

SCHEDULE A TO LMA

LMA Fee

During the Term, Programmer shall pay Licensee a monthly fee (the “Monthly LMA Fee”) of eighty-five percent (85%) of the monthly budgeted Broadcast Cash Flow (defined below) for the current month, plus reimbursement of Licensee’s Operating Expenses (as defined below) and Employee Expenses (as defined below). As used herein, “Broadcast Cash Flow” means net cash income from the operations of the Stations (before interest, taxes, depreciation and amortization), determined in accordance with generally accepted accounting principles consistently applied.

For purposes of this Agreement, “Operating Expenses” shall include the following:

1. All costs for rent, utilities, and maintenance applicable to or required for the Stations’ main studios incurred by Licensee;
2. All costs for rent, utilities, or maintenance applicable to or required for the Stations’ transmitter sites and transmission systems;
3. All costs for repairs, replacements or capital improvements made to the Stations’ transmitter sites, transmission systems or main studio (“Improvements”) which Programmer and Licensee have agreed Licensee will undertake. In the event the Closing under the Purchase Agreement does not occur for any reason other than Programmer’s breach of the Purchase Agreement, Licensee shall have the option to purchase the Improvements from Programmer at prices and on terms that are mutually satisfactory to the parties;
4. Insurance premiums for (a) property and casualty insurance for the Stations’ studio and transmitting equipment, (b) general liability insurance and (c) automobile insurance;
5. Except for any costs and expenses related to the actions to be completed by Licensee set forth on Schedule 1.1(a) of the Purchase Agreement, all costs and expenses (including regulatory fees and filing fees, but excluding legal costs) incurred in connection with the Stations’ compliance with FCC rules and regulations; and
6. Any other necessary, customary and historical operating costs required to be paid by Licensee to maintain the Stations’ broadcast operations in accordance with FCC rules and policies and applicable law, consistent with past practice.

The Monthly LMA Fee shall be paid in immediately available funds, with the first payment being due on the LMA Commencement Date and each subsequent payment due in advance on the first day of each calendar month during the Term. The Monthly LMA Fee shall be prorated for any partial month. Except for the Monthly LMA Fee, and the Operating

Expenses and Employee Expenses (both of which shall be reimbursed by Programmer to Licensee on a monthly basis within twenty (20) days after Licensee submits to Programmer an invoice with reasonable supporting expense documentation), Programmer is not obligated to reimburse any other expenses of Licensee. As used herein, “Employee Expenses” means the base salary, commissions and benefits owed to Licensee Employees, including but not limited to, insurance premiums (*i.e.*, medical, dental, life disability, LTD), sales and talent commissions, payroll taxes (*i.e.*, FICA, FUTA, SUTA, and similar employment taxes), worker’s compensation, pension contributions and any other fringe benefits in effect as of the LMA Commencement Date (*i.e.*, parking, transportation, phones), provided that such expenses are incurred by Licensee in the ordinary course of business.