



KAUZ LICENSE SUBSIDIARY, LLC, WICHITA FALLS 2018 POLITICAL GUIDELINES

Applicability

The policies of **KAUZ LICENSE SUBSIDIARY, LLC** with regard to political advertising aired KAUZ-TV, NAUZ-TV, Wichita Falls (the "Station") apply only to authorized uses of Station time by legally qualified candidates for public office or their authorized campaign committees; they are not applicable to purchases by candidates or others for non-"uses", to purchases by political action committees or political parties that are not authorized by the candidate, to third-party endorsements, or to non-candidate "issue" advertising or advertising directed at ballot propositions.

Access

The Station will provide reasonable access to all legally qualified federal candidates at least during the forty-five (45) days preceding primary elections and the sixty (60) days preceding general and special elections. Stations will make best efforts to provide reasonable access to all legally qualified federal candidates outside these periods once a candidate's campaign is underway. The Station will air political announcements and programs until 6:00p.m. local time on the primary election day, the general election day, and the special election day.

Window for primary election opens:

1/20/18-3/6/18 (Texas Primary)

3/24/18-5/8/18 (Texas Run Off)

5/12/18-6/26/18 (Oklahoma Primary)

7/14/18-8/28/18 (Oklahoma Run Off)

Window for general election opens:

9/7/18-11/6/18

Subject to availability, legally qualified federal candidates may purchase advertising in all available programming, from all classes of time, as set forth on the attached rate card. The rate card provides the Station's best good faith assessment of the lowest unit charge for each class; candidates may contact the Station for more up-to-date estimates. The Station will determine in its sole discretion which state and local races to cover on a race-by-race basis and reserves the right to determine the amount and placement of time available to state and local candidates. The Station will accept political advertising within and adjacent to its regularly scheduled news programming; however, news sponsorships are not available to any political candidate.

Identification

FCC Requirements for All Candidates

All political advertisements must comply with Federal Communications Commission ("FCC") sponsorship identification and disclosure requirements. The FCC requires that spots authorized by a candidate or the candidate's committee contain the following visual sponsorship identification: "Paid for (or sponsored) by [name of payor/sponsor]." This text must appear on the screen for at least four seconds at either the beginning or end of the spot or program and occupy not less than 4% of the vertical picture height. For programs longer than five minutes, a sponsorship identification announcement must appear at both the beginning and end of the program. *If the required identification is not included or does not meet minimum FCC requirements, the Station reserves the right to add the appropriate sponsorship identification. However, the Station will **NOT** add time to the length of a spot to accommodate sponsorship identification. Production costs will be billed at the Station's usual rates.*

Lowest Unit Rate Requirements for Federal Candidates

KAUZ LICENSE SUBSIDIARY, LLC, WICHITA FALLS 2018 POLITICAL GUIDELINES

Federal election law provides that a federal candidate is eligible for the Station's lowest unit rate only if the candidate provides "written certification" to the Station that the candidate and the candidate's authorized committee "shall not make any direct reference to another candidate for the same office" in a spot unless that spot complies with expanded sponsorship identification requirements. Note that this requirement applies to any "reference" to another candidate — not necessarily an attack or a negative reference.

To satisfy the expanded sponsorship identification requirements for LUR eligibility, a message must appear at the end of a federal candidate's spot containing BOTH

1. a clearly identifiable photographic or similar image of the candidate, AND
2. a clearly readable printed statement that identifies the candidate and states that the candidate has approved the spot and that the candidate's authorized committee paid for the spot.

This statement must appear at the end of the spot and must remain on the screen for at least four seconds.

If a candidate's sponsored spot airs on the Station and refers to an opposing candidate without including this enhanced sponsorship identification, that candidate is not entitled to the Station's lowest unit rate for that spot or for any spot run from that day through the relevant election window. See "Rates," below.

Federal Election Commission Requirements for Federal Candidates

In addition, the Federal Election Commission ("FEC") requires that federal candidates include in the spot an oral statement that:

1. identifies the candidate on whose behalf the time was purchased; and
2. states that the candidate approved the spot.

This requirement may be met with *either* an unobscured, full-screen view of the candidate stating this information *or* a voice-over by the candidate accompanied by a clearly identifiable visual image of the candidate, which must occupy at least 80% of the vertical screen height and appear on the screen for at least four seconds. In addition, a written statement including the same information must appear at the end of the spot, in a clearly readable manner for a period of at least four seconds and occupying no less than 4% of the vertical picture height. The written statement should state the name of the person or entity that sponsored or paid for the spot.

Orders

Orders for political time may not be considered firm until the Station has received and/or confirmed the following:

1. The Station requests that the candidate or his or her authorized representative complete and sign an Agreement Form for Political Broadcasts. The Station prefers the use of NAB Form PB-18 or more recent version; copies are available from the Station. At a minimum, the Station must receive the following information:
 - a. the name of the candidate and office to which the request/order applies;
 - b. the class of time and time period that is being purchased; and
 - c. the identity of the purchaser of the time, including the name of the candidate's authorized committee and the name of the committee's treasurer.

When 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.

KAUZ LICENSE SUBSIDIARY, LLC, WICHITA FALLS 2018 POLITICAL GUIDELINES

2. Net payment three (3) working days prior to air date, using cash or cash equivalent (check or money order). The Station will evaluate requests from candidates for credit on the same basis used to evaluate such requests from similarly situated commercial advertisers. The Station permits candidates to use credit cards on the same basis as it permits similarly situated commercial advertisers to use credit cards. In addition, if the candidate's advertising agency accepts full responsibility for payment of time charges in writing and qualifies for credit under the standards used by the Station to evaluate credit requests from commercial advertisers' advertising agencies, the Station will extend credit to the candidate's agency. Please contact the Station for additional information.
3. If a political advertiser does not place his/her order through an advertising agency, he/she is entitled to a 15% reduction in the gross time sales amount.
4. Where doubt exists, the Station may require satisfactory proof that the candidate is "legally qualified," as that term is defined by the FCC.
5. Where doubt exists, the Station may require satisfactory proof that the purchaser is authorized to buy time for the candidate, and that the spot or programming is approved, controlled or sponsored by the candidate or the candidate's authorized campaign committee.
6. Advance orders for schedules of political advertising will be subject to reconfirmation on the later of the date payment is received or thirty (30) days before the start of the schedule, and are not considered final until that time. The Station reserves the right to recapture spot time, even after spots are reconfirmed, in order to meet equal opportunity or reasonable access FCC requirements, or to comply with other legal obligations. If spot time is recaptured, the candidate will be advised as soon as practicable and an appropriate refund or credit, at the candidate's option, will be issued.
7. Commercial materials (tape, film, slides, or copy), along with written instructions for their use, should be submitted to the Station as soon as possible to ensure proper airing, but in any event not less than twelve (12) business hours before the advertisement's first scheduled air time. All instructions for airing, including any changes to the instructions, of spots must be in writing (i.e., by letter, fax or e-mail). Any changes to these instructions should be made in writing to the Station (by letter, fax, or e-mail). Tapes should be received in sufficient time to permit confirmation by the Station that the spot is a "use," that it complies with FCC and FEC sponsorship identification and disclosure requirements, and that it complies with broadcast technical standards. Advertisements that are not authorized "uses" or that do not conform to length specifications or broadcast technical standards may be rejected.
8. The Station will endeavor to accommodate all changes in broadcast traffic as early as possible; however, the Station cannot guarantee that it will be able to accommodate all last minute changes. The Station can *generally* complete all changes up to 2:30p.m for the next day's business (Thursday for Friday and Saturday; Friday for Sunday and Monday). Candidates should not assume, however, that the Station will be able to accommodate change requests received by this deadline, particularly in the days preceding an election, when demands on Station personnel are exceptionally high.
9. Federal candidates must submit the required sponsorship identification certification as described in the section on "Rates," below, in order to be eligible to receive the Station's lowest unit rate.

Failure by a political advertiser to fulfill all requirements in advance of some deadlines may result in preemption and/or cancellation of some or all announcements or programs previously cleared.

Production

Station facilities may be used for the production of political announcements or programs, subject to available production time (rates are available on request). Production charges are handled separately from time charges. Agencies and/or candidates who schedule production time at the Station are required to provide a check for payment of accrued charges following the final production session. No spots will

KAUZ LICENSE SUBSIDIARY, LLC, WICHITA FALLS 2018 POLITICAL GUIDELINES

air, nor will any dubs be ordered, until a check is received for the correct amount. No Station news talent is available for political advertising purposes (on-camera or voice over).

Availabilities

Legally qualified candidates may purchase time from the Station subject to availabilities.

- a. All lengths of spots are available to all legally qualified federal candidates (:10's, :15's, :30's, and :60's). Any deviations from the standard unit length (:30's) are limited and subject to greater preemptibility based on time period; approximately 5% of the Station's inventory allows for natural :10's and/or :15's. Ten (:10) second announcements are calculated at 50% of the :30 second rate; fifteen (:15) second announcements are calculated at 60% of the :30 second rate; sixty (:60) second announcements are calculated at double (200%) the :30 second rate. Subject to lowest unit charge obligations, all calculations for announcements other than :30's will be rounded to the nearest \$5 increment.
- b. Candidates should be aware that orders for the purchase of time made after 12:00 noon on the Thursday preceding election day may not be filled due to lack of availabilities. The earlier an order is placed, the greater the scheduling options will be.
- c. Certain time periods may be unavailable for purchase when those time periods are committed because of the Station's compliance with its legal obligations. The Station reserves the right to recapture time, even after it has been confirmed, to satisfy equal opportunities and other legal obligations.
- d. Requests for programming avails and spots in non-standard increments from legally qualified federal candidates will be considered on an individual basis. No promotional announcements will be scheduled to promote political programs.

Rates

Subject to availability, the Station will offer every class of time at the lowest unit rate to legally qualified political candidates during the 45 days before a primary election or 60 days before a general or special election for candidate authorized "uses." The Station will periodically adjust rates in accordance with ordinary business practices.

The Station will provide upon request a good faith estimate of the probability that a spot purchased in a specified time period and class will be preempted. The Station can provide only an estimate of preemption probability, not a guarantee, and subsequent purchases of time can affect the probability that a spot actually purchased would be preempted.

Federal election law provides that a federal candidate is only eligible for the Station's lowest unit rate if the candidate provides "written certification" to the Station that the candidate and the candidate's authorized committee "shall not make any direct reference to another candidate for the same office" in a spot unless that spot complies with expanded sponsorship identification requirements. These requirements are detailed in the "Identification" section above, under "Lowest Unit Rate Requirements for Federal Candidates." Note that this requirement applies to any "reference" to another candidate — not necessarily an attack or a negative reference.

In addition to supplying certification — which should be made with *every purchase* of political advertising that would be entitled to lowest unit charge — the federal candidate must actually comply with the certification. If a candidate's sponsored spot airs on the Station and refers to an opposing candidate without including the enhanced sponsorship identification, that candidate is not entitled to the Station's lowest unit rate for that spot or for any spot run from that day through the relevant election window.

KAUZ LICENSE SUBSIDIARY, LLC, WICHITA FALLS 2018 POLITICAL GUIDELINES

The Station's classes of time are as follows:

Non-Preemptible 1 - Spots scheduled to air at the Station's discretion within or adjacent to the particular program, time period, daypart, or day as specified by the advertiser. These spots may not be preempted in favor of any other advertisement and will air as scheduled in the absence of unforeseen circumstances, including but not limited to, program changes, technical difficulties, breaking news, and human error, or changes required to meet legal obligations such as equal opportunity and federal reasonable access requirements. Because the Station has a limited number of commercial avails, even "non-preemptible" time may be sold out. In this case, the Station will endeavor to locate a comparable area for placement of a candidate's time. If a spot in this class of time is preempted, the Station will offer the advertiser a make-good, as provided below.

Preemptible with Notice 2 - Spots scheduled to air at the Station's discretion within or adjacent to the particular program, time period, daypart, or day as specified by the advertiser. These spots may be preempted in favor of other advertisements in a higher class of time upon 3 days (72 hours) notice to the advertiser. If a spot in this class of time is preempted, the Station will offer the advertiser a make-good, as provided below. These spots must be purchased *more than* 72 hours before they are to air. In general, spots in this class have an estimated probability of preemption of about **1%-20%**; candidates should contact the Station for more up-to-date estimates at the time of purchase.

Preemptible with Notice 3 - Spots scheduled to air at the Station's discretion within or adjacent to the particular program, time period, daypart, or day as specified by the advertiser. These spots may be preempted in favor of other advertisements in a higher class of time upon 24 hours notice to the advertiser. If a spot in this class of time is preempted, the Station will offer the advertiser a make-good, as provided below. These spots must be purchased more than 24 hours before they are to air. In general, spots in this class have an estimated probability of preemption of about **21%-50%**; candidates should contact the Station for more up-to-date estimates at the time of purchase.

Immediately Preemptible with No Notice 4 - Spots scheduled to air at the Station's discretion within or adjacent to the particular program, time period, daypart, or day as specified by the advertiser. These spots may be preempted in favor of other advertisements in a higher class of time, or in the event of unforeseen program changes, technical difficulties, breaking news, human error, or similar circumstances, with no guarantee of advance notice to the advertiser. If a spot in this class of time is preempted, the Station will offer the advertiser a make-good, as provided below. In general, spots in this class have an estimated probability of preemption of about **51%-60%** candidates should contact the Station for more up-to-date estimates at the time of purchase.

Run of Schedule (ROS) - A form of immediately preemptible time in which the Station has wide discretion to schedule announcements when and as time is available. The Station will air as many ordered ROS spots as possible within the flight dates specified by the advertiser. If any ordered spots are not aired within the flight dates, the advertiser will receive a credit; no make-goods will be offered for preempted spots in this class of time. In general, spots in this class have an estimated probability of preemption of about **61%-90%**. Candidates who are interested in ROS scheduling should contact the Station for an explanation of available time periods, rates, and updated estimates of the probability of preemption.

Direct Response - Rates are available on request. Direct Response advertisements are scheduled to air at the Station's discretion within wide rotations as negotiated with the advertiser. Make-goods are not available for spots purchased in this class of time.

The Station will provide upon request an updated good faith estimate of the probability that a spot purchased in a specified time period and class will be preempted. The Station can provide only an

KAUZ LICENSE SUBSIDIARY, LLC, WICHITA FALLS 2018 POLITICAL GUIDELINES

estimate of preemption probability, not a guarantee, and subsequent purchases of time can affect the probability that a spot actually purchased would be preempted. In particular, when demand for Station inventory is particularly high, as can occur in the pre-election windows, the likelihood of preemption may increase.

Spots purchased in any class of time are subject to preemption for special unforeseen circumstances, such as program overruns, live events, equipment failure, weather or emergency situations, breaking news, or similar events. Preemptions also may be required to meet the Station's legal obligations, including but not limited to obligations relating to equal opportunity and federal reasonable access requirements. The Station will offer make-goods, as provided below, to advertisers whose spots are preempted for these reasons and who have purchased time in a class that entitles the advertiser to make-good protection.

When deciding what spots within a class to preempt, the Station first selects on the basis of priority level, then selection on a "last in, first out" basis that turns on when the spot was purchased, without regard to the identity of the advertiser.

Rotations other than those shown on the attached rate card are available upon request. The Station also airs spots sold through the CBS Television Network and CW Television Network, to air on multiple stations affiliated with that Network. Please contact the Station for more information.

With respect to commercial advertisers, it is not the Station's practice to guarantee rating points delivery absent a written agreement. However, the Station may negotiate guaranteed ratings points delivery with advertisers who request such a guarantee. If the Station and the advertiser reach agreement, the result of those negotiations is a written, mutually-agreed upon ratings delivery figure. To qualify for consideration, ratings delivery must be agreed upon, in writing, in advance of the schedule. Any shortfalls of that agreed-upon delivery cannot be calculated until Nielsen publishes its quarterly "ratings survey" results, known in the industry as "sweeps." In such instances, should overall actual delivery fall below the agreed upon estimated delivery, the Station normally airs additional spots to reach the mutually agreed upon level. **THE STATION DOES NOT PROVIDE UNDERDELIVERY MAKE-GOODS ON THE BASIS OF OVERNIGHT RATINGS.** With respect to political advertisers, because no "sweeps" books will be published during the pre-election period, the Station cannot provide political advertisers with underdelivery make-goods in accordance with its standard practice. However, the Station will make available to political advertisers the benefits of any underdelivery make-goods provided to commercial advertisers buying time in the same class and time period as political advertisers. Accordingly, the Station will give political advertisers, upon request, "bonus spots" at the time they purchase spots to compensate them for their risk of underdelivery should ratings target be negotiated at the time the order is placed.] If you would prefer to negotiate to purchase time against specified ratings and demographic targets and to receive compensation for underdelivery in another way, please contact the Station and your request will be reviewed. You should be aware that the Station will not provide underdelivery bonus spots scheduled to run after the election to any candidate.

Rebates

In the event the Station sells and broadcasts a spot in a particular class and for a particular time period at a rate lower than the rate paid by a candidate for the same amount of time in the same class and same time period, the candidate will be afforded the benefit of the lower rate, to the extent required by federal law. The Station will provide the candidate with either a rebate or a credit against future purchases, at the candidate's option.

Make-goods

The Station will offer "make-good" spots prior to the election for candidate authorized spots that are eligible for "make-goods" and are preempted by other spots or due to circumstances beyond the Station's

KAUZ LICENSE SUBSIDIARY, LLC, WICHITA FALLS 2018 POLITICAL GUIDELINES

control. Although the Station's policy is to offer all candidates make-goods before the election (if candidate has bought a class of time that is eligible for make-goods), we cannot guarantee to any advertiser that the make-goods can be provided in the specific program, time period, or rotation originally ordered. If inventory constraints preclude such identical scheduling, the Station will attempt to offer make-goods of equivalent value. If these are not acceptable to the advertiser, the Station will provide credits or refunds for preempted spots. Inventory during the week prior to an election is particularly limited by equal opportunity and other demands, and the Station may have limited ability to accommodate make-goods during this period. The Station will provide time-sensitive make-goods to candidates to the extent that it has provided a time sensitive make-good to a commercial advertiser who purchased time in the same class within one year preceding the forty-five (45) days before the primary election and the sixty (60) days before the general or special election (or within the applicable political window itself).

Packages

From time to time, the Station may make available packages including combinations of classes. The rate charged for each ad in a package, however, will reflect the lowest unit charge for the class of time ordered. Where applicable, the lowest unit rate for each class of time reflects package discounts, and candidates may, at their option, purchase spots either in a package or individually at this price. Please contact the Station for more information.

Weekend Access

Should a federal candidate or their agents need to change traffic, or otherwise need to communicate with the sales or traffic departments on the weekend prior to the election they may call Master Control at (940)723-5430 and they will contact the appropriate person. The station will endeavor to react to the pre-election request but due to limited weekend personnel the station may not be able to accomplish the request.

Cancellations

An advertiser who has paid in advance for a flight of advertisements may cancel that flight, or any part thereof, five (5) or more days before the first spot is scheduled to run for a full refund or credit. Any advertiser who cancels less than five (5) but more than two (2) days before the first spot is to be scheduled to run will receive a refund or credit for 50% of the amount paid for the cancelled spots. Any advertiser who cancels two (2) or fewer days before the first spot is scheduled to run will receive no refund or credit for the cancelled spots.

Placement

The Station does not guarantee "product protection" to any advertiser and, where scheduling so dictates, candidates' spots may be aired back-to-back with their opponents' spots.

Non-Discrimination Policy

Station does not discriminate in advertising contracts on the basis of race or ethnicity. Any provision in any order or agreement for advertising that purports to discriminate on the basis of race or ethnicity, even if handwritten, typed or otherwise made a part of a particular contract, is hereby rejected.

Commercial Advertising Loudness Mitigation Act (CALM Act) Certification

KAUZ LICENSE SUBSIDIARY, LLC, WICHITA FALLS 2018 POLITICAL GUIDELINES

By purchasing time on the Station, each advertiser certifies that it has properly measured the loudness of the commercial or other content and has accurately reported that loudness, consistent with the Advanced Television Systems Committee (ATSC)'s "Recommended Practice: Techniques for Establishing and Maintaining Audio Loudness for Digital Television" (A/85), and any successor thereto approved by the ATSC.

KAUZ LICENSE SUBSIDIARY, LLC, WICHITA FALLS 2018 POLITICAL GUIDELINES

ACKNOWLEDGEMENT

Advertiser has been advised that a variety of classes of time (preemptible and non-preemptible) and package options are available to advertisers at a variety of rates, and the purchaser has been furnished with all requested information concerning classes, rates, discounts, preemptibility, and package plans.

Station Acknowledgement of disclosure to candidate

Printed Name of Candidate

Printed Title of Office Candidate is seeking

How disclosure made available to Candidate
(fax, mail, in person, e-mail, etc.)

Phone Number of Candidate

Fax Number of Candidate

Date