

NRBMLC-2005 Radio Per Program License Annual Financial Report (2005 Only)

BROADCAST MUSIC, INC. Attn: Accounting Department 10 Music Square East Nashville, TN 37203-4399	REPORT PERIOD FROM _____ TO _____	PERIOD COVERED BY THIS REPORT* FROM _____ TO _____ * REPORT MUST BE ON CALENDAR YEAR BASIS
FOR RADIO STATION:		
CALL LETTERS _____ BMI ACCOUNT NUMBER _____	TYPE OF STATION AM <input type="checkbox"/> FM <input type="checkbox"/>	NETWORK AFFILIATION _____ LIST NETWORK(S): _____ IF NONE, CHECK BOX <input type="checkbox"/> OTHER STATION(S) COVERED BY REPORT _____ Local Manager for or 100% Simulcast _____ Signal Streaming Date Range: From _____ To _____

FEE COMPUTATION

1. Gross Revenue (excluding Web Site and Digital Multicasting Revenue) {Lic. ¶2(S)}.....	1									
2. Bad Debts Actually Written Off {Lic. ¶2(U)(1)}.....	2									
3. Bad Debts Recovered {Lic. ¶2(U)(1)}.....	3									
4. Net Bad Debts (Subtract line 3 from line 2).....	4									
5. Rate Card Discounts {Lic. ¶2(U)(2)}.....	5									
6. Advertising Agency Commissions {Lic. ¶2(U)(3)}.....	6									
7. Total Adjustments to Gross Revenue (Add lines 4, 5 and 6).....	7									
8. Net Revenue (Subtract line 7 from line 1) {Lic. ¶2(U)}.....	8									
9. Revenue from Political Broadcasts {Lic. ¶2(V)}.....	9									
10. Less: Agency Commissions (Included in 9 above).....	10									
11. Net Revenue from Political Broadcasts (Subtract line 10 from line 9).....	11									
12. Compensation from Networks Licensed by BMI {Lic. ¶2(V)}.....	12									
13. Total Adjustments to Net Revenue (Add lines 11 and 12).....	13									
14. Adjusted Net Revenue (Subtract line 13 from line 8) {Lic. ¶2(V)}.....	14									
15. Weighted Hours {Lic. ¶4(A)(1)} Enter Local Weighted Hours from Monthly Music Reports <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tr> <td style="width: 15%;">Jan</td> <td style="width: 15%;">Feb</td> <td style="width: 15%;">Mar</td> <td style="width: 15%;">Apr</td> </tr> <tr> <td>May</td> <td>Jun</td> <td colspan="2">Total.....</td> </tr> </table>	Jan	Feb	Mar	Apr	May	Jun	Total.....		15	
Jan	Feb	Mar	Apr							
May	Jun	Total.....								
16. Revenue Per Weighted Hour (Divide line 14 by line 15).....	16									
17. Weighted Hours of Programs Subject to Fee {Lic. ¶4(A)(1)} Enter Weighted Hours of Programs Subject to Fee from Monthly Music Reports <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tr> <td style="width: 15%;">Jan</td> <td style="width: 15%;">Feb</td> <td style="width: 15%;">Mar</td> <td style="width: 15%;">Apr</td> </tr> <tr> <td>May</td> <td>Jun</td> <td colspan="2">Total.....</td> </tr> </table>	Jan	Feb	Mar	Apr	May	Jun	Total.....		17	* All minimum license fees are adjusted by the CPI increase each subsequent year of the term.
Jan	Feb	Mar	Apr							
May	Jun	Total.....								
18. Revenue Subject to Feature Fee (Multiply line 16 by line 17) {Lic. ¶2(CC)}	18									
19. Feature Fee: 2.25% of Line 18 {Lic. ¶4(A)(1)}.....	19									
20. Adjusted Feature Fee (Divide Feature Fee computed on line 19 by 1.35).....	20									
21. Base Fee: 0.10% of Line 14 {Lic. ¶4(A)(1)}.....	21									
22. Total License Fee (Add lines 20 and 21) (not less than \$382.00 Minimum Fee)* {Lic. ¶4(A)(2)}.....	22									

SUBMITTED BY: _____ Name _____ Title _____ Signature _____ Date	<h3 style="text-align: center;">WEB SITE SIGNAL STREAMING and DIGITAL MULTICASTING REVENUE</h3> W1. Net Web Site Revenue {Lic. ¶2(CC)}..... W1 W2. Effective License Fee Rate (Divide Line 21 by Line 8 from above)..... W2 W3. License Fee (Multiply Line W1 X Line W2 (not less than \$283.00)* .. W3 DM. Digital Multicasting Revenue (\$250.00 annual fee per station*) {Lic. ¶2(W)}: <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tr> <th style="width: 30%;">DM Station Name</th> <th style="width: 15%;">Date From</th> <th style="width: 15%;">Date To</th> <th style="width: 20%;">Revenue</th> <th style="width: 15%;">License Fee:</th> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td>DM1</td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td>DM2</td> </tr> </table>	DM Station Name	Date From	Date To	Revenue	License Fee:					DM1					DM2
DM Station Name	Date From	Date To	Revenue	License Fee:												
				DM1												
				DM2												
TOTAL LICENSE FEES (Enter sum of lines 22, W3, DM1 & DM2 here)																

PLEASE MAKE A COPY FOR YOUR FILES AND RETURN THE SIGNED ORIGINAL TO BMI

**Instructions for completing the
NRBMLC-2005 SINGLE STATION PER PROGRAM LICENSE ANNUAL FINANCIAL REPORT**

ACCOUNT INFORMATION

Your station's call letters, BMI account number, and billing address have been pre-populated according to the information on our records. Please make any necessary corrections before returning your completed report to BMI.

Reporting Period: Please enter the starting and ending dates of the period covered by this report if they have not been pre-populated by BMI. The report must be filed on a calendar year basis.

Type of Station: Please check the box that applies to your station's band: "AM" or "FM".

Network Affiliation: List your affiliations to any network(s) currently licensed by BMI.

Other Stations: If you act as a Local Manager for another station's facilities, please write the call letters of those station(s) here.

Signal Streaming Date Range: If your station was streaming its signal over the Internet during the report period, enter the range of dates.

FEE COMPUTATION

Revenue is to be reported on a Billing Basis (Standard Accrual Method) only. Cash Receipts Basis reporting is not allowed.

Line

- 1 **Gross Revenue:** Enter the sum of all billings charged to or on behalf of sponsors and donors for the use of the broadcasting facilities of the station, but excluding non-cash billings applicable to trade and barter sales and revenue attributable to your station's web site (which is to be reported on line W1) and digital multicasting revenue (which is to be reported on line DM).
If your radio station acts as Local Manager for another station's facilities, Gross Revenue should include all billings charged to, or cash payments made by, sponsors or donors for the use of the managed station's facilities.
- 2 **Bad Debts:** Enter the total bad debts actually written off during the report period.
- 3 **Bad Debts Recovered:** Enter the total bad debts previously written off that were recovered during the report period.
- 4 **Net Bad Debts:** Subtract line 3 from line 2 and enter the difference here.
- 5 **Rate Card Discount:** Enter the total rate card discounts allowed for cash, quantity and/or frequency for the report period.
- 6 **Advertising Agency Commissions:** Enter the total advertising agency commissions incurred (not to exceed of 15% of commissionable sales) during the report period.
- 7 **Total Adjustments to Gross Revenue:** Add lines 4 through 6 and enter the total here.
- 8 **Net Revenue:** Subtract line 7 from line 1 and enter the difference here.
- 9 **Revenue from Political Broadcasts:** Enter the gross revenue from the broadcasting of local political programs.
- 10 **Less: Agency Commissions:** Enter the advertising agency commissions incurred on the revenue entered on Line 9 and included in the deduction for Advertising Agency Commissions on line 6 (Deduction not to exceed 15% of line 9).
- 11 **Net Revenue from Political Broadcasts:** Subtract line 10 from line 9 and enter the difference here.
- 12 **Compensation from Networks Licensed by BMI:** This deduction is allowed for compensation received from networks licensed by BMI. Presently, there are no networks licensed by BMI for which this deduction may be taken.
- 13 **Total Adjustments to Net Revenue:** Add lines 11 and 12 and enter the sum here.
- 14 **Adjusted Net Revenue:** Subtract line 13 from line 8 and enter the result here.
- 15 **Weighted Hours:** Represents the local Weighted Hours (by month and for the reporting period) derived by BMI from the January 2005 through June 2005 Monthly Music Reports submitted by Station as being on-air during each report month (pre-populated on form by BMI).
- 16 **Revenue Per Weighted Hour:** Divide line 14 (Adjusted Net Revenue) by line 15 (Weighted Hours) and enter the result here.
- 17 **Weighted Hours of Programs Subject to Fee:** Represents the Weighted Hours of Programs Subject to Feature Fee (by report month and for the reporting period) derived by BMI from the identified performances of BMI-licensed compositions and conceded programming periods indicated on January 2005 through June 2005 Monthly Music Reports submitted by Station (pre-populated on form by BMI).
- 18 **Revenue Subject to BMI Fee:** Multiply line 16 by line 17 and enter the result here.
- 19 **Feature Fee:** Multiply your Revenue Subject to BMI Fee (Line 18) by **2.25%**.
- 20 **Adjusted Feature Fee:** Divide the Feature Fee computed on Line 19 by **1.35**.
- 21 **Base Fee:** Multiply your Adjusted Net Revenue (line 14) by **0.10%** (.0010).
- 22 **Total License Fee:** Add lines 20 and 21 and enter the result here. This is your total Per Program license fee for the report period.

WEB SITE SIGNAL STREAMING and DIGITAL MULTICASTING REVENUE

- W1 **Net Web Site Revenue:** Enter the sum of all web site revenue derived from access (subscription fees, online time), advertising (banners, in-streams ads, hotlinks), sponsorships, donations, and trade and barter transactions, net of any advertising agency commissions (not to exceed of 15% of commissionable sales) and/or bad debts written off during the reporting period (less any recoveries of previous write-offs).
- W2 **Effective License Fee Rate:** Divide the Total License Fee computed on Line 21 by Net Revenue on Line 8 to compute the effective Per Program license fee rate to apply to your Net Web Site Revenue.
- W3 **License Fee:** Multiply Line W1 by the effective license fee rate computed on Line W2. This is your license fee for the report period.
- DM **Digital Multicasting Revenue and License Fee:** Enter the call letters, range of dates on air during the report period, and revenue attributable to any Digital Multicasting Stations operated during the report period. Each Digital Multicasting Station is to be treated separately for the purpose of calculating and reporting revenue. Enter the \$250 annual license fee on line(s) DM1 and/or DM2 for each station. If Station's Digital Multicasting revenue is \$50,000 or more, the Station will be required to sign a separate NRBMLC Digital Multicasting Station License.

IMPORTANT! PLEASE SIGN AND DATE YOUR ANNUAL FINANCIAL REPORT BEFORE RETURNING IT TO BMI.