

Stephens Media Group Spokane

STATEMENT OF POLICY ON POLITICAL ADVERTISING

It is the intention of STEPHENS MEDIA GROUP - SPOKANE (KBBD FM, KDRK FM, KEYF FM, KZBD FM, KJRB AM and KGA AM) to comply fully with all applicable laws and regulations relating to the use of the station by legally qualified candidates for public office. Our policies regarding political broadcasting are designed to meet all legal requirements. However, to the extent permitted by law, STEPHENS MEDIA GROUP - SPOKANE reserves the right to modify this policy at any time. This policy is provided for general information, and is not intended to be a part of any advertising contract. Any advertising contract is governed by law and by its own terms.

CANDIDATES FOR FEDERAL OFFICE: We afford legally qualified candidates for federal elective office reasonable access to STEPHENS MEDIA GROUP - SPOKANE by permitting the purchase of reasonable amounts of time for the use of STEPHENS MEDIA GROUP - SPOKANE. While STEPHENS MEDIA GROUP - SPOKANE does not offer *free* time for political advertising, it makes available for purchase by federal candidates any class of time and time period available to commercial advertisers. Federal candidates may purchase any length of time that STEPHENS MEDIA GROUP - SPOKANE has offered to commercial advertisers during the year preceding the relevant pre-election period, as well as any length of time that the station has programmed in the year preceding the election. STEPHENS MEDIA GROUP - SPOKANE has no predetermined limitations on the amount of time a federal candidate may purchase or on the time of day in which his/her announcements may appear.

STATE AND LOCAL RACES: It is the policy of STEPHENS MEDIA GROUP - SPOKANE to keep its listeners informed of opposing candidates' viewpoints in state and local elections. Generally, STEPHENS MEDIA GROUP - SPOKANE also sells air time to legally qualified candidates for non-federal public office. However, STEPHENS MEDIA GROUP - SPOKANE reserves discretion to determine the amount of advertising that it will sell to state and local candidates. Some of the factors we consider in making these decisions include the number and importance of state and local races, the constraints imposed by STEPHENS MEDIA GROUP - SPOKANE's obligations to afford reasonable access to federal candidates, the availability of inventory, and potential programming disruption. STEPHENS MEDIA GROUP - SPOKANE may choose not to sell time at all for certain state and local races, or to limit the sale of time to state and local candidates to certain programs or dayparts.

RATES FOR CANDIDATES: Because the prices of spots on STEPHENS MEDIA GROUP - SPOKANE are subject to change, the lowest unit charge for a particular length of spot, class of spot and time period may also vary during the 45-day and 60-day pre-election periods. In the event any legally qualified political candidate is charged in excess of the applicable lowest unit charge, whether because of a post-order change in the applicable lowest unit charge or for any other reason, STEPHENS MEDIA GROUP - SPOKANE will rebate the excess payment to the candidate, or credit that amount toward a further time purchase should the candidate so desire.

At times when the lowest unit charge is not applicable, the charges for use of STEPHENS MEDIA GROUP - SPOKANE by legally qualified candidates may not exceed the charges made for comparable use of STEPHENS MEDIA GROUP - SPOKANE by other advertisers.

Lowest unit charges during the pre-election periods apply only to *"uses" by legally qualified candidates*. A "use" is defined as "any positive broadcast of a candidate's voice or picture." Lowest unit charge does not apply to third party or independent expenditure advertising, even if the advertisement constitutes a "use," unless the advertisement is authorized by the candidate. The "use" must be sponsored by the candidate (or if not sponsored by the candidate, must be authorized by the candidate) to qualify for the lowest unit charge.

AGENCY PLACEMENT AND DIRECT PLACEMENT: In compliance with Federal regulations, a candidate that places a schedule direct, and not through a recognized advertising agency, is entitled to a 15% discount on the gross amount spent on the station.

TYPES OF ADVERTISING SCHEDULES: We are pleased to work with candidates and their representatives to ensure that the candidate is aware of and is able to make any purchase of time available to commercial advertiser, according to the schedule the candidate believes would be most advantageous. It is our policy to assist candidates in making informed judgments as to their time purchase by alerting them to the full range of options available. For that purpose, we provide the following information on the various types of purchase STEPHENS MEDIA GROUP - SPOKANE's advertisers may make:

> **Length of Announcements:** Generally, STEPHENS MEDIA GROUP - SPOKANE makes available for purchase air time in the following lengths: 60 seconds and 30 seconds. As stated above, STEPHENS MEDIA GROUP - SPOKANE will make other lengths of time available to candidates for federal office if STEPHENS MEDIA GROUP - SPOKANE has offered such lengths to commercial advertisers during the year preceding the election.

> **Classes of Time:** Generally, STEPHENS MEDIA GROUP - SPOKANE makes available the following class of time:

Non-Preemptible: These spots are guaranteed to air at the scheduled time or during a set time period, except in the event of unforeseen program changes or technical difficulties. Fixed spots constitute STEPHENS MEDIA GROUP - SPOKANE's highest priced class of time.

Preemptible with Notice: These spots carry the risk of being preempted in order to run other spots, whether fixed or preemptible, for which a higher price is paid. Spots of this level are generally preempted only to run fixed spots purchased by another advertiser. The likelihood of clearance of this level of preemptible spot, therefore, is relatively high.

Immediately Pre-emptible: These spots are not guaranteed to run, and may be preempted without notice. These spots are sold to commercial advertisers with the understanding that they will run, unless the station sells out its inventory in a particular daypart or rotation. Accordingly, the probability of clearance varies constantly based on supply and demand. Whether a spot will be pre-empted depends on the price of a spot, length of flight and makeup of the scheduled purchased.

> **Current rate information** for all of the length, and classes of time, offered by STEPHENS MEDIA GROUP - SPOKANE is provided to each person who requests information regarding political advertising on STEPHENS MEDIA GROUP - SPOKANE. In addition to the current "going rates," the station also will provide its best, good faith estimate of the lowest unit rates upon any request for information.

> **Make Goods:** It is the policy of STEPHENS MEDIA GROUP - SPOKANE to offer all political candidates "make goods," prior to the election, for candidate "use" spots that are preempted if STEPHENS MEDIA GROUP - SPOKANE has offered time-sensitive make goods for the same class of time to any commercial advertiser within the past year. STEPHENS MEDIA GROUP - SPOKANE cannot guarantee, however, that time-sensitive make goods can be provided in the time period or rotation originally ordered. If inventory constraints make identical scheduling impossible, STEPHENS MEDIA GROUP - SPOKANE will offer make goods of equivalent value. If these are not acceptable to the candidate, STEPHENS MEDIA GROUP - SPOKANE will provide credits or refunds for preempted spots.

> **News and Election Day:** STEPHENS MEDIA GROUP does not accept political advertising during newscasts. RADIO SPOKANE does not have a news adjacency class of time. STEPHENS MEDIA GROUP does accept political advertising on Election Day.

PREREQUISITES TO BROADCAST: For each political time order, an NAB political broadcast form must be at STEPHENS MEDIA GROUP - SPOKANE or STEPHENS MEDIA GROUP - SPOKANE's representatives' office at least 72 hours prior to broadcast. Copies of the current NAB form are available upon request. Tapes must be at STEPHENS MEDIA GROUP - SPOKANE at least 24 hours in advance of their first scheduled airing, or no later than close of business Thursday for weekend airing. However, we will do our best to accommodate federal candidates' requests for reasonable access regardless of notice.

SPONSORSHIP IDENTIFICATION: Under the rules of the Federal Communications Commission and the Federal Election Commission, a sponsorship identification announcement must be given revealing who paid for or sponsored an announcement or program. Candidates and their committees (or an outside party paying for the broadcast) must disclose the true identity of the person or entity by whom or on whose behalf payment is made. If an outside party is involved, the identification must state whether the announcement was authorized by a candidate or his/her committee. **If a political announcement does not contain proper sponsorship identification, the station is required to insert the required sponsorship identification before allowing the spot to air. Since all advertisements must be limited to the amount of time purchased, spots lacking**

the required identification may be partially overdubbed. If STEPHENS MEDIA GROUP - SPOKANE is required to perform such production, normal production charges will be assessed.

PREPAYMENT AND CREDIT: All political orders, whether direct from the candidate or through a recognized advertising agency, are subject to normal STEPHENS MEDIA GROUP - SPOKANE credit policies. Candidates who wish to apply for credit should allow ample time for processing of the credit application. Unless credit is extended, advance payments must be made at least seven (7) days prior to the first scheduled broadcast of the flight. Federal candidates cannot be required to pay more than seven (7) days in advance. Regardless of these policies, we will do our best to meet the reasonable needs of federal candidates for access immediately before the election.

PRODUCTION FACILITIES: STEPHENS MEDIA GROUP - SPOKANE will make its production facilities available to candidates and their representatives. All inquiries or requests concerning production time and facilities should be made through your sales representative or STEPHENS MEDIA GROUP - SPOKANE's production department. Production rates are established on an hourly basis and can be affected by the type and amount of equipment and personnel required for a particular job.

POLITICAL FILE: We maintain a political file of all requests for broadcast time made by or on behalf of candidates for public office, together with materials showing the disposition made by STEPHENS MEDIA GROUP - SPOKANE of each such request, any charges made if the request was granted, and the lengths, classes, and dayparts purchased. The political file is available for public inspection during regular business hours at STEPHENS MEDIA GROUP - SPOKANE's main studio. We retain the records in our political file for a period of two years. If you have any questions about our political file, please do not hesitate to ask.

LIST OF OFFICERS AND DIRECTORS REQUIRED: STEPHENS MEDIA GROUP - SPOKANE requires a committee, association, or group that is purchasing political advertising to furnish STEPHENS MEDIA GROUP - SPOKANE with a list of its chief executive officers, members of its executive committee, or members of its board of directors. Such lists must be furnished before STEPHENS MEDIA GROUP - SPOKANE will grant a request for time. These lists will be available for public inspection at STEPHENS MEDIA GROUP - SPOKANE's main studio during regular business hours. These records will be retained in the political file for two years.

PLACING ORDERS: The following people are available to assist candidates with their radio advertising on STEPHENS MEDIA GROUP - SPOKANE:

Karen Dineen
Market Manager - Spokane
(509) -444-6751