prejudice to any arguments or positions they may assert in any future rate proceeding concerning what constitutes reasonable blanket, per program, or AFBL fees and terms for the local television industry, or, in BMI’s case, as to any other licensee. The definition of Ambient Uses is for purposes of this Agreement only and is being agreed to without prejudice to any positions either party may take in any future litigation or negotiation, including positions with respect to whether or which specific uses of music constitute “fair uses” under 17 U.S.C. § 101 *et seq.*

27. **MISCELLANEOUS.** This Agreement, and all Exhibits hereto, constitutes the entire understanding between the 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 Agreement, its validity, construction and effect shall be governed by the laws of the State of New York, without regard to Choice of Law rules. 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.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement the day and date hereinbefore set forth.

<p>BROADCAST MUSIC, INC.</p> <p>_____</p> <p><i>(Signature)</i></p> <p>_____</p> <p><i>(Print Name of Signer)</i></p> <p>_____</p> <p><i>(Title of Signer)</i></p>	<p>LICENSEE</p> <p>_____</p> <p><i>(Legal Name)</i></p> <p>_____</p> <p><i>(Signature)</i></p> <p>_____</p> <p><i>(Print Name of Signer)</i></p> <p>_____</p> <p><i>(Title of Signer)</i></p>
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Exhibit A

November 3, 2014

Broadcast Music, Inc.
7 World Trade Center
250 Greenwich Street
New York, NY 10007

Attention: Mr. Michael Steinberg

Re: BMI – Local Television Station 2005-2017 Blanket and Per Program Licenses

Dear Mr. Steinberg:

This letter sets forth certain additional terms to the BMI-Local Television Station Blanket, Per Program, and Adjustable-Fee Blanket License Agreements reached on January 29, 2013, between Broadcast Music, Inc. (“**BMI**”) and the Television Music License Committee (the “**TMLC**” or “**COMMITTEE**”) covering the periods January 1, 2005 through December 31, 2017 (herein the “**Blanket License**,” “**Per Program License**,” and “**Adjustable-Fee Blanket License**” and collectively referred to as the “**Licenses**”). This letter agreement is expressly incorporated in Paragraph 4 of the Blanket, Per Program, and Adjustable-Fee Licenses, respectively, and is binding upon the parties hereto and upon the signatories to the Licenses and their successors and assigns.

The parties agree as follows:

1. The term of the Blanket and Per Program Licenses shall be January 1, 2005 through December 31, 2017 (“**License Term**”). The Adjustable-Fee Blanket License is available as of July 1, 2014.
2. The fees and terms of the Local Television Stations’ interim BMI Blanket Licenses in effect for 2005 through 2012 shall become final.
3. The fee and terms of the Local Television Stations’ interim per program license agreements in effect for 2005 through 2012 shall become final, subject to adjustment of any fees owed pursuant to Paragraphs 5, 7, and 8 of the BMI interim per program license and any resolution of any collection/audit issues.
4. BMI will provide a discount in the aggregate amount of \$3.5 million to stations licensed under the per program license. The discount has and will continue to be allocated based on a methodology developed by the TMLC. The discount began in March 2013 and will continue for twenty-three (23) additional months.
5. For calendar years 2013, 2014, 2015, 2016 and 2017, annual industry-wide Blanket License fees for all local commercial television stations licensed under the Licenses by BMI shall be \$78,650,000. Beginning in March 2013, stations were billed based on the new

Blanket License fee and a credit was issued for any difference between the interim fee amounts billed for January and February 2013 and the new final fees for those months.

6. Each local television station's Blanket License fees shall be determined in accordance with the provisions of the license fee allocation formula determined by the COMMITTEE and attached as **Schedule I** hereto.

7. All local television stations will pay their allocated share of a one-time Adjustable-Fee Blanket License ("AFBL") start-up fee of \$425,000, reflecting BMI's start-up costs related to the development of the systems and mechanisms required to administer the AFBL. This fee will be allocated by the TMLC across all Blanket License, Per Program License and AFBL stations in the same manner as industry-wide blanket fees are allocated, and will be paid over the 2015-2016 period.

8. BMI represents and warrants that: (i) BMI has the right, power and authority to grant the rights incorporated in this agreement; (ii) as of the date of this agreement, no BMI affiliate has withdrawn from BMI the right to license the right of public performance over the Internet, wireless, or other digital platforms included in the Licenses; and (iii) if during the License Term any BMI affiliate withdraws from BMI the right to license the right of public performance to its works included in the Licenses, such withdrawal of licensing rights from BMI will not impact BMI's right, power or authority to grant a through-to-the-audience license to perform any or all of the copyrighted musical works in the BMI Repertoire of that BMI affiliate to the stations pursuant to this Agreement for the duration of the License Term.

9. If, during the remaining term of this Agreement, BMI licenses any entity agreed or determined to be a broadcast television "network" previously unlicensed by BMI, (such as FOX, or The CW), whose network programs are carried by local television stations licensed by BMI pursuant to the Licenses, the industry-wide amounts set forth in Paragraph 5 above pertaining to the periods of such third party license agreements shall be adjusted downward in an appropriate amount. BMI shall have the ultimate responsibility for re-allocating industry-wide blanket license fees to reflect any such reduction, following consultation with the COMMITTEE. BMI and the COMMITTEE will confer and attempt to reach agreement concerning the appropriate amount of any such fee adjustments and such agreement shall be binding on all licensees. If BMI and the COMMITTEE shall fail to agree on such fee adjustments, either party may refer the matter to the federal judge with supervisory authority over the BMI Consent Decree for determination.

10. BMI shall provide to the COMMITTEE or its designated representative, by no later than October 1st of each calendar year during the license Term, a list of all Stations with which BMI has entered into a License. The COMMITTEE shall, by no later than November 15th of each calendar year, provide to BMI each Station's allocated blanket or per program license fees.

11. BMI shall provide to the COMMITTEE or its designated representative for verification, by no later than forty-five (45) days before its scheduled dissemination to licensees, a copy of each list of Syndicated Television Programs prepared pursuant to Paragraph 5(c) of the

Per Program License. The COMMITTEE shall notify BMI of any suggested revisions or corrections to this list no later than three weeks from the date it was received.

12. From July 1, 2014 through December 31, 2017, Stations will be able to elect a BMI Blanket License, BMI Per Program License or BMI Adjustable Fee Blanket License. A Station may switch between one License and another License in accordance with the terms of the applicable License. In no event may a Station change Licenses more than twice in any calendar year.

13. If, for any part of the remaining term hereof, a station previously licensed by BMI under a separate agreement changes its format and elects to be licensed pursuant to a License, such station's blanket and per program license fee allocations shall be determined pursuant to the methodology set forth in Schedule I as though it were an Existing Television Station, except that: (a) such station's allocated blanket or per program license fee shall be in addition to the industry-wide blanket or per program license fees set forth in Paragraph 1 above; and (b) blanket or per program license fees allocated to other stations in the same market shall be determined as if such station were not licensed pursuant to a License, and thus shall remain unchanged.

14. The COMMITTEE shall treat as confidential any financial or other proprietary information or documents provided to it by BMI pursuant to the Licenses ("**Confidential Information**") where such Confidential Information was provided to BMI by a station or station group. The COMMITTEE shall limit access to Confidential Information to the COMMITTEE's staff, representatives and counsel, and shall not disclose Confidential Information to any third party or to any COMMITTEE member, other than a COMMITTEE member who is employed by the station group which provided Confidential Information to BMI.

15. BMI and the COMMITTEE are entering into this Agreement without prejudice to any arguments or positions they may assert in any future rate proceeding concerning what constitutes reasonable blanket and per program license fees and terms for the local television industry or, in BMI's case, as to any licensee.

Please indicate your agreement to the above by signing on the line provided below.

Very truly yours,

/s/ Chuck Sennet
Chair
Television Music License Committee

AGREED TO:

/s/ Michael Steinberg
Senior Vice President/Licensing
Broadcast Music, Inc.
Dated: November 3, 2014

Schedule I

EXHIBIT A
SCHEDULE I

Television Music License Committee
Methodology for BMI License Fee Allocation for the Period
From January 1, 2005 through December 31, 2017

The Industry-wide Blanket License fees for all commercial local television stations licensed under the BMI-Local Television Station Blanket License Agreements covering the period January 1, 2005 through December 31, 2017 (the “licensed television stations”), shall be allocated among the licensed television stations as follows (subject to revision pursuant to the provisions of Paragraph 10 below):

STEP 1: Allocation of Industry-Wide Fee Among DMA Markets

For each of the years 2013, 2014, 2015, 2016, and 2017 (“Contract Periods”), each Nielsen DMA television market is to be assigned its gross allocable share of the Industry-wide Blanket License fee (as set forth in Paragraph 6 of the November 3, 2014 letter agreement between the Television Music License Committee (the “Committee”) and BMI (the “Side Letter”)) in proportion to its percentage of the total number of weighted Qualified Viewing Households throughout the U.S. in an average quarter-hour during nine sweeps months over the course of the previous three years.

1. The number of Qualified Viewing Households will be computed for each licensed television station for the Contract Period based upon average quarter hour household viewing data, Sunday through Saturday, 9 a.m. through midnight, compiled by Nielsen during nine sweeps months over the previous three years¹. The Qualified Viewing Households attributable to each DMA market shall be calculated by multiplying the average quarter hour viewing households for all licensed stations in the market by 420 (the number of quarter hours between 9 a.m. and midnight in one week).

2. For each of the Contract Periods, the number of Market Qualified Viewing Households in each of the roughly 210 DMA markets as measured by Nielsen² is to be “weighted” as follows:

¹ Qualified Viewing Households for the Contract Periods 2012 through 2016 will be based upon data compiled by Nielsen for the nine November, February and May sweeps months prior to July 1 of the year preceding the Contract Period. A Qualified Viewing Household is defined as a viewing household for a station licensed by BMI for the Contract Period for which the allocation is being calculated.

² The number of Market Qualified Viewing Households in Puerto Rico shall be determined based upon data provided by Nielsen, or some other comparable provider of household audience information. The number of Market Qualified Viewing Households in the Virgin Islands and Guam (or in any other market or territory in which household audience information is unavailable) shall be determined by calculating the number of television households in the U.S. as a percentage of the total U.S. population; multiplying that percentage by the population of the market for which audience information is unavailable to derive the number of television households in the market; and multiplying the resulting number by a fraction the numerator of which is the number of licensed stations in the market and the denominator of which is the total number of stations in the market. For purposes of assigning

DMA Markets 1 - 10	Multiply by 1.21
DMA Markets 11 – 25	Multiply by 1.05
DMA Markets 26 – 50	Multiply by 0.92
DMA Markets 51 – 75	Multiply by 0.85
DMA Markets 76 - 100	Multiply by 0.85
DMA Markets 101 - 125	Multiply by 0.80
DMA Markets 126 plus	Multiply by 0.75

The purpose of the weighting is to reflect, within broad parameters, that a household in a smaller market does not represent the same value as a household in a larger market.

3. For each Contract Period, each market is to be assigned its share of the industry’s overall blanket license fee by the following procedure: The Market Qualified Viewing Households in the DMA market will be multiplied by the weight set forth in Paragraph 2 above for that DMA market to determine the weighted number of Market Qualified Viewing Households for the DMA market. Thus, for example, the top ten markets in terms of three-year households average will receive a 1.21 multiple. Each market’s weighted Market Qualified Viewing Households number is to be divided by the total U.S. weighted market Qualified Viewing Households to derive a percentage of U.S. weighted Market Qualified Viewing Households for each market. This weighted percentage is then applied to the industry-wide blanket license fee. Thus, if the weighted percentage of total U.S. Market Qualified Viewing Households for DMA market “x” is one percent, DMA market x’s share of the industry-wide \$78,650,000 fee for the January 1, 2013 through the December 31, 2013 Contract Period would be \$78,650,000 x 1%, or \$786,500.00.

STEP 2: Allocation of Blanket License Fees to Stations Within Each Market

4. Each station’s percentage share of the DMA market blanket license fee shall be calculated as follows: Station Qualified Viewing Households for stations affiliated with networks licensed by BMI (currently the ABC, CBS, NBC, Univision, and Unimás television networks) shall be calculated by multiplying the station’s average quarter hour viewing households by 420 (the number of quarter hours between 9 a.m. and midnight in one week); and subtracting one hundred percent (100%) of the station’s average prime-time DMA viewing households (which equals the station’s average prime-time DMA quarter hour households times 88 (the number of quarter hour units in prime time in one week)).³ Station Qualified Viewing

an allocable share of the industry-wide blanket license fee to television markets in the Virgin Islands, Guam and Puerto Rico, the number of Market Qualified Viewing Households in each of these markets is to be given the same weight as the Nielsen DMA that most closely approximates the number of Market Qualified Viewing Households in these markets.

³ For example, on the East Coast, prime-time occupies Monday – Saturday, 8:00 – 11 p.m. and Sunday, 7:00 – 11:00 p.m.

Households for stations not affiliated with networks licensed by BMI shall be calculated by multiplying the station's average quarter hour viewing households by 420. A station's percentage share of the DMA market blanket fee shall be calculated by dividing its Station Qualified Viewing Households number by the total Station Qualified Viewing Households for all stations in that DMA market and multiplying the resulting percentage by the DMA market blanket license fee (reduced by the amount of any minimum fees assigned to stations in the market pursuant to paragraph 5 below).⁴

5. Stations whose ratings are not reported by Nielsen during the relevant period shall be assigned a minimum blanket license fee equal to the greater of 0.25 percent of the allocable blanket license fee for its market or an annual blanket license fee of \$540 (or \$45 per month for partial years) ("Minimum Blanket License Fee"). The fees assigned to a DMA market pursuant to Step 1 above shall be reduced by the amount of any Minimum Blanket License Fees assigned to stations in that DMA market, and the balance of that DMA market's share of the industry-wide fee shall be allocated among the remaining licensed stations in that DMA market based on the methodology set forth in Step 2 hereof. If, by way of example, the blanket license fee allocated to market "k" is \$300,000, and there are operating in market "k" two stations whose ratings are not reported by Nielsen, each of those stations would be assigned a blanket fee of \$750 ($\$300,000 \times .0025$). The remaining stations in market "k" would pay their appropriate percentages, not of \$300,000, but of \$298,500.

6. Except as otherwise provided in the Side Letter, if, during a given Contract Period, BMI enters into a license agreement with a television station that was not previously licensed (a "New Television Station"), such station shall pay the minimum monthly fee of forty-five dollars (\$45.00) for the remainder of the Contract Period following the effective date of its license agreement. The fees payable by all stations in the New Television Station's market in the following Contract Period shall be reallocated in the manner set forth above without any increase in the total fee amount otherwise allocable to the relevant market.

7. Once a station's allocated fee has been calculated for a given Contract Period, there shall be no further adjustment to that station's fee for the duration of that Contract Period; provided however that if the station was assigned in error a blanket license fee that was higher or lower than it should have been assigned pursuant to the methodology set forth above, such over-allocation or under-allocation amount shall be factored into the fees allocated to the station for the subsequent Contract Period.

8. If during the term of the BMI-Local Television Station Blanket, Per Program, and Adjustable-Fee Blanket Licenses, the Committee determines that there is good cause to revise the allocation methodology set forth above in any manner, the Committee shall provide to BMI any proposed revisions for review. BMI and the Committee shall confer regarding the reasonableness of the proposed revisions. Thereafter, the Committee shall submit proposed revisions to the Honorable Louis L. Stanton to request approval of any proposed revisions to this methodology. The Committee shall make such a request at a public hearing

⁴ The fees for each of the licensed stations in the Virgin Islands and Guam shall equal the amount of the industry-wide fee assigned to the market divided by the total number of licensed television stations in that market.

(written notice of which will be provided to BMI and to all licensed television stations no less than thirty days in advance of the hearing) at which all interested parties will be given the opportunity to be heard in support of, or in opposition to, the proposed revisions. Any decision by the Court approving or denying the proposed revisions shall be final and shall not be subject to appeal.

Exhibit B

Exhibit B

**Local Marketing Agreement Amendment to BMI Local
Television Station Music Performance License Agreement**

WHEREAS, _____ (“LICENSEE”) has entered into a Local Marketing Agreement (“LMA”) with _____ (“LMA OPERATOR”) for the television station _____ (the “STATION”) for the period _____ through _____; it is hereby agreed to as follows:

1. LICENSEE and LMA OPERATOR add LMA OPERATOR as a party to the BMI Local Television Blanket [Per Program] [Adjustable-Fee Blanket] License Agreement, including all extensions, schedules and exhibits thereto, in effect between LICENSEE and BMI (“the License”), and LMA OPERATOR shall assume, with LICENSEE, all of the rights and obligations of LICENSEE set forth in the License for the full period of the LMA with respect to the STATION.

2. LICENSEE/LMA OPERATOR (circle one) shall be responsible in the first instance for the payment of any fees owing to BMI and for the submission to BMI of any reports or other information pursuant to the License for the full period of the LMA with respect to the STATION.

3. LICENSEE remains fully liable for all its obligations under the License. Even if the LMA OPERATOR is responsible in the first instance for the payment of fees and submissions of reports or other information to BMI as set forth in Paragraph 2 above, if LMA OPERATOR defaults in any way on those obligations, LICENSEE remains responsible for fulfilling those obligations.

4. LICENSEE and LMA OPERATOR jointly designate the following single address for billing, and other regular correspondence, and the following single address for any notices in accordance with the License.

Billing Address: _____ **Notice Address:** _____

In the event that the LMA between LICENSEE and LMA OPERATOR terminates, both LICENSEE and LMA OPERATOR shall notify BMI of the termination within 30 days, and submit all required statements, reports and payments through the date of said termination. In the event that both LICENSEE and LMA OPERATOR fail to notify BMI of the termination of the LMA, then both LICENSEE and LMA OPERATOR shall remain obligated under this agreement for all statements, reports and payments.

Dated:

LICENSEE
By:

Title:

Dated:

LMA OPERATOR
By:

Title:

Broadcast Music, Inc. hereby consents and agrees to the amendment of the above License Agreement.

BROADCAST MUSIC, INC.

Dated: By:

Title: