Salem Media of Hawaii Political Disclosure Statement KAIM-FM, KHNR-AM, KGU-FM, KKOL-FM, KHCM FM, KGU-AM, KHCM AM

Effective as of: January 1, 2020

1. Applicability

This policy describes the political advertising policies of KAIM-FM, KHNR-AM, KGU-FM, KKOL-FM, KHCM FM, KGU-AM, KHCM AM adopted in compliance with the requirements, rules and regulations of the Federal Communications Commission. These policies apply to purchases of advertising time for "uses" by legally-qualified candidates for public office (i.e., spots which feature the candidate's recognizable voice or likeness and are controlled, sponsored or approved by the candidate or the candidate's authorized committee). These policies do not apply to third-party ads, such as those purchased by political action committees, political parties, or issue advertisers.

2. Access

Reasonable access will be provided to all Federal candidates. The Station may sell time to legally qualified candidates in certain state and local races. In order to comply with its equal opportunities obligations, the Station reserves the right to limit the amount of time made available for candidates for state or local races. The Station does not separate competitive political advertisements. Thus, a candidate's spots may be aired "back-to-back" with their opponent's spots.

3. Classes of Time

The Station offers the following classes of time. All rates quoted are for 30-second or 60-second spots Standard Day Parts are: 6am-10am, 10am-3pm, 3pm –7pm

Level 1 – Fixed (non-pre-emptible). 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.

4. Lowest Unit Rate

The lowest unit charge is the lowest rate paid for the same class, time-period and amount of time that clears. The station will provide its lowest unit rate to legally qualified candidates and their authorized committees for candidate-authorized uses in the pre-election period 45 days before a primary election and 60 days before a general or special election. Outside of the 45-days and 60-days periods before primary and general elections, the Station will sell time to candidates at the current effective selling rate for comparable commercial advertisers.

5. Rebates

If a lower priced spot clears in the same class and time-period, the station will rebate the difference to the candidate. The station reviews its records on a weekly basis. Candidates will be given the option of receiving a credit toward future purchases or receiving a rebate.

6. Make Goods

If the class of time purchased includes a right to make goods, the station will make every effort to provide timely and appropriate make goods. If the station is unable to provide make goods, a rebate will be provided.

7. Sponsorship ID

All political advertisements must contain sponsorship identification that complies with Section 73.1212 of the FCC's rules and with applicable federal and state election laws. Such sponsorship ID must fully and accurately identify the organization or individual that has paid for the spot using the terms "paid for by" or "sponsored by."

Section 73.1212 requires political spots to contain visual sponsorship identification in letters not less than 4% of total picture height broadcast for not less than four seconds. The station will add the required sponsorship identification to any spots not containing it and will charge candidates for production costs in doing so on the same basis as would be applicable to commercial advertisers. THE STATION WILL NOT ADD TIME TO THE LENGTH OF A SPOT TO ACCOMMODATE SPONSORSHIP IDENTIFICATION.

Additionally, advertisements for federal candidates must also include a statement that identifies the candidate and states that he or she approved the communication. The candidate must convey the statement either through an unobscured full-screen view while identifying themselves and making the required statement, or by including a voice-over in which the candidate identifies himself and makes the required statement while a clearly identifiable photographic or similar image – which must occupy at least 80% of the vertical screen height – appears on screen. If the spot makes a direct reference to another candidate for the same office, then the end of the spot must include a similar statement in writing. The written statement must appear in letters no smaller than 4% of the vertical picture height and must remain on screen for a period of at least four seconds. The written statement should also state the name of the person or entity that sponsored or paid for the spot.

8. Sponsorship ID and LUC for Federal Candidates

In compliance with Bipartisan Campaign Reform Act of 2002 ("BCRA"), a federal candidate is only eligible to receive the station's lowest unit rate if the candidate or the candidate's authorized committee, certifies to the Station that the proposed political advertisement will <u>not</u> make a direct reference to an opponent candidate <u>unless</u> the spot complies with the enhanced disclosure requirements of BCRA. The enhanced BCRA disclosure requirement requires that the spot contain a clearly identifiable photo or image of the candidate, and a clearly readable statement that identifies the candidate, states that he or she approved the broadcast, and that his or her authorized committee paid for the spot. If a federal candidate does not provide the required

certification or does not comply with the enhanced disclosure requirements, he or she is not entitled to receive the station's lowest unit rate for the remainder of the time leading up to the election for that office.

- 9. Ratings. We may negotiate with an advertiser to provide a certain agreed upon audience delivery rating for a specific advertising purchase. We do not provide cash refunds or rebates to any advertiser as a result of our failure to deliver an estimated audience rating, rather we will offer make-good spots. The provision of such make-good spots will be governed by the terms of our agreement with the advertiser, are subject to other time demands, availabilities, and may not be available in the same time periods as the original schedule. Political advertisers should note that the ability of the station to offer make-good spots for audience under-delivery may be limited or unavailable due to lack of audience ratings data or inventory or timing constraints during the political season.
- **10. Agency Commission.** The Station provides a 15% discount for ad buys made by an advertising agency. Political candidates and authorized campaign committees who purchase time without an advertising agency will receive no discount.

11. Placing an Order the following:	• Orders for time will not be considered firm, until the Station has received
	A complete, accurate and signed NAB PB-19 Form (or all information required by this form);

Proof that a candidate is legally qualified;
Proof that a purchaser is a candidate's authorized committee; and

☐ Advance payment for ordered time.

12. Traffic Instructions and Deadlines.

All traffic instructions, and any changes, must be received in writing. The Station will accept spots delivered by: most accepted content delivery systems, or electronically by email in most accepted digital formats, i.e. mp3 etc.

In order to ensure sufficient time to conduct pre-broadcast review of spots, candidates must respect the following order deadlines.

LOG FOR

ORDER DEADLINES

FACILITIES DEADLINES

13. Station Access/Production.

The Station will permit federal candidates (but not state and local candidates) to change and edit copy outside of regular business hours on the weekend before the election. Contact the station for more specifics. The Station may make production facilities available for political

advertisements and programs. Production charges are handled separately from time charges. Gina Crabtree for information and rates.

- **14. Election Day Schedules**. The Station will air political ads on Election Day up until 30 minutes before polls close in all races. All requests for Election Day availabilities must be received by close of business on the Tuesday prior to the election.
- **15. Public File**. The Station maintains an online political file. Information in this file can be found at https://publicfiles.fcc.gov/.
- **16. Non-Discrimination**. Stations licensed to Salem Media of Hawaii do not discriminate in the sale of advertising time, and will accept no advertising which is placed with intent to discriminate on the basis of race or ethnicity. The parties to an agreement for the sale of advertising time on a station licensed to Salem Media of Hawaii affirm that nothing in that agreement will discriminate in any way on the basis of race or ethnicity.