

OPERATING EXPENSES

During the Term, Programmer shall reimburse Licensee the amount of the reasonable expenses (“Reimbursed Expenses”) that Licensee actually incurs, including but not limited to the following:

1. Licensee Employee Expenses;
2. Transmitter Site Expenses;
3. Studio Site Expenses;
4. Income, gross receipts, excise, real estate, personal property and sales taxes related to the ownership of Licensee’s assets or the Stations’ programming;
5. Insurance premiums designed to cover loss or damage to the Stations’ facilities as well as general liability insurance; notwithstanding the foregoing, Programmer and Licensee agree that Programmer shall have no responsibility whatsoever to make any payment associated in any way with the recent increase in premium (approximately \$3,800 more than had previously been disclosed to Programmer)
6. License Expenses;
7. Annual FCC regulatory fees incurred during the Term, on a *pro rata* basis, beginning on the Commencement Date; and

Licensee shall deliver a statement in reasonable detail with back-up documentation for all such Reimbursed Expenses. Provided Licensee has delivered to Programmer such a statement and documentation, Programmer shall reimburse to Licensee such documented Reimbursed Expenses by the seventh (7<sup>th</sup>) day of each calendar month.

License Expenses shall include, but are not limited to, FCC application fees for call sign changes, license applications, auxiliary and studio-transmitter link applications, renewal applications, and regulatory fees relating to the Station. Reimbursable legal fees of Licensee shall be only those fees incurred by Licensee for the review and filing of necessary applications, responses to FCC inquiries and submissions to the FCC required by the Communications Laws and which are reasonably required and/or customary in FCC practice to obtain and maintain the FCC Licenses for the Station (and not any other stations licensed to Licensee, and excluding FCC ownership reports).