

Townsquare Media – Sioux Falls, SD KSOO-AM, KSOO-FM, KMXC-FM, KYBB-FM, KIKN-FM, KKLS-FM, KXRB FM/AM STATEMENT OF POLICY ON POLITICAL ADVERTISING

It is the intention of Townsquare Media – Sioux Falls 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, Townsquare Media – Sioux Falls 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 Townsquare Media – Sioux Falls by permitting the purchase of reasonable amounts of time. While Townsquare Media – Sioux Falls 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 Townsquare Media – Sioux Falls determines, on a case-by-case basis, is consistent with law and FCC rules. Townsquare Media – Sioux Falls – Sioux Falls 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.

All candidates for Federal office should be aware of the certification requirements created by the Bipartisan Campaign Reform Act (the "BCRA"). As a result of the BCRA, Federal candidates, in order to qualify for lowest unit rates, must provide our stations with a certificate, certified by the candidate or the candidate's authorized committee. That certification must state that the candidate will not make any direct reference to an opposing candidate in the advertising unless, in the case of radio, the spot at the end contains the voice of the candidate identifying himself or herself, the office that he or she is running for, and a statement that he or she has approved the spot. It is our understanding of the law that a Federal candidate that does not provide our stations with such certification, or whose spot does not contain the required statements, is not entitled to lowest unit charge.

Townsquare Media – Sioux Falls 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 Townsquare Media – Sioux Falls, and potential programming disruption.

STATE AND LOCAL RACES. It is the policy of Townsquare Media – Sioux Falls to keep its listeners informed of opposing candidates' viewpoints in state and local elections. Generally, Townsquare Media – Sioux Falls also sells airtime to legally qualified candidates for non-federal public office. However, Townsquare Media – Sioux Falls reserves the right to determine whether or not to 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 Townsquare Media – Sioux Falls obligation to afford reasonable access to federal candidates, the availability of inventory, and potential programming disruption. Townsquare Media – Sioux Falls 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. For the General Election of 2011 Townsquare Media – Sioux Falls will accept advertising for all qualified candidates.

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 Townsquare Media – Sioux Falls by legally qualified candidates running in that election are not, under federal law, permitted to exceed the lowest unit charge of Townsquare Media – Sioux Falls for the same class and length of announcement for the same time period.

Whether a candidate is 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 Townsquare Media – Sioux Falls 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, Townsquare Media – Sioux Falls 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 Townsquare Media – Sioux Falls by legally qualified candidates may not exceed the charges made for comparable use of Townsquare Media – Sioux Falls 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 AND SALES REP FIRM PLACEMENT. Townsquare Media – Sioux Falls lowest unit charge is based on the net to Townsquare Media – Sioux Falls including spots sold by the station's sales representative firm. Thus, for example, if Townsquare Media – Sioux Falls commissionable lowest unit charge for a particular advertisement is \$100, and the station's sales representative firm books a spot on behalf of a legally qualified candidate who is entitled to the lowest unit charge, the lowest unit charge will be \$100, regardless of any commission owed to the sales rep firm. However, if Townsquare Media – Sioux Falls commissionable lowest unit charge for a particular advertisement is \$100, and a recognized agency books a spot at that rate on behalf of a legally qualified candidate who is entitled to the lowest unit charge, Townsquare Media – Sioux Falls will not pay a commission to the agency (i.e. it will charge the agency the lowest unit charge of \$100).

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 [STATION] advertisers may make:

- Length of Announcements. Generally, Townsquare Media Sioux Falls makes available for purchase airtime in the following lengths: 30 seconds and 60 seconds. Our rates are based on a 30-second or 60-second spot, as applicable. As stated above, Townsquare Media Sioux Falls will make other lengths of time available to candidates for federal office on a case-by-case basis, consistent with law and FCC rules.
- **Classes of Time.** Generally, Townsquare Media Sioux Falls makes available the following classes of time: Pre-emptible with Notice and 100% Non-Pre-emptible. Other classes of time, such as ROS, and package plans may be available upon request, and are sold on an immediately pre-emptible without notice basis. Our pre-emptible spots are typically preempted approximately 3% of the time, although this percentage can vary based on station demand and sellout levels. Candidates should check with the station near to the time that a schedule is likely to run to determine likelihood of preemption for that schedule.

Time Periods. Individual spots sold in most classes of time can be scheduled to run in many different time periods or programs or combinations of time periods or programs. Generally, the prices of spots increase during time periods or programs of high audience levels or high advertiser demand. Spots restricted to narrower rotations or specific programs will generally cost more than spots scheduled to run in broader time periods. For example, spots scheduled to air during a particular hour or half-hour (*e.g.*, 4:00 p.m. - 4:30 p.m.; 8:00 p.m. - 9:00 p.m.) will generally cost more than spots scheduled to run at any time within the entire daypart (*e.g.*, 3:00 p.m. - 7:00 p.m.; 8:00 p.m. - 12:00 midnight). Spots scheduled to air during a particular program will generally cost more than spots scheduled to run at any time during a particular program. Custom schedules can also be arranged.

• **Package Plans.** At any point in time, the station may offer a number of specialized and/or individually negotiated packages to its advertisers. These packages allow the station's clients to

reach their intended audiences in the most cost-effective way. These packages may, for example, include spots in a number of different programs or dayparts, combinations of fixed and pre-emptible spots, and so on. Other packages may be time and/or event specific, such as weekend sports broadcasts.

During the statutory "lowest unit rate" periods, legally qualified candidates may purchase such packages at the lowest price at which such packages are sold to commercial advertisers. In addition, during the preelection "lowest unit rate" periods, legally qualified candidates may purchase any class of spots available in a package at the package rate, without being required to purchase all parts of the package. For spots airing during a pre-election "lowest unit rate" period, whenever a spot rate included in a package plan is less than the lowest unit rate for the particular length, class and time period in which it is scheduled, the package rate becomes the new lowest unit rate for the same class of time in the same time period. The station will allocate the costs of spots of different classes included in package plans to reflect their true value (which may be different than the rate shown on the face of any agreement or contract received by an advertiser), in accordance with the policies of the FCC.

- **Current rate information** for all of the lengths, classes of time, packages, and rotators offered by Townsquare Media Sioux Falls is provided to each person who requests information regarding political advertising on Townsquare Media Sioux Falls 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 Townsquare Media Sioux Falls to offer all political candidates "make goods," prior to the election, for candidate "use" spots that are preempted if Townsquare Media Sioux Falls has offered time-sensitive make goods for the same class of time to any commercial advertiser within the past year. Townsquare Media Sioux Falls 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, Townsquare Media Sioux Falls will offer make goods of equivalent value. If these are not acceptable to the candidate, Townsquare Media Sioux Falls will provide credits or refunds for preempted spots.
- News and Election Day. Townsquare Media Sioux Falls does not accept political advertising during newscasts. Townsquare Media Sioux Falls does not have a news adjacency class of time. Townsquare Media Sioux Falls does accept political advertising on election day.

PREREQUISITES TO BROADCAST. For each political time order, an NAB political broadcast form must be at Townsquare Media – Sioux Falls representative's office at least 48 hours prior to broadcast. Copies of the current NAB form are available upon request. Tapes must be at Townsquare Media – Sioux Falls 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 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 Townsquare Media – Sioux Falls 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 Townsquare Media – Sioux Falls credit policies. Federal 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. All other candidates must pay in advance of broadcast as stated above.

PRODUCTION FACILITIES. Townsquare Media – Sioux Falls will make its production facilities available to federal candidates and their representatives. All inquiries or requests concerning production time and facilities should

be made through your sales representative or Townsquare Media – Sioux Falls 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. Each $\frac{1}{2}$ - hour or portion of will be billed at \$50 per $\frac{1}{2}$ - hour. 5/23/18 RC

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 each station within Townsquare Media – Sioux Falls of each such request, any charges made if the request was granted, and the lengths, classes, and dayparts purchased. The political file for periods from March 1, 2018 onward is available on the station's FCC online public file (link available on the station's website) and for periods prior to March 1, 2018, is available for public inspection during regular business hours at each station'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. Townsquare Media – Sioux Falls requires a committee, association, or group that is purchasing political advertising to furnish Townsquare Media – Sioux Falls with a list of its chief executive officers, members of its executive committee, or members of its board of directors in the case of issue ads, and for candidate ads, Townsquare Media – Sioux Falls requires the name of the sponsoring entity or person and its treasurer. Such lists must be furnished before Townsquare Media – Sioux Falls will grant a request for time. These lists will be available for public inspection at Townsquare Media – Sioux Falls 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 Townsquare Media – Sioux Falls

Don Jacobs, Market Manager, – Sioux Falls	605-373-6342
Roger Currier, National & LSM- Sioux Falls	605-373-6337
Leigh Anglin, Digital & LSM – Sioux Falls	605-373-6313
Chad Jacobs, LSM – Sioux Falls	605-373-6344