KEYC NEWS NOW POLITICAL RATE DISCLOSURE AND POLICY STATEMENT 2024

These guidelines are intended to aid in your media planning. As new policies, regulations or court decisions are handed down, our policies will change to conform to the applicable changing rules. If you have any questions, please call us. We will either have the answer or find someone who does. You can be of assistance to us and to your clients during the chaos of the political season by contacting us as early as possible to clarify any question you may have.

Thank you.

KEYC NEWS NOW, P.O. Box 128, Mankato, MN 56002-0128

POLITICAL ADVERTISING POLICIES AND PROCEDURES

- 1. These policies apply <u>only</u> to legally qualified candidates for public office and their authorized campaign organizations to promote their candidacy. They are not applicable to political action committees or to non-candidate "issue" advertising. Reasonable access will be provided to all legally qualified Federal candidates before a primary and general election. Legally qualified candidates may request specific programming and we will individually consider and negotiate specific requests. We reserve the exclusive right to determine the amount of time and program availability to particular candidates.
- 2. This disclosure statement contains the political advertising policies and procedures of KEYC NEWS NOW. They have been adopted in compliance with the requirements of the Federal Communications Commission rules, and this information has been assembled to assist legally qualified candidates in purchasing airtime.

As part of our disclosure to candidates, we intend to provide all information needed by candidates to make an informed buyer's decision. We will disclose to each candidate our classes of time, rates and sales practices, which will at a minimum contain the following:

- (a) We will describe/define each available class of time; with differences between classes identified in an understandable manner.
- (b) We will provide the "lowest unit charge" available to legally qualified candidates and to their authorized representatives for each class.
- (c) We will provide an explanation of our method of time sales which for KEYC/NEYC is basically a grid, demand-driven current selling level negotiated between the advertiser and our sales personnel, with other advertisers having the opportunity to bump or "preempt" spots by paying a higher rate.

- (d) We will provide for each class, where applicable, our best, good faith estimate of the likelihood of preemption. Estimates will never guarantee any given spot will run, and the estimate will change from time to time as function of demand and changes in the marketplace over which we have no control.
- (e) We will inform candidates of any sales practices which affect rates including preemption priorities and our best, good faith estimates of what will run or be preempted.
- (f) We will also explain our make good policy as to each class. Some have "make goods," some do not.
- (g) We will inform you as to all discount and value-added privileges.
- (h) We will provide you with a current list of all rotations in use.
- (i) We will provide this information in written form with written or oral updates and changes whenever requested by legally qualified candidates or their authorized representatives and upon their inquiry as to purchasing time. Our local sales personnel, who are authorized to discuss the sale of political time and our national sales representatives will have current information to provide updates when requested by candidates or their authorized representatives. Disclosure will be made to candidates or their authorized representatives within the "political window" periods AND during the comparable use period (outside the windows).
- (j) Our avail sheets and quotes to candidates and their authorized representatives will reflect a submit rate which is our best, good faith estimate of the "lowest unit charge" for each requested class of time.
- (k) If you do not receive all the above in response to your request for avails, please call Jack Gronholz and Michele Gors at 507-514-6175.
- (l) NO ONE EXCEPT FOR THE ACCOUNT REPRESENTATIVES IDENTIFIED IN SECTION 12 BELOW ARE AUTHORIZED TO DISCUSS THE SALE OR AVAILABILITY OF POLITICAL TIME. <u>Due to Federal record keeping requirements for each inquiry, no one else is authorized to take political inquiries or orders.</u>
- 3. We will offer legally qualified candidates for federal elective office (and their authorized representatives) reasonable access to our entire broadcast schedule (see limitations in Sections 5 and 20 below) and the opportunity to buy reasonable amounts of time. While we also offer broadcast opportunities to local and state candidates for public office, we

reserve the right to limit the races which qualify, the number of announcements sold based on our

judgement as to the importance of the races, the number of legally qualified candidates, the amount of public interest in these races, and our obligations to other candidates including those required by the FCC's "equal opportunities" doctrine.

- 4. We do not offer free time for political advertising.
- 5. We reserve the right to restrict political advertising from certain program areas, i.e., locally originated news bulletins, public affairs programming, PSA's, program billboards, program sponsorships which would reasonably suggest or imply a relationship with KEYC NEWS 12 and will not offer candidates non-cash promotional incentives of "de minimis" value or which reasonably suggest or imply a relationship with us.
- 6. Due to requirements of scheduling, candidates are urged to place their advertising schedules at their earliest possible convenience. Schedules placed after 5:00 P.M. ten (10) days preceding any election may not be filled to the satisfaction of the candidate due to lack of availabilities.
- 7. Federal Rules require all advertisements to comply with Federal sponsorship identification requirements as set forth in the attached §317 of the Communications Act and an applicable FCC rules and regulations. If candidate spots do not contain the proper identification, we are required by law to add the appropriate material.

Current FCC regulations require the sponsorship of all political advertising to fully and fairly disclose the true identity of the sponsors with, at a minimum, the disclosure to have "Clearly Discernible" video letters four percent (4%) of the screen height (20 scan lines) and each letter is to <u>remain</u> on screen for at least four (4) seconds. If any political spot does not comply, we are required by law to add the required language and we will do so to the spot itself, no additional time will be added to the spot. Note that technical compliance alone is not sufficient. The disclosure must clearly identify the true sponsor and must contain the words "paid for" or "sponsored by" with no abbreviations allowed.

The entity's name must be specific enough to allow identification of the real sponsor. The FCC has held that a committee named "A Lot of People Who Would Like To See Sam Grossman Elected to the U.S. Senate" did not meet Federal requirements.

8. Federal rules require any corporation, committee, association or other unincorporated group or other entity that is purchasing political advertising to furnish us with a list of its chief executive officers, members of its executive committee or board of directors. Such lists <u>must be furnished before we will grant a request for time</u>. These lists and all requests for time by or on behalf of political candidates, as well as a record of our action

on the request and the charges made, will be available for public inspection at our studios and on-line at https://stations.fcc.gov/station-profile/keyc-tv.

- 9. Political committee advertising for or against a ballot proposition does not qualify for "lowest unit charge" or other preferential treatment afforded to a legally qualified candidate.
- 10. Orders: Orders for political time will not be considered firm for broadcast clearance until the following have been provided.
 - (a) Payment in full must be received by us and all political agreement forms must be properly executed with all necessary information and signed by the legally qualified candidate, or the candidate's duly authorized committee or agency before any advertising schedule can run. Payment in full for each schedule should be provided to us no later than 48 hours in advance of the day the first spot in the schedule is to run. The entity identified as the sponsor on the spot must match the entity identified on the paperwork as the sponsor.
 - (b) Where the purchase is made by a corporation, committee, association or other unincorporated group, a list of the entities involved together with the officers, directors, chief executive committee or board of directors must be provided.
 - (c) Proof as may be deemed reasonably sufficient by us that the candidate is "legally qualified," as defined by the FCC.
 - (d) Proof as may be deemed reasonably sufficient by us that the purchaser is authorized to buy time for the candidate.
 - (e) Advance orders for schedules of political advertising may be subject to reconfirmation thirty (30) days preceding start of schedule.
 - (f) Commercial materials (all digital files, videotape, film, slides or copy, etc.), along with instructions for their use, should be submitted in writing as early as possible to assist proper airing. All instructions should be in writing. Changes to instructions should also be in writing to the sales representative assigned to the account (by letter, fax, e-mail or telegram) prior to the changes being made. Please submit commercial materials in sufficient time to permit review for compliance with sponsorship identification requirements and with broadcast technical standards. Even if a nonconforming spot is run once, we are required by law to make the spot conform with Federal law and FCC rules and regulations.

- (g) 1) DEADLINES FOR ALL COMMERCIAL MATERIAL, TIME ORDERS AND CANDIDATES' CONTRACT CHANGES ARE 72 HOURS BEFORE AIRING.
- (h) Failure to fulfill all requirements in advance of the deadlines may result in previously cleared advertisements or programs not being aired as scheduled or at all.
- (i) Broadcast schedules as ordered will be sent to the advertiser and placed in our political file as soon as possible, and will be available upon request. In addition, when practical to do so, the sales personnel listed in Section 12 below will attempt to provide current information upon the telephonic request of the legally qualified candidates as to their schedules and those of their direct opposition with the understanding that changes may occur at any time. If in doubt of the current status, call our account representative or inspect our political file.
- 11. Production services may be utilized for the production of political announcements or programs, subject to available production time, and rates will be provided upon request. Production charges are handled separately from time charges. Agencies or candidates who schedule production time are required to provide a check for payment of accrued charges at the production session. No spots will be released or aired, nor will any dubs be ordered, until payment of the full amount due. News talent is not available for political advertising purposes, on-camera or voice-over.
- 12. In order to comply with these rules, <u>only KEYC NEWS NOW</u> sales personnel Jack Gronholz and Michele Gors are authorized to accept calls or inquiries regarding political advertising. <u>Due to Federal record keeping requirements for each inquiry, no one else is authorized to take political inquiries or orders</u>. All phone numbers are area code (507) 514-6175.
- 13. The "lowest unit charge" is our lowest charge for the same class and amount of time for the same period. The "lowest unit charge" applies to any "use" broadcast during the 45-day period preceding the Presidential Preference Primary date, the 45-day period preceding the primary election date and the 60-day period preceding the general election. Outside of the 45 and 60-day periods legally qualified candidates will be charged rates comparable to those charged commercial advertisers.

The date the political advertisement is broadcast, not the date the order is accepted, determines whether the "lowest unit charge" applies.

14. For 2024, the base period dates are:

PRIMARY ELECTION (2024) JULY 14, 2024 - AUGUST 13, 2024

GENERAL ELECTION (2019) SEPEMBER 20 – NOVEMBER 5, 2024

- 15. Rates can and do change from hour to hour, day to day and week to week as a function of demand and market conditions. All prices quoted are estimates and are subject to revision, usually on the day the spot airs. Rate revisions will be implemented to assure compliance with "lowest unit charge" guidelines established by the FCC.
 - (a) An accurate reconciliation of "lowest unit charge" can be achieved only after a broadcast day or broadcast week is accomplished. We will be as diligent as possible when quoting rates to avoid changes to the fullest extent possible. Rate revisions will comply with "lowest unit" guidelines established by the FCC.
 - (b) Our traffic personnel will be available Saturday and Sunday immediately prior to the Primary Election and General Election. We encourage candidates, their agencies or representatives to place all time orders and have completed traffic instructions in our hands 96 hours prior to air. However, we will be responsive to emergency situations as an accommodation to political advertiser's needs.
 - (c) Responsibility for compliance with the Federal sponsorship requirements is placed upon the licensee, and we are required by law to alter or edit any tapes, at the expense of the candidate, to assure conformity with FCC guidelines.
 - (d) Legally qualified candidates may purchase time subject to availabilities. The base availability is a 30-second spot which must include the required sponsorship identification. Spot time is available in other lengths of 10, 15, 60, 90 or 120 seconds. Requests for other lengths will be individually considered and negotiated, see (g) below.
 - (e) Candidates should be aware that, unless otherwise required by law, 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.
 - (f) We will place all orders as to day and time, subject to availabilities. Due to "equal opportunities" obligations, certain availabilities may not be achievable for candidates in some political races.
 - (g) We do not normally sell time in lengths greater than 120 seconds. However, requests for program length time, including lengths of 5 minutes, 30 minutes, 60 minutes and other lengths, will be considered and negotiated on an individual basis. No promotional announcements, except a candidate's additionally purchased advertisements, will be scheduled or aired unless the candidate specifically purchases such additional advertising time.

- 16. Rates fluctuate on a daily basis according to the class of time ordered. Quoted rates from availability requests are for 30-second spots. Rates for other lengths of spots will be quoted upon request. Unit costs are subject to increase or decrease as program changes occur and as a function of demand and market conditions.
 - (a) Each separate class of time is offered to candidates at its respective "lowest unit charge;" the lowest clearing rate of the particular class of time ordered by the candidate for the time period when the spot is broadcast before the election. We will provide our best, good faith estimate of the "lowest unit charge" for each class to political advertisers.
 - (b) For "pre-emptible" classes, candidates may purchase spots (subject to the availability) at the "lowest unit charge" or at a higher rate so as to decrease the potential for preemption. Our best estimate of the likelihood of preemption will be provided to political advertisers with each request for each class of time for each rate available.
 - (c) In the event advertising time is sold for a particular class and for a particular time period and is broadcast at rates lower than the rate paid by the candidate, the candidate will be given the lower rate either by way of a rebate or as credit against future purchases, at the option of the candidate.
 - (d) We will use our best efforts to provide "make good" spots prior to the election for candidate "use" spots that are preempted due to technical problems where "make goods" apply because of the class of time purchased or the right to "make goods" has been negotiated for and acquired by the political advertiser. Our policy is to use our best, good faith efforts to offer candidates make goods before the election. However, we cannot guarantee to any advertiser that the make goods will be provided in the time period or rotation originally ordered. If inventory constraints preclude identical scheduling, we will offer make goods of equivalent value. If these are not acceptable to the candidate, we will provide credits or refunds for preempted spots. Note, all classes of time do not provide for "make goods." Please make sure you understand your sales representative's advice as to the differences for each class of time you may order as described below.
 - (e) Combinations of classes are available. Each spot ordered will reflect the appropriate class of time for "lowest unit charge" calculation purposes. Rates for each spot will be allocated by us for each class.

- (f) Rotations: Spots may be purchased individually or in designated rotations among several designated days or time periods. Current rotation schedules and their "lowest unit charges" are provided as a supplement to this policy. See the attachments for additional details. Current "rotation" schedules will be updated from time to time during the political advertising period and copies will be furnished for each request.
- 17. <u>"The Lowest Unit Charge"</u> is given to legally qualified candidates (and to their authorized representatives) for spots that air within 45 days of a primary election and for spots that air within 60 days of the general election. These spots shall be priced at the "lowest unit charge" for the class and time-period designated. Subject to the restrictions in Sections 5 and 20, we offer the sale of commercial time by specific program, and by various rotations. A candidate's options include:
 - (a) Class "A" Time: F1 is a low preemption level with 24 hour notice. P2 is a lower pre-emptible rate and the client will be given a 48 hour notice regarding a spot being preempted. P3 is our lowest rate and can be preempted without notice and will be made good within flight dates. If a make good cannot be accomplished within the flight date on the P3 level, the spot will be credited and a refund made to the candidate.
- 18. General information regarding candidate purchases include:
 - (a) All rates quoted are for spots 30 seconds in length.
 - (b) 60 second spots carry a rate two times the 30 second rate. 90 second spots carry a rate three times the 30 second rate. 120 second spots carry a rate four times the 30 second rate (except in the case of direct response).
 - (c) 10 second spots are priced at 50% of the 30 second rate.
 - (d) 15 second spots are priced at 65% of the 30 second rate.
 - (e) All rates are subject to 15% agency commission. If a candidate has no advertising agency, our rate will apply the benefit of the 15% commission to the candidate.
 - (f) <u>Competitive Protection</u>: We will endeavor to provide separation between opposing candidates' commercials. However, because some breaks are only :60 or :90 in length, it may be necessary to air opposing candidates' commercials back to back.
- 19. The contents of this disclosure and policy statement, and the attached supplements are subject to change at any time. We will attempt to keep candidates advised of the

changes, but each candidate and authorized committee is urged to <u>assume</u> that change has taken place and to make sure to use current information at all times when negotiating with us. If you have any questions or concerns, call us promptly. If you disagree with our decision or interpretations, please tell us so we can review and respond in a timely fashion.

We are committed to providing good service to all candidates and to comply with the laws regulating political broadcasts. Thank you in advance for your understanding and cooperation.

KEYC (CBS) RATE CLASSES (:30 SECONDS) (COMMISSIONABLE)

A. CLASS "A" TIME (SEE POLITICAL RATE GUIDE)

NEYC (FOX)
RATE CLASSES (:30 SECOND)
(Commissionable)

A. CLASS "A" TIME (SEE POLITICAL RATE GUIDE)

KMNF (NBC) RATE CLASSES (:30 SECOND) (Commissionable)

A. CLASS "A" TIME

(SEE POLITICAL RATE GUIDE)