



**POLITICAL ADVERTISING
DISCLOSURE STATEMENT**

OF

**STATION
KCRA-TV, CHANNEL 3,
SACRAMENTO-STOCKTON-MODESTO, CALIFORNIA**

March 10, 2014

Section 1
INTRODUCTION

We wish to thank you for your interest in purchasing political advertising on Station KCRA-TV. It is our desire to furnish you complete information concerning our various advertising rates, policies, plans and packages and to assist you in making an informed decision concerning the purchase of advertising on our Station. This Disclosure Statement ("Disclosure Statement") is being provided to you for that purpose.

Should you have any questions concerning this Disclosure Statement, please let us know. We realize that the purchase of broadcast advertising time may be complex. We will be pleased to respond to your questions and to clarify, upon request, our various rate plans, sales packages and policies. We encourage you to inquire. All inquiries should be directed to:

Laura Williamson
General Sales Manager
KCRA-Channel 3
3 Television Circle
Sacramento, CA 95814
(916) 325-3721

Section 2
EQUAL OPPORTUNITY

The Station will afford "equal opportunity" as determined by the Federal Communications Commission ("FCC") for "uses" of the station's broadcast facility by all legally qualified candidates for the same office.

For purposes of the "equal opportunity" requirement, a "use" is defined as any nonexempt appearance by a candidate on the station's broadcast facility in which the candidate's voice or likeness is identified or identifiable. Some candidate appearances, in news, news interviews, news documentaries, and involuntarily in the ads of opposing candidates do not normally qualify as a "use" and those appearances may be exempt from the "equal opportunity" law.

Section 3
ADVERTISING RATES

It is our policy and practice to comply with all applicable FCC requirements with respect to rates charged by our station for political advertising. Thus, within the meaning of the FCC's rules, it is our policy to extend for the "use" of the Station's broadcast facility by "legally qualified candidates" during the "lowest unit charge period"—which is the forty-five (45) day period prior to a primary election and the sixty (60) day period prior to a general election—the "lowest unit charge" that the Station extends to its most favored commercial advertisers for purchase of the same class and amount of time for the same period. And we extend for the "use" of the Station's broadcast facility by "legally qualified" candidates *outside* the applicable 45/60 day "lowest unit charge" periods, advertising rates that are comparable to rates we charge to commercial advertisers for comparable uses.

Please note that advertising (1) which does not include an appearance by the candidate in which the candidate's voice or likeness is identified or is identifiable; (2) which is not purchased by the candidate or the candidate's campaign committee or authorized agent; or (3) which is otherwise exempt by law does not constitute a "use." Such advertising, therefore, would not qualify for the "lowest unit charge."

It should be noted that the meaning of the term "use" in connection with the "lowest unit charge" requirement differs from the definition of a "use" for purposes of the "equal opportunity" requirement. For example, please see the definition of a "use" in Section 2.

Finally, *federal* candidates must meet the requirements of the Bipartisan Campaign Finance Reform Act of 2002 ("BCRA") to qualify for the lowest unit charge. All contracts entered into with federal candidates seeking the lowest unit charge are subject to compliance with the following conditions:

(a) To receive the lowest unit charge during the applicable 45-day/60-day political windows, a candidate for *federal* office must provide a written certification to the Station stating that his or her advertisements will not mention any opponent unless at the end of such advertisement there appears simultaneously, for a period no less than 4 seconds—(i) a clearly identifiable photographic or similar image of the candidate; and (ii) a clearly readable printed statement, identifying the candidate and stating that the candidate has approved the broadcast and that the candidate’s authorized committee paid for the broadcast. Such certifications shall be provided and certified as accurate by the candidate (or any authorized committee of the candidate) at the time of purchase.

(b) Where a federal candidate has supplied the above-referenced certificate, any ads submitted by that candidate must, in fact, comply with the certificate in order to receive the lowest unit charge. In the event that a federal candidate’s ad does not comply with the above-referenced certificate, that candidate will not be eligible for the lowest unit charge for any ads placed during any remaining lowest unit charge windows.

Notwithstanding the foregoing, and to the extent allowed by law, the Station reserves the right, in its sole discretion, to extend the lowest unit charge to any use of the Station by any legally qualified candidate at any time.

Section 4

REASONABLE ACCESS BY FEDERAL CANDIDATES

Federal law affords candidates for federal office “reasonable access” to “use” a broadcast station’s facilities. We will afford “legally qualified” federal candidates, i.e., candidates for President, Vice President, U.S. Senate and U.S. House of Representatives, “reasonable access” for the “use” of our facilities.

Section 5

ACCESS BY NON-FEDERAL CANDIDATES

Candidates for state and local office will be afforded access to the Station’s facilities subject to the time demands of federal candidates and our overall advertising availabilities. The Station may find it necessary not to accept or to limit the amount and class of advertising by certain candidates for state and local offices.

Section 6

HOW OUR ADVERTISING IS SOLD

Our advertising rates are negotiated and established on an individual basis with each advertiser, and the rates vary depending on the class of time and overall market conditions and advertiser demand at the time the order is placed. These demand-driven rates will be extended to all political candidates to whom we sell advertising.

We offer to all advertisers the following classes of time: (1) Non-preemptible (or “fixed”), (2) Preemptible with Notice, (3) Immediately Preemptible and (4) Broad Rotations. A description and definition of each class follows:

1. Non-Preemptible or Fixed Announcements. These announcements are broadcast at an agreed-upon rate, at a specific time, or within a specific program. They are the most expensive class of time sold by the Station. These announcements will not be preempted by an advertiser offering a higher rate.
2. Preemptible With Notice. These announcements are subject to preemption only upon prior notice to the advertiser. Preemptible with Notice announcements are superior in terms of preemption and make goods to Immediately Preemptible announcements, but subordinate to Non-Preemptible Announcements. At current selling levels, we estimate that this class of time will be preempted approximately twenty-five percent (25%) of the time. The likelihood of preemption is a function of a number of factors including demand and supply. We will, upon request, provide you with a more current estimate of the likelihood of preemption when your order is placed.
3. Immediately Preemptible. These announcements are scheduled to be broadcast at a specific time but may be preempted at any time if another advertiser desires to buy a higher class of time by paying a higher price. These announcements carry the risk of preemption by all classes of time sold by the Station and, consequently, are the least expensive of all classes of time offered by the Station. At current selling levels,

we estimate that this class of announcements will be preempted approximately fifty percent (50%) of the time. The likelihood of preemption is a function of a number of factors including demand and supply. We will, upon request, provide you with a more current estimate of the likelihood of preemption when your order is placed.

4. **Broad Rotations.** These announcements run during broad, negotiated time periods. They are scheduled at the discretion of the station and run only if any of the individual time periods included in the negotiated rotation are not sold out. KCRA does not guarantee any specific or balanced rotation or placement of these spots. All spots purchased in specific time periods (those in Sections 1, 2 or 3) will take precedence over "broad rotation" spots regardless of rate. The likelihood of preemption is a function of a number of factors including demand and supply. We will, upon request, provide you with a more current estimate of the likelihood of preemption when your order is placed.

Section 7
TIME UNITS AVAILABLE

We sell spot advertising time to candidates in 5, 10, 15, 30, 60 and 120 second units.

Although we do not routinely sell time in units of more than 120 seconds duration, requests by political candidates to purchase longer form program time will be evaluated on a case-by-case basis. We request that you inquire of us if you are interested in purchasing longer form program time, and we will review with you the availabilities and rates that would be applicable both outside and within the "lowest unit charge" periods.

Federal candidates will be afforded "reasonable access" to all time units, and all candidates for the same office will be assured "equal opportunity" in the placement, purchase and amount of time.

Section 8
**PREEMPTION PRIORITY FOR
THE SAME CLASS OF TIME**

In the event our sale orders for the same class of announcements for the same time period should exceed the Station's available inventory, we will, subject to the "reasonable access" requirements for federal candidates, establish a scheduling priority for the announcements on the following basis:

1. Outside the "lowest unit charge" periods priority will be given to the schedule of announcements purchased by the advertiser that has purchased, in the aggregate, the largest dollar volume of advertising. In the event two or more advertisers have purchased the same dollar volume, the advertiser whose order was purchased first will be afforded priority.
2. During the "lowest unit charge" periods, political advertisements qualifying for the "lowest unit charge" will be afforded scheduling parity with advertisements purchased by the Station's most favored commercial advertisers. In the event the purchase orders of a commercial and political advertiser should be considered equal under these criteria, a political advertiser will be afforded priority. In the event the purchase orders of two or more political advertisers should be considered equal under these criteria, the candidate whose order was placed first will be afforded priority.

For purposes of this provision, an ad will be considered "placed" when an order is accepted by the Station and payment is received.

Section 9
MAKE GOOD POLICY

In the event an Immediately Preemptible or Preemptible With Notice announcement is preempted, we will attempt to provide a "make good" announcement in a comparable time period. However, the Station cannot guarantee to any advertiser that a make good can be provided in the time period or rotation originally ordered. If inventory constraints preclude such identical scheduling, the Station will offer make goods of equivalent value in

time periods and/or rotations chosen by the Station in its discretion. If these equivalent value spots are not acceptable to the advertiser, the Station will provide credits or refunds for preempted spots.

Section 10

RATES OUTSIDE THE LOWEST UNIT CHARGE PERIODS

When the week covered by our current rate card falls outside of the forty-five (45) day period prior to a primary election or the sixty (60) day period prior to a general election, our current rate card contains, as of the effective date, the charges extended to our regular commercial advertiser for the various classes of time described above. These are the rates that are available to political advertisers outside the "lowest unit charge" periods.

Section 11

LOWEST UNIT CHARGE RATE

When the week covered by our current rate card falls within the forty-five (45) day period prior to a primary election or the sixty (60) day period prior to a general election, our current rate card contains, as of the effective date, the "lowest unit charge" rates for the various classes and units of time in the same time periods described above. Again, political advertisers should be aware that because our rates are negotiated with each advertiser and rise and fall based upon overall advertiser demand, these rates are subject to change. Moreover, it is not always possible to determine the "lowest unit charge" for any given week until all advertising for that week has been broadcast. Where appropriate, credit or rebates, as the advertiser may elect, will be issued.

Section 12

CURRENT RATES AND SELLING LEVELS

On a weekly basis the Station will update the rates quoted above and will, upon request, provide our current rates and current selling levels (i.e., estimated likelihood of preemption) to each advertiser. We encourage you to inquire of us each week so that the most current information may be furnished to you.

Section 13

AUDIENCE DELIVERY

While we will, upon request, attempt, in good faith, to estimate the audience rating for a specific advertising purchase, we do not guarantee that a particular advertising schedule will deliver that rating. We do not provide cash refunds or rebates to any commercial or political advertiser as the result of our failure to deliver an estimated audience rating. We will offer to run, in our discretion, bonus spots after an advertising schedule has been broadcast, if our rating information indicates that the Station delivered less than ninety percent (90%) of our estimated rating. The provision of such bonus advertisements, however, is not guaranteed; bonus amounts in these circumstances are subject to other time demands and availability and may not be offered in the same time periods as the original schedule.

Political advertisers should note that audience rating data may not be received until after an election. Therefore, a determination of the appropriateness of bonus advertising may not be made until after the election. Accordingly, any bonus advertising announcements that might be offered may be of no value to political advertisers. Rebates in these circumstances will not be made to political candidates because, as noted above, we do not make rebates to commercial advertisers for underdelivery of estimated audience ratings.

Section 14

PACKAGE PLANS

The station provides various commercial advertising package plans. Specific details and information regarding rotations and package plans are available upon request.

Section 15
PER INQUIRY AND DIRECT RESPONSE RATES

The station does not accept per inquiry advertising on KCRA. Specific details about direct response rates are available upon request.

Section 16
**NON-CASH MERCHANDISING AND
PROMOTIONAL ADVERTISER INCENTIVES**

The Station may offer various non-cash merchandising and promotional incentives to commercial advertisers. There are two instances where these incentives are not available to political advertisers: (1) where the value of such merchandise is de minimis or (2) where the non-cash incentive plans or promotions reasonably imply a relationship between the Station and the advertiser.

Section 17
AGENCY AND CANDIDATE COMMISSIONS

The Station customarily provides a fifteen percent (15%) discount for advertising purchases made by an advertising agency. Political candidates and authorized campaign committees who purchase time for a "use" during the "lowest unit charge" period without an advertising agency will be extended a fifteen percent (15%) discount.

Section 18
POLITICAL ADVERTISING DURING NEWS PROGRAMS

We accept political advertisements during network or local news programming.

Section 19
PRODUCTION CHARGES

Charges for the production of political advertising will not exceed comparable production charges made to commercial advertisers. If you are interested in having us produce a political ad, we encourage you to notify us and we will provide you with rate information. In order to prevent the appearance that our Station supports or favors any political candidate, we do not allow our on-the-air talent to appear in any political advertising.

Section 20
SEPARATION OF COMPETITIVE POLITICAL ADVERTISEMENTS

The Station does not promise or warrant that competitive announcements will be separated.

Section 21
SPONSORSHIP IDENTIFICATION

All political advertisements must fulfill sponsorship identification requirements established by the FCC. The identification must state that the broadcast is "sponsored, paid for or furnished by" the identified person on whose behalf the advertising is purchased. All television ads must contain a visual identification in letters equal to or greater than four percent (4%) of the vertical picture height (i.e., no less than 20 scan lines) for a period of not less than four (4) seconds. Should a candidate's ad not be submitted in sufficient time for a pre-airing review or not contain the proper identification, the Station will add the required material within the announcement. This may result in the content of the advertisement being truncated.

In addition, in order to receive the lowest unit charge during the applicable 45-day/60-day political windows, a candidate for *federal* office must comply with the disclosure requirements described above in Section 3.

Section 22
ORDERING DEADLINES

The Station's weekday ordering deadlines are as follows (Pacific Time):

Monday – prior Friday by 12pm
Tuesday – prior Monday by 12pm
Wednesday – prior Tuesday by 12pm
Thursday – prior Wednesday by 12pm
Friday – prior Thursday by 12pm

The Station's weekend ordering deadlines are as follows:

Saturday – prior Thursday by 12pm
Sunday – prior Friday by 12pm

In addition, the Station will provide personnel to be available for traffic changes the weekend prior to each election. Station will have a person on hand Saturday, May 31, 2014 from 9a-1p (PT) and Saturday, November 1, 2014 from 9a-1p (PT) for copy change purposes. Persons electing to revise traffic must do so by calling Stephanie Grant 530/908-1467 and faxing to (916)325-3731.

For any and all traffic changes we will need written faxed confirmation, in addition to oral change requests from appropriate campaigns. Additionally we will need to be provided with a call back number for station to confirm traffic.

The Station's regular ordering deadlines may be waived, where appropriate, to provide "equal opportunity" to political candidates or to provide federal candidates with "reasonable access." The Station's ordering deadlines are subject to change based on holiday schedules.

Section 23
BROADCAST OF POLITICAL ADS ON ELECTION DAY

It is our policy to broadcast political advertisements until 1pm on the day of an election. This policy may be waived, however, where appropriate to provide "equal opportunity" to political candidates or to provide federal candidates with "reasonable access."

Section 24
WHO TO CONTACT

Political advertisers interested in ordering time should contact:

Benny Ng (916) 325-3211

Section 25
TAPE SPECIFICATIONS

To be compatible with the Station's broadcast equipment, SD tapes must be:

BetaSP1, DVC-Pro or sent via DG satellite distribution.

The Station also accepts High-Definition announcements in digital formats only as outlined below.

Currently, we support the delivery of HD Commercials via DG.

Format Resolution: 1920 x 1080i (1080i)

Aspect Ratio: 16:9 CENTER CUT SAFE

We do not accept HD Commercials on videotape. All HD Commercials to be delivered in "File-form" on a DVD data disc.

For DVD Data Discs, please encode as follows:

Format Resolution: 1920 x 1080i (1080i)

Aspect Ratio: 16:9 CENTER CUT SAFE

File Wrapper: MPG

Compression Codec: MPEG2 (4:2:0 GOP of 15)

Sample Rate: 29.97

Audio: PCM 16 Bit 48 KHz

Audio Level: -20fsd (-20full scale digital = +4 dbm analog)

Commercial audio must be Stereo .

Close Caption Ancillary data MUST be included in EIA708 format with 608 compatibility on Line 9 of the VANC.

HD spots will air in HD on KCRA / KQCA HD channels. At this time HD spots will be "center cut" on SD channels.

Please note that separate SD / HD versions of the same commercial will not be aired simultaneously.

All HD commercials and commercial instructions must be received at least 24 hours prior to air.

All commercials must be completely labeled on the outside of each DVD with the following information: Client, Product, ISCI Code, Length, and Date.

Commercial instructions must be enclosed with DVD or sent simultaneously under separate cover.

Section 26

TAPE AND COPY DELIVERY

Physical Tapes should be sent to:

KCRA-TV

ATTN: Traffic Dept

3 Television Circle

Sacramento, CA 95814

Copy Instructions can be sent to:

Fax (916) 325-3731

Email sgrant@hearst.com and bng@hearst.com

Section 27

PAYMENT AND CREDIT POLICY

The Station requires political advertisers to pay for advertising by check or wire transfer at least two (2) days prior to broadcast.

Section 28

STATION'S RIGHT TO RECAPTURE TIME

We reserve the right to cancel or adjust the amount of time sold on the Station to accommodate special program or advertising preemptions, or because of technical difficulties or labor disputes, or for other reasons beyond the control of the Station, or where necessary to enable the Station, pursuant to the Communications Act of 1934, as amended, to satisfy the "equal opportunity" requirements of all legally qualified political candidates and the "reasonable access" requirements of all legally qualified federal political candidates. Where such cancellations or modifications are necessary, advertisers will be advised and rebates, credits, schedule changes or other adjustments will be made as may be appropriate.

Section 29

DISCLOSURE STATEMENT IS NOT AN OFFER TO SELL

This Disclosure Statement does not constitute an offer to sell time, nor is it a contract; rather it is a statement of the policies which this Station, in good faith, attempts to follow in connection with the sale and placement of political broadcast advertising. The terms of any actual sale of time are contained in our sale contract and none of the matters contained in this Disclosure Statement are incorporated by reference in the sale contract.

Section 30

FURTHER INFORMATION

We will be pleased to provide, upon request, further information about our rates, advertising policies, advertising packages, and advertising plans. We encourage prospective political advertisers to inquire. It is our desire to furnish all appropriate information to those interested in purchasing political advertising on the Station to assist you in communicating your message within our service area.

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