## Gold Coast Broadcasting LLC KCAQ FM, KFYV FM, KUNX AM, KVTA AM, KKZZ AM Operated by Point Broadcasting LLC

## STATEMENT OF POLICY ON POLITICAL ADVERTISING

It is the intention of Gold Coast Broadcasting Company and its Stations KCAQ FM, KFYV FM, KUNX AM, KKZZ AM and KVTA AM (hereinafter "Gold Coast" or "Gold Coast's Stations") 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, Gold Coast 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 Gold Coast's Stations by permitting the purchase of reasonable amounts of time for the use of the Stations. While Gold Coast 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 Gold Coast 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. Gold Coast 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.

Gold Coast intends to work individually with each federal candidate in an effort to meet his or her needs. In determining what constitutes "reasonable" access, we consider such factors as the amount of time the candidate has already purchased and/or used, the total number of candidates in the race who are likely to buy time, the overall demand for political advertising on Gold Coast's Stations, and potential programming disruption.

STATE AND LOCAL RACES. It is the policy of Gold Coast to keep its listeners informed of opposing candidates' viewpoints in state and local elections. Generally, Gold Coast also sells air time to legally qualified candidates for non-federal public office. However, Gold Coast 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 Gold Coast's obligation to afford reasonable access to federal candidates, the availability of inventory, and potential programming disruption. Gold Coast 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.** During the period 45 days preceding a primary or primary run-off election and during the period 60 days preceding a general or special election, the charges for use of Gold Coast's Stations by legally qualified candidates running in that election are not, under federal law, permitted to exceed the lowest unit charge of each of the Stations for the same class and length of announcement for the same time period. Whether a candidate is

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entitled to the lowest unit charge for a particular spot depends on the date the spot airs -- not when the order is accepted.

Because the prices of spots on Gold Coast's Stations 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, Gold Coast 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 Gold Coast's Stations by legally qualified candidates may not exceed the charges made for comparable use of the Stations 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 lowest unit charge.

AGENCY PLACEMENT AND DIRECT PLACEMENT. Except for spots sold by the Stations' rep firms, the lowest unit charge is based on the net to Gold Coast. Thus, for example, if one of the Stations' commissionable lowest unit charge for a particular advertisement is \$100, and a recognized agency books a spot on behalf of a legally qualified candidate who is entitled to the lowest unit charge, Gold Coast will net \$85 from the sale of that spot (\$100 less the normal 15% agency commission). Gold Coast's lowest unit charge for a spot on the Station of the same class, length and time period will therefore be \$85 for candidates who wish to make a "direct" buy.

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 advertisers, 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 purchases by alerting them to the full range of options available. For that purpose, we provide the following information on the various types of purchases Gold Coast's advertisers may make:

- Length of Announcements. Generally, Gold Coast makes available for purchase air time in the following lengths: 60 seconds and 30 seconds. Our rates are based on a 60-second spot. The rate for a 30-second spot is 80% of the 60-second spot rate. The rate for a 15-second spot is half the 30-second spot rate, and so on. As stated above, Gold Coast will make other lengths of time available to candidates for federal office if Gold Coast has offered such lengths to commercial advertisers during the year preceding the relevant pre-election period, or if Gold Coast has aired programs of such lengths in the year preceding the election.
- Classes of Time. Generally, Gold Coast makes available only fixed (non-pre-emptible) time. 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.

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- Audience Delivery Guarantees. From time to time, Gold Coast sells advertising to its clients with a guarantee that the audience level for the programs or dayparts in which the spots are aired will meet or achieve a pre-designated level. In such instances, where the guaranteed audience level is not achieved, the station provides the advertiser with free make good spots to make up the shortfall. Legally qualified candidates may purchase advertising on this basis. Candidates are advised, however, that in most cases the ratings information necessary to determine whether a guaranteed audience level has been achieved will not be available until after the election.
- Current rate information for all of the lengths, classes of time, packages, and rotators offered by Gold Coast is provided to candidates or their authorized representatives who request information regarding political advertising on Gold Coast's Stations. In addition to the current "going rates," the Gold Coast also will provide its best, good faith estimate of the lowest unit rates upon any such request for information.
- Make Goods. It is the policy of Gold Coast to offer all political candidates "make goods," prior to the election, for candidate "use" spots that are preempted if Gold Coast has offered time-sensitive make goods for the same class of time to any commercial advertiser within the past year. Gold Coast 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, Gold Coast will offer make goods of equivalent value. If these are not acceptable to the candidate, Gold Coast will provide credits or refunds for preempted spots.
- News and Election Day. Gold Coast does not accept political advertising during newscasts. Gold Coast does have a news adjacency class of time. Gold Coast does accept political advertising on election day.

**PREREQUISITES TO BROADCAST.** For each political time order, an NAB political broadcast form must be at Gold Coast or Gold Coast's representative's office at least 72 hours prior to broadcast. Copies of the current NAB form are available upon request. Tapes must be at Gold Coast 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 Gold Coast 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 Gold Coast credit policies. Candidates who wish to apply for credit should allow ample time for processing of the

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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.** Gold Coast will make its production facilities available to candidates and their representatives Monday through Friday from 10:00 AM to 5:00PM. All inquiries or requests concerning production time and facilities should be made through your sales representative or Gold Coast'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 Gold Coast 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 Gold Coast'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. Gold Coast requires a committee, association, or group that is purchasing political advertising to furnish Gold Coast 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 Gold Coast will grant a request for time. These lists will be available for public inspection at Gold Coast's main studio during regular business hours. These records will be retained in the political file for two years.

**PLACING ORDERS.** The following persons are available to assist candidates with their radio advertising on Gold Coast Broadcasting LLC:

Chip Ehrhardt, CRO, MRM

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