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To: All Clients

May 28, 2008

FCC ANNOUNCES FISCAL YEAR 2008 REGULATORY FEE PROPOSALS

The FCC recently released a *Notice of Proposed Rulemaking and Order*, which included a proposed schedule of annual regulatory fees for fiscal year 2008, and seeks comments on ways to improve its administrative processes for collecting payments. The proposed table of regulatory fees is attached to the end of this memorandum. Fees will likely be due in late August or early September, 2008, on a date to be set after the FCC has received comments on the proposed fee schedule.

The FCC seeks comments on several regulatory fee issues, including whether licensees that continue to operate both an AM expanded band station and its corresponding core channel station should be required to pay regulatory fees for both stations. Currently, no regulatory fee is assessed for expanded band stations; however, the FCC stressed that its decision not to charge regulatory fees for expanded band stations was not a permanent exemption from regulatory fees for the expanded band service. Comments are due by May 30, 2008, and reply comments are due by June 6, 2008.

The FCC proposes to continue mailing fee assessments to broadcast station licensees at the mailing address listed in the FCC's CDBS database, and regulatory fee bills via surface mail to space station licensees. Broadcast licensees of less than four facilities have, in the past, received individual fee assessment postcards for each of their facilities, whereas

licensees of four or more facilities received a single assessment letter that lists all of their facilities and the associated regulatory fee obligation for each facility.

The FCC urges licensees to pay their regulatory fees electronically using its "Fee Filer" software, which is available on the FCC's website. For licensees paying by check, the Commission noted that U.S. Bank in St. Louis, Missouri is its new lock box bank. Regulatory fees paid by check must be remitted to Federal Communications Commission, Regulatory Fees, P.O. Box 979084, St. Louis, MO 63197-9000. The FCC also advised that it has a new bank for receiving wire payments. Instructions for making wire payments are posted at www.fcc.gov/fees/wiretrans.html. Late regulatory fee payments will be subject to a 25% late fee.

Additional information concerning the payment of 2008 regulatory fees is available on the FCC's website at www.fcc.gov/fees/regfees.html. We will provide an updated memorandum with the final schedule and payment deadlines once the FCC has released its final order.

If you have any questions concerning the fee payment procedures, or if you wish to comment on the proposed fee schedule, please contact any attorney in our office.

Leventhal Senter & Lerman PLLC

This memorandum is intended only as a general discussion of these issues and should not be regarded as legal advice. We would be pleased to provide additional details or advice about specific situations if desired. To discuss any of the issues presented here, please contact any attorney in our office.

Fee Category	2008 Regulatory Fee
AM Radio Construction Permits	\$450
FM Radio Construction Permits	\$560
TV (47 CFR part 73) VHF Commercial	
Markets 1-10	\$69,400
Markets 11-25	\$50,850
Markets 26-50	\$34,900
Markets 51-100	\$21,025
Remaining Markets	\$5,600
Construction Permits	\$5,600
TV (47 CFR part 73) UHF Commercial	
Markets 1-10	\$21,450
Markets 11-25	\$20,475
Markets 26-50	\$11,575
Markets 51-100	\$6,850
Remaining Markets	\$1,865
Construction Permits	\$1,875
Satellite Television Stations (All Markets)	\$1,175
Construction Permits – Satellite Television Stations	\$595
Low Power TV, TV/FM Translators & Boosters (47 CFR part 74)	\$365
Broadcast Auxiliaries (47 CFR part 74)	\$10
CARS (47 CFR part 78)	\$205
Cable Television Systems (per subscriber) (47 CFR part 76)	\$.80
Broadband Radio Service (formerly MMDS/MDS) (per license) (47 CFR part 21)	\$295
Local Multipoint Distribution Service (per call sign) (47 CFR, part 101)	\$295
Interstate Telecommunication Service Providers (per revenue dollar)	\$.00317
Earth Stations (47 CFR part 25)	\$195
Space Stations (per operational station in geostationary orbit) (47 CFR part 25) also includes DBS Service (per operational station) (47 CFR part 100)	\$119,300
Space Stations (per operational system in non-geostationary orbit) (47 CFR part 25)	\$125,750

Fee Category	2008 Regulatory Fee
International Bearer Circuits (per active 64KB circuit)	\$1.09
International Public Fixed (per call sign) (47 CFR part 23)	\$2,025
International (HF) Broadcast (47 CFR part 73)	\$860
CMRS Mobile/Cellular Services (per unit) (47 CFR parts 20, 22, 24, 27, 80 and 90)	\$.17
CMRS Messaging Services (per unit) (47 CFR parts 20, 22, 24 and 90)	\$.08

FY 2008 RADIO STATION REGULATORY FEES						
Population Served	AM Class A	AM Class B	AM Class C	AM Class D	FM Classes A, B1 & C3	FM Classes B, C, C0, C1 & C2
<=25,000	\$650	\$500	\$450	\$525	\$600	\$775
25,001 – 75,000	\$1,325	\$1,025	\$650	\$775	\$1,225	\$1,375
75,001 – 150,000	\$1,975	\$1,275	\$875	\$1,300	\$1,675	\$2,550
150,001 – 500,000	\$2,975	\$2,175	\$1,325	\$1,550	\$2,600	\$3,325
500,001 – 1,200,000	\$4,300	\$3,325	\$2,200	\$2,575	\$4,125	\$4,900
1,200,001 – 3,000,00	\$6,600	\$5,100	\$3,300	\$4,125	\$6,700	\$7,850
>3,000,000	\$7,925	\$6,125	\$4,175	\$5,150	\$8,550	\$10,200