

2014 KQDS-TV
Political Disclosure Statement and Rate Card

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The purpose of this Disclosure Statement is to make those parties who purchase political advertising and programming time fully aware of the political advertising policies and procedures of Television Station KVRR, Fargo, North Dakota (the "Station"), including application of the "lowest unit charge" provisions of Section 315(b) of the Communications Act; and the sponsorship identification provisions found in Section 317 of the Communications Act and Section 441d of the Federal Election Campaign Act.

Orders for Political Time

Orders for political time will not be considered firm until the appropriate certifications and purchase request forms (see attached) have been completed, signed, delivered and payment in full has been received prior to any commercials airing. In its discretion, and consistent with federal regulations, the Station may elect not to accept orders from all candidates competing in certain non-federal races.

Lowest Unit Charge

The lowest unit charge ("LUC") provisions apply only during the 45 days preceding a caucus, primary or run-off election and the 60 days preceding a general or special election (the "Election Periods") to legally qualified candidates for public office that represent persons within the Station's service area, or their authorized campaign organizations to promote their candidacy, that have not previously violated the terms of the Bipartisan Campaign Finance Reform Act, and who otherwise are eligible under relevant law and regulation; these provisions otherwise are not applicable, including to political action committees or to non-candidate issue advertising. LUC applies only if the advertisement satisfies all relevant legal requirements as noted in this Disclosure Statement. At times other than the prescribed Election Periods, the rates charged legally qualified and eligible candidates shall not exceed the charges which are comparable to charges of the Station to its commercial advertisers:

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- The Minnesota primary Election Period is June 28, 2014, to August 12, 2014.
- The Wisconsin primary Election Period was June 28, 2014, to August 12, 2014
- The Election Period for the general election is September 5, 2014, to November 4, 2014.

Other Election Periods may apply to other elections for representation of areas possibly within the Station's over-the-air service contour. Please contact the Station as needed.

Federal Candidate Eligibility for LUC- Certification

To qualify for the Station's LUC, federal candidates, or their authorized committees, must certify in writing, at the time programming is purchased, that the programming does not

refer to another candidate for the same office, or if the programming does refer to an opposing candidate, they must certify in writing that the programming meets the following requirements:

If five minutes long or less, the end of the broadcast must include, for a minimum of four seconds, a clearly identifiable photographic, or similar image, or unobstructed full screen view, that is at least 80% of the vertical screen height, of the sponsoring candidate while simultaneously showing a clearly readable printed statement, that is at least four percent of the vertical picture height (at least 20 scan lines or digital equivalent). The printed statement must identify the sponsoring candidate, state that the candidate approved the broadcast and that the candidate and/or the candidate's authorized committee paid for the broadcast or message. Broadcasts of longer than five minutes must have such sponsorship identification at the beginning and the end of the broadcast.

Failure to adhere to these sponsorship disclosures means that the candidate may forfeit all rights to the LUC for all programming aired during the remainder of that Election Period.

Proper Sponsor Identification – Federal Candidate Authorized Advertisements

Political programming that is paid for by a political committee, advocates the election or defeat of a federal candidate, solicits any political contributions, or is an “electioneering communication” (see “Electioneering Communications” section below) must comply with the following sponsorship identification rules:

Television advertisements must identify the candidate on whose behalf time was purchased, state that the candidate approved the broadcast, and state that the broadcast has been paid for by the candidate and/or the candidate's authorized committee. This requirement may be satisfied in one of two ways:

1. The candidate making the statement in an unobscured, full screen view; or
2. A candidate voice-over, accompanied by a clearly identifiable photograph or similar image of the candidate.

The image or the candidate must be at least 80% of the vertical screen height. There also must be a written presentation of the same statement at the end of the political programming “in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least four seconds.” The minimum requirement of four percent of vertical height applies. The image and the statement must be broadcast for at least four seconds. This entire message must be broadcast at the end of spots that are five minutes in duration, or less, and at the beginning and end of spots that are more than five minutes long.

Proper Sponsor Identification/Certification - Federal Third Party/National Issue Advertisements

For political programming that (i) is paid for by a political committee; (ii) advocates the election or defeat of federal candidates; (iii) solicits any political contributions; (iv) addresses a political matter of national legislative importance; or (v) is an “electioneering communication” (see “Electioneering Communications” section below), but is not authorized by a candidate or the candidate's authorized committee, the advertiser must certify as to the following information in the form of the “Third Party/Issue Advertiser Certification” attached hereto: the purchaser’s contact name, address and phone number; the purchaser’s chief executive officers or board of directors; the organizations connected to the Advertiser, the name of the candidate to which the programming refers (if any); and, in the case of a “political matter of national importance,” the issue in question, and that the advertiser is responsible for the content of the programming.

The sponsorship identification within the broadcast time sold must: 1) state that the programming is not authorized by any federal candidate; 2) clearly state the full name and permanent street address, telephone number or World Wide Web address of the person who paid for the communication; and 3) state: “_____ is responsible for the content of this advertising.” The blank must be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization, of the payer. The statement must be conveyed by an unobscured, full screen view of a representative of the political committee or other person making the statement, or by a representative of such political committee or other person in voice-over and also must appear in a clearly readable manner at the end of the spot. In addition, the statement must appear in letters that are at least four percent of the vertical picture height (20 scan lines or equivalent) of the screen for a period of at least four seconds with a reasonable degree of color contrast between the background and the printed statement.

Proper Sponsor Identification - Nonfederal Candidate and All Other Advertisements

All ads must comply with the following sponsorship identification requirements of the Communications Act. The identification must state that the broadcast is “sponsored,” or “paid for” or “furnished” by the identified sponsor. Those words may not be abbreviated in a visual identification. All ads must contain a visual identification in letters at least four percent of the vertical picture height for a period of not less than four seconds.

A pre-airing submission of all ads is requested to permit the Station to verify compliance with the identification requirements.

Federal Electioneering Communications

Pursuant to the U.S. Supreme Court’s decision in *Citizens United v. FEC*, use of funds from corporations (whether nonprofit or for-profit entities) and unions to pay for, or support, political broadcasting no longer are restricted, including with respect to “electioneering communications,” which generally are considered to be broadcast, cable, or satellite communications that: 1) refer to a federal candidate and expressly advocate a candidate’s election or defeat (including communications which may be considered the “functional equivalent” of such express advocacy); 2) are broadcast within 60 days before the general election of the candidate or within 30 days before the party primary, convention, or caucus that

nominate the candidate; and 3) are targeted to the “relevant electorate,” *i.e.*, more than 50,000 persons in the State or Congressional district that the candidate seeks to represent. Legal restrictions on the use of foreign funds to pay for, or support, political broadcasting are unaffected by the *Citizens United* decision. The Station relies on the reporting, and certifications, of its advertisers with respect to all legal requirements and the Station and cannot accept spots in violation of such requirements.

Types of Rates Offered by the Station

The Station sells commercial time in thirty (30), sixty (60), and ninety (90) second increments throughout the day. The rate levels reflected on the Station’s rate card are for 30-second announcements. The Station also has the following guidelines:

- 10-second announcements are 70% of the 30-second rate and may be pre-emptible for a 30-second (or 60-second) announcement; unless the program provides natural:10’s, or the combined total of the 3 (or 6) :10’s is not the lowest price;
- 15-second announcements are 70% of the 30-second rate, and may be pre-emptible for a 30 second (or 60 second announcement); and
- 60-second announcements are double the 30-second rate, and 90-second announcements are triple the 30-second rate.

In addition to the foregoing announcement availabilities, the Station makes 30-minute program time available during certain day parts. Otherwise, the Station will reasonably evaluate each request for non-standard time segments by a federal candidate on an individual basis utilizing the FCC-prescribed relevant factors. Please consult with the Station’s General Manager (Kathy Lau) regarding the purchase of such program or non-standard time.

Classes of Time Offered by the Station

The LUC for each class of time on the Station is subject to change and may change weekly for the relevant dayparts. Current rates and a current good-faith estimate of the likelihood of preemption will be provided upon candidate’s request. Spots on the Station are offered for sale at the following classes of time: (1) Fixed Position (L-1); (2) Non-Preemptible (L-2); and (3) Immediately Pre-emptible Without Notice (L-4), as described further below:

Fixed Position (L-1). Announcements purchased at the L-1 level are fixed in the position and the program purchased, and will not be pre-empted except for the event of an act of God, or the broadcast of a national or local event of exceptional public importance.

Non-Preemptible (L-2). Announcements purchased at the designated L-2 level or at an intermediate higher level, which is less than the L-1 rate for the same program, are unlikely to be preempted. Except in unusual circumstances, advertising time sold at L-2 rates is pre-empted only if there are not enough avails for all of the buyers wishing to purchase time in the same programming or if advertisers purchase sufficient L-1 time to preempt certain L-2 spots. Absent unusual circumstances, spots in this class of time are

[20] % likely to be preempted. [**APPROXIMATE % LIKELIHOOD OF PREEMPTION**],

Pre-emptible Without Notice (L3) Announcements purchased at the designated L-3 level or at an intermediate higher level, which is less than the L-2 rate for the same program, are more likely to be preempted. Except in unusual circumstances, advertising time sold at L-3 rates is pre-empted only if there are not enough avails for all of the buyers wishing to purchase time in the same programming or if advertisers purchase sufficient L-1 or L-2 time to preempt certain L-3 spots. Absent unusual circumstances, spots in this class of time are [40] % likely to be preempted. [**APPROXIMATE % LIKELIHOOD OF PREEMPTION**],

Immediately Pre-emptible Without Notice (L-4). This class appears on the Station's rate card and reflects the expected lowest rate for any given time period. Commercial clients who have made bulk purchases or who have purchased annual contracts often set these rates, which are based upon the volume of advertising dollars committed to the Station over a specific period of time. Time sold at the L-4 rate is immediately pre-emptible without notice by spots purchased at either the L-1, L-2 or L-3 rates, or any higher dollar amount. Absent unusual circumstances, spots in this class of time are [50] % likely to be preempted. [**APPROXIMATE % LIKELIHOOD OF PREEMPTION**],

Level of Rates Sold by the Station

Spots may be sold for a specific time and date or within a specific period. Packages of spots of different classes or to be broadcast during different time periods are also sold. However, packages are treated as volume discounts and are considered in calculating the LUC.

When a candidate purchases time outside the Election Periods, he or she will be charged rates comparable to current commercial rates. During the Election Periods, legally qualified and eligible candidates are entitled to receive all discounts or privileges otherwise offered to commercial advertisers and are to be placed on a par with the most favored commercial advertiser of this Station. That is, during the Election Period, candidates will be charged the LUC for the same class and amount of time for the same period.

The Station has calculated an LUC for every class of time sold on the Station. The LUC may vary on a weekly basis depending upon the price of spots actually broadcast during each week. Candidates may purchase pre-emptible spots at the LUC or at a higher rate so as to decrease the potential for pre-emptions. (See Classes of Time Offered). The Station will supply the current or effective selling level (the "CSL") for all classes of time and time periods. The CSL is that level of rate which has a high degree of certainty of being broadcast on the Station. Candidates are entitled to purchase pre-emptible spots at all reasonable incremental levels or rates, subject to preemption by a higher rated spot.

Audit of Rates Charged

At the end of each week during the Election Periods, the Station will audit the rates for all political time broadcast during the Election Periods to insure that the rates charged candidates reflect the actual LUC, that is, the lowest rate any advertiser paid for the same class of spot that cleared during the same time period during the given week. Refunds will be issued for any overcharges in an expedient manner.

Agency Commission

When time is purchased for a political advertiser on a direct basis (not using an agency and not with agency commissions), the LUC must exclude the standard 15% agency commission. This policy applies only during the Election Periods.

POD Exclusivity & Ratings Assurances

The Station does not offer POD exclusivity to any of its advertisers. The Station does not offer ratings assurance to any of its advertisers.

Make Good Policy

Should a political candidate spot be preempted, the candidate will be notified. If make goods are not available in the originally purchased time period, rotation or program, the Station will endeavor to offer make goods of equivalent value or comparable audience levels of the original spot. If these are not acceptable to the advertiser the Station will provide credits or refunds for the preempted spots. The Station cannot guarantee, to any advertiser, that make goods can be provided in the same time period, rotation or program originally purchased.

Recapture of Spots

The Station reserves the right to recapture spot time in any class sold to a candidate to meet equal opportunity or reasonable access requirements of the Communications Act of 1934, as amended. If spot time is recaptured by the Station, the candidate will be advised as soon as practicable and an appropriate make good or refund will be issued.

Value Added Features

If scheduled during the Election Periods, candidates may purchase value-added elements offered to commercial advertisers in conjunction with spot time purchased, subject to the Station's policies and federal requirements. However, consistent with FCC policies, billboard or program sponsorship arrangements are not available to political candidates.

Deadlines for Receipt of Orders/Copy and Production Information

The Station imposes the following deadlines for the receipt of orders (or audio/video tapes):

- a) Completed and signed Agreement Form for Political Candidates and, subject to FCC regulations, other forms applicable to the buy or candidate (see attached).
- b) Net cash-in-advance payment. (Minimum 48 hours prior to air date, subject to legal requirements).
- c) Where the purchase is made by a corporation, committee, association or other unincorporated group, a list of the entity's chief executive committee or board of directors.
- d) Where doubt exists, satisfactory proof that the candidate is "legally qualified," as that term is defined by the FCC.
- e) Where doubt exists, satisfactory proof that the purchaser is authorized to buy time for the candidate.
- f) Advance orders for schedules of political advertising will be subject to reconfirmation 10 days preceding start of schedule.
- g) Commercial facilities (tape, slides or copy), along with written instructions for their use, should be submitted to the Station as soon as possible to ensure proper airing. All instructions for airing of facilities should be in writing. Changes to these instructions should be in writing to the Station (by letter or fax) prior to the changes being made. Tape should be received in sufficient time to permit confirmation of compliance with sponsorship identification requirements and with broadcast technical standards.
- h) All orders and the actual announcement to be broadcast must be received by the Station no later than 12 noon two business days prior to airdate.¹ No add-ons (additional time purchases) are permitted to political orders; please submit as an additional order.
- i) Contracts may be cancelled upon 2 weeks prior notice, but no such cancellation shall be effective until 2 telecast weeks, as contracted for, have been telecast following receipt of such notice.
- j) The Station will maintain a staff to accept copy changes on the weekends prior to primary day and election day. Staff will be on call should changes need to be made. The Station will accept requests for political advertising time to be carried on Election Day until 4 p.m.
- k) Failure by a political advertiser to fulfill all requirements in advance of the deadlines may result in preemption of some or all announcements or programs previously

¹ Holiday logs are accelerated in advance; close dates/times will vary from above to accommodate a holiday weekend.

cleared.

- 1) Station facilities may be utilized for the production of political announcements or programs, subject to available production time (rates available upon request). Production charges are handled separately from charges for airtime. Agencies and/or candidates who need production services from the Station for tags, dubs or any other production service are required to provide payment for these services immediately following the production session. The Station's news talent or raw footage is not available for political advertisement purposes. The Station will sell VHS copies of any news packages from our air check tapes for \$30. Again, this footage cannot be reused for commercial purposes.

Please direct any inquiries regarding this Disclosure Statement or the Station's rate card to:

Douglas McMonagle
KQDS-TV Director of Sales
3939 East 46th Street
Minneapolis, MN 55406
E-mail: dmcmonagle@kvrr.com.
Phone: (612) 276-1808
Fax: to station (701) 277-1830

Thank You!

THE STATION DOES NOT DISCRIMINATE BASED UPON RACE OR ETHNICITY IN ANY OF ITS ADVERTISING CONTRACTS OR PRACTICES. PLEASE BE ADVISED THAT THE STATION RESERVES THE RIGHT TO REVISE THE TERMS OF THIS DISCLOSURE STATEMENT, IN ITS SOLE DISCRETION, WITHOUT PRIOR NOTICE.

REQUEST FOR THE PURCHASE OF TIME FOR POLITICAL BROADCASTS

Station & Location:	Date:
Candidate, Office and Party (if applicable):	Referenced Election or National Issue:
If Candidate Buy, Name of Authorized Committee & Committee's Treasurer:	If not Candidate Buy, Name of Purchaser and Name, Title, Address and Phone Number of Purchaser's Contact Person

Description of Broadcast Time Sought (Date, Time of Day, Class, Duration, Frequency):

Disposition (Circle Appropriate Response): Accepted Rejected

If request for the purchase of time is accepted, attach a copy of the order, including classes bought, rates charged, and airdates and times. If the purchase is for a federal candidate, attach an executed "Federal Candidate Certification" form certifying that the programming does or does not refer to another candidate for the same office. If the purchase of time is by a third party for issue advertising, attach an executed "Third Party/Issue Advertising Certification" form.

Name of Person Taking Request: _____

This Station does not discriminate on the basis of race or ethnicity in any of its advertising practices.

FEDERAL CANDIDATE CERTIFICATION FOR TELEVISION ADVERTISING

Pursuant to the provisions of the Federal Election Campaign Act and the Federal Communications Act, _____ [candidate's name] (the "Candidate"), a candidate for the office of _____, [political office sought], whose authorized committee treasurer is _____, personally, or by _____, the Candidate's authorized committee, with regard to the following identified spot(s) or program(s) [list each individual spot or program for which this certification applies]

_____ (the "Programming") certifies that:

CHECK APPROPRIATE CERTIFICATION

The Programming to be broadcast by the Station does not refer to another candidate for the same office.

OR

The Programming to be broadcast by the Station does **refer** to another candidate for the same office.

AND

At the end of the Programming there is a clearly identifiable photographic or similar image of Candidate that is at least 80% of screen height and, for a minimum of four (4) seconds and at least 4% of screen height in size, a printed statement is displayed identifying Candidate, stating that Candidate approves the broadcast and that Candidate and/or Candidate's authorized committee has paid for the broadcast.

Certified this _____ day of _____, 201__.

Candidate

OR

Candidate's Authorized Committee Representative

Candidate's Representative's Title

GUIDE TO THIRD PARTY/ISSUE ADVERTISING CERTIFICATION

With regard to issue spots, it is not presently the responsibility of a broadcast station to ascertain the source of the sponsor's funds or whether the funds are "hard money" or "soft money." That information is relevant only to the sponsor and to the determination by the FEC whether the sponsor has complied with FEC requirements.

With regard to issue advertising, a broadcast station must ascertain certain facts to determine the station's Public Inspection File requirements imposed by the FCC and by the FEC. It is recommended that the required information be obtained from the sponsoring advertiser in the form of a Certification, as the advertiser is the best available source. As the required information is fact specific to the content of the spot to be broadcast, it is recommended that a Certification be obtained for each specifically identified spot; however, a Certification may be made for more than one spot so long as each spot to be included in the Certification is individually identified. In the event an advertiser that has completed a Certification wishes to broadcast a spot or spots not referenced in a Certification previously provided the station, a written confirmation by the advertiser (*e.g.*, an e-mail or fax) advising that the new spot is covered by the original certification should be sufficient. A copy of the Certification and any supplemental written advice from the advertiser should be placed in the station's Public Inspection File. A separate section should be maintained in the Public File for each sponsor.

Analysis of the Certification form:

Items 1 and 2 provide the sponsor information that must be placed in the station's Public Inspection File.

Items 3 through 6 alert the sponsor to the special sponsor identification requirements if the response to any of the items is answered in the affirmative.

Item 7 is the certification by the sponsor that the text of the sponsor identification on the spot complies with the special disclosure requirements imposed when any one of items 3 through 6 is answered in the affirmative.

Items 8 through 10 provide the information that must be disclosed in the sponsorship identification in the event the response to any of the items 3 through 6 is answered in the affirmative.

Items 11 and 12 capture the information necessary to the station's determination of whether additional pricing information must be placed in the Public Inspection File. In the event the spot relates to an issue of national importance or refers to a federal candidate, a copy of the order and/or invoice for the advertising purchased must be placed in the Public Inspection File.

Item 13 is an affirmation that the individual signing the form is the authorized representative of the Advertiser.

Item 14 is a save harmless clause for the benefit of the station.

(This Guide may be distributed to issue advertisers, but need not be placed in the Public File.)

THIRD PARTY/ISSUE ADVERTISING CERTIFICATION FOR TELEVISION

“Advertiser,” as identified below, with regard to the following identified spot(s) or program(s)
[list each individual spot or program for which this certification applies]

_____ (the
“Programming”) hereby certifies that:

1. The name, permanent street address and telephone number of the party paying for the Programming (the “Advertiser”) is:

Name of Advertiser & Contact Person: _____

Contact Address: _____ City, State: _____

Contact Telephone No.: _____

2. Advertiser has attached a document listing its chief executive officers or board of directors.
3. Advertiser is a “Political Committee” registered with the Federal Election Commission (check one): Yes or No.
4. Programming solicits a political contribution (check one): Yes or No
5. Programming “expressly advocates” the election or defeat of a federal candidate (check one): Yes or No.
6. Programming is an “electioneering communication” (check one): Yes or No.
7. If “Yes” to any of 3-6, Advertiser certifies that the text of the sponsorship identification for the Programming complies fully with the sponsorship identification requirements of the Federal Election Campaign Act of 1971, as amended, is in full compliance with all election and campaign finance laws, and, without limitation, that no funds from foreign sources of any kind are being used to purchase the advertising.
8. Advertiser is responsible for the content of the Programming.
9. The following organizations are connected to Advertiser (state “none” if none):

10. The Programming is not authorized by any federal candidate or the candidate’s authorized committee.
11. The subject matter of the Programming relates to the following issue of national importance:

12. The name of the candidate to which the Programming refers is, _____ (if any), a candidate for the federal office of _____ (political office sought).

13. The undersigned is the authorized representative of Advertiser.

14. Advertiser agrees to indemnify and hold harmless the station for any harm, damages or liability, including reasonable attorney's fees, which may ensue from the broadcast of the Programming.

Certified this ____ day of _____, 201____ by authorized representative of Advertiser.

Printed Name

Title

Signature

NON-FEDERAL CANDIDATE CERTIFICATION FOR ADVERTISING

_____ [candidate's name] (the "Candidate"), a candidate for the office of _____, [political office sought], whose authorized committee treasurer is _____, personally, or by _____, the Candidate's authorized committee, with regard to the following identified spot(s) or program(s) [list each individual spot or program for which this certification applies] _____ (the "Programming")

hereby certifies that:

- 1) If the Programming is five minutes long, or less, at either the beginning or the end of the Programming, or if the Programming is more than five minutes long, at the beginning and the end of the Programming, the Programming clearly and accurately states that it has been "paid for," "sponsored by" or "furnished by" the Candidate and/or the Candidate's authorized committee, as the case may be, and if the authorized committee, identifies its Treasurer or other senior officer. If the Programming is to be aired on television, that sponsorship identification is clearly spoken and visually displayed for at least four seconds and in letters of at least four percent of the picture height of the displayed Programming.
- 2) The Programming is in full compliance with all federal, state and local law and regulation, and that the Candidate and/or Candidate's authorized committee agrees to indemnify and hold harmless the station for any harm, damages or liability, including reasonable attorney's fees, which may ensue from the broadcast of the Programming.

Certified this _____ day of _____, 201__.

Candidate

OR

Candidate's Authorized Committee Representative

Candidate's Representative's Title