

**BMI**  
**Local Television Station Music Performance**  
**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 January 1, 2005 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) “**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.

(b) “**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.

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

(d) “**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.

(e) “**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.

(f) “**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.

(g) “**Locally-Produced Television Program**” shall mean any Non-Network Television Program produced by, or expressly for, LICENSEE.

(h) **“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.

(i) **“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.

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

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

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

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

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

(o) **“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. 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](http://www.fox.com), [www.americanidol.com](http://www.americanidol.com), [www.thexfactorusa.com](http://www.thexfactorusa.com), [www.familyguy.com](http://www.familyguy.com), [www.thesimpsons.com](http://www.thesimpsons.com), and [www.cwtv.com](http://www.cwtv.com).

(p) **“Syndicated Television Program”** shall mean: (i) any Non-Network Television Program supplied to LICENSEE and other television stations by a producer or a 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.

(q) **“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.

(r) **“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. Station’s current Web Site URL(s) is (are) http://\_\_\_\_\_.

### 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 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 2005-2012. LICENSEE agrees to pay BMI final blanket license fees for the period January 1, 2005 through December 31, 2012, in accordance with the interim fees and terms established by the BMI rate court in its two (2) Interim Fee Orders on Consent, dated August 3, 2005 and October 17, 2006, issued in the rate court proceedings *Broadcast Music, Inc. v. WPIX, Inc., et al*, No. 05 Civ. 6501 (LLS) (S.D.N.Y). All fees paid for this period shall be considered final, subject to BMI’s right to audit and collection of unreported, unpaid, disputed or otherwise outstanding fees for any month during this period, including any late payment fees.

(b) LICENSE FEES FOR JANUARY 1, 2013 THROUGH DECEMBER 31, 2017. In consideration of the license herein granted for the period from January 1, 2005 through December 31, 2017, LICENSEE agrees to pay BMI, its allocable share of the agreed to annual industry-wide blanket license fees of \$78,650,000, as allocated under the formula attached as Schedule I to Exhibit A. For each month during this period, LICENSEE shall pay one-twelfth (1/12) of the Station's annual blanket license fee, payable no later than the first calendar day of the month succeeding the month to which such fee is attributable.

(c) If any payment due hereunder is not received by BMI in the twenty (20) days following the date on which such 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.

(d) The payment provisions of this Paragraph 4 shall not apply in circumstances in which LICENSEE is unable to submit a payment within the specified time period due to "force majeure" (e.g., earthquake, hurricane, flood). In such circumstances, LICENSEE agrees to submit any payments owed within a reasonable time period after LICENSEE is able to resume normal operations.

#### 5. MUSIC PERFORMANCE REPORTS.

(a) BROADCAST TELEVISION REPORTS. LICENSEE, upon written request from BMI made on notice of not less than four (4) weeks specifying the period to be covered, agrees to furnish (on forms to be supplied by BMI and/or available on BMI's web site) reports of LICENSEE's Television Broadcasting performances by Station of all musical works, indicating the works performed by title and composer or by such other convenient method as may be designated by BMI. In no event shall such reports be furnished for more than one (1) week of each calendar year of the term. It is expressly understood that, with respect to any Syndicated Television Programs, LICENSEE's obligation to report music data to BMI under this Subparagraph shall be limited to providing BMI with the title and episode name or number of such Syndicated Television Program(s); if no cue sheet is available, LICENSEE shall cooperate with BMI in attempting to obtain such cue sheets and/or in providing BMI with access to a tape or recording of the Syndicated Television Program involved. In addition to these reports, LICENSEE shall provide a list of its Non-Network Announcements for the week (e.g., traffic reports); LICENSEE may redact any revenue or financial information from this list, provided that the list includes the name of the commercial, the dates and number of times it was broadcast and the ISCI code number for the commercial.

6. 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 under this Agreement of any works in the BMI repertoire that are licensed hereunder; 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 that is not contained in the BMI repertoire at the time of performance by Station or that is the subject of a written notice of withdrawal in accordance with Paragraph 8 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 Station during the term of this Agreement.

7. 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 6 above.

8. 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.

9. ASSIGNMENT. This license shall be non-assignable except to the person, firm or corporation acquiring the Federal Communications Commission license of Station, 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.

#### 10. 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, 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 the 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 them is not properly dealt with under the terms of this Subparagraph.

11. **TERMINATION BY LICENSEE.** LICENSEE shall have the right to terminate this Agreement, upon ten (10) 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 Station for a substantial period of time.

12. **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.

13. **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.

14. **PER PROGRAM LICENSE AND ADJUSTABLE FEE BLANKET LICENSE.** LICENSEE acknowledges that the BMI Local Television Station Per Program License for the



term commencing January 1, 2005 and ending December 31, 2017 (the “**Per Program License**”) is being offered to LICENSEE simultaneously with this Agreement and LICENSEE is hereby electing this Agreement instead thereof. LICENSEE further acknowledges that the BMI Local Television Station Adjustable Fee Blanket License (the “**Adjustable Fee Blanket License**”) will be offered commencing on July 1, 2014. LICENSEE may hereafter elect to change from a Blanket License to a Per Program License as of the first day of a calendar month, prospectively on prior written notice to BMI (an “**Election**”). Beginning on July 1, 2014 LICENSEE may make an Election to change from a Blanket License to an Adjustable Fee Blanket License. By making an Election, LICENSEE agrees to all terms of the elected agreement. Thereafter LICENSEE may switch back to the Blanket License in accordance with the provisions of the Per Program License or the Adjustable Fee Blanket License. An Election to change between this Agreement and the Per Program License or the Adjustable Fee Blanket License may be made by LICENSEE not more than twice in any calendar year.

15. 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.

16. 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 the 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 elects, 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.

17. 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.

18. 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 and per program license fees and terms for the local television industry, or, in BMI's case, as to any other licensee.

19. 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. 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><b>BROADCAST MUSIC, INC.</b></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><b>LICENSEE</b></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

## EXHIBIT A

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

EXHIBIT A

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

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 years<sup>1</sup>. 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 Nielsen<sup>2</sup> is to be “weighted” as follows:

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<sup>1</sup> 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.

<sup>2</sup> 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)).<sup>3</sup> Station Qualified Viewing

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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.

<sup>3</sup> 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).<sup>4</sup>

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

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<sup>4</sup> 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

**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 [ ]