

## KELOLAND Media Group Political Advertising Disclosure Statement Effective: April 12, 2021

The following sets forth the policies and practices of KELO, KPLO, KDLO, KCLO, MCLO, NELO, and KELOLAND.com, Sioux Falls and Rapid City, SD (collectively referred to herein as the "Station"), regarding the sale of advertising to political candidates. These policies are for "use" by legally-qualified political candidates. Candidates may be asked to demonstrate that they are legally qualified. They are intended for the sole purpose of providing general information in compliance with the rules of the Federal Communications Commission ("FCC") and are not a contract for the sale of advertising time. All advertising contracts will be governed by law and their own terms, which can be found at <a href="www.nexstar.tv/terms">www.nexstar.tv/terms</a>. The policies and practices set forth herein are subject to change at the Station's discretion to the extent permitted (or required) by law.

- 1. Access: Legally qualified federal candidates are entitled to purchase time on the Station during their election campaign and the Station will provide reasonable access to such candidates before primary, general and special elections. While candidates may request specific programming and/or specific time within a program, the Station reserves the right to determine the amount of time and program availability to candidates and has ultimate discretion with respect to the placement of political advertisements. The Station will grant access to state and local candidates based, in the Station's sole discretion, on the public interest in the election and inventory availability, including the Station's ability to meet its equal opportunity obligations with respect to opposing candidates. The Station will sell candidates banner, video and other advertising opportunities on its digital online community portal and mobile sites on the same rates and condition it sells such availabilities to commercial advertisers.
- **2. Applicability of LUC:** During the 45 days preceding a primary election and the 60 days preceding a general or special election (a "Pre-Election Window"), the Station will offer legally qualified candidates the "lowest unit charge" for an advertisement if the advertisement constitutes a "use" of the Station's facilities (as defined by the FCC). With respect to any advertisement that is not a "use," such advertisements will be sold at prevailing commercial rates. If a candidate "use" fails to comply with the certification requirements set forth in paragraph 4 below, all future advertising purchased by such candidate will be at prevailing commercial rates.
- <u>3.</u> <u>Sales of Candidate Time Outside the Pre-election Window</u>. If candidates purchase time for broadcast outside the statutory Pre-Election Windows, rates and conditions of sale will be comparable to those charged and applied to commercial advertisers. Avails and rates will be made available during these periods on the same basis as to commercial advertisers. Candidates are not entitled to the lowest unit charge for time purchased for use outside the statutory Pre-Election, but will be sold time at rates comparable to those paid by commercial advertisers. Discount privileges are available to candidates only on the same basis they are available to commercial advertisers during those periods. The Station's policies concerning make-goods, the availability and pricing of package plans and other sales practices will be applied to political advertisers during non-window periods on the same basis as to commercial advertisers. Candidates purchasing time for carriage outside of Pre-Election Windows should inquire if they have additional questions about the Station's policies during these periods.

## 4. Identification:

- a) All television political advertising spots must contain a visual sponsorship identification in letters equal to at least 4% of the screen height and which are on the air for at least four seconds. None of the words in the ID may be abbreviated. Ads must be submitted to the Station at least 24 hours prior to broadcast for screening purposes to determine compliance with this requirement. It is the obligation of all candidates to comply with this requirement. The Station reserves the right, but has no obligation, to add or alter identification if, in its sole judgment, the ad does not comply with the identification requirement. (If the Station undertakes such action, the Station will charge the candidate normal production charges as are charged to commercial advertisers, and will have no liability to the candidate for doing so or not doing so.)
- b) In addition, federal candidates must provide written certification at least 48 hours prior to the first broadcast of any commercial or program length commercial purchased by the candidate or his/her authorized committee(s) that the spot(s) (i) do not contain a visual or verbal reference to another candidate running for the same office or (ii) if any commercial does make visual or verbal reference of another candidate running for the same office, the end of each spot must contain a clearly identifiable image of the sponsoring candidate at least 4% of the screen height in size and simultaneously display a clearly readable printed statement identifying the candidate, stating that the candidate approved the spot or program length commercial and that the candidate or authorized committee(s) paid for the broadcast. Failure to provide a timely certification will result in the forfeiture of candidate's rights to earn the lowest unit charge as outlined by the Bipartisan Campaign Reform Act.
- c) All advertisements for placement on the Station's website must include the required BCRA disclaimer.
- <u>5.</u> <u>Orders:</u> Orders for political time will not be considered firm and confirmed for clearance until all of the following have been received by the Station:
- a) Net cash-in-advance payment or payment via ACH (automated clearinghouse).
- b) Where the purchase is made by a corporation, committee, association or other group, the name of the person making the purchase, the name, address and phone number of a contact person for such person, and a list of the officers, members of the executive committee, or the board of directors of such entity. This information will be placed in the Station's online political files.
- c) If the advertisement communicates a message relating to any "political matter of national importance", the entity purchasing the spot must identify the name of any candidate or election referred to, identify any issues, the name of the person purchasing the time, the name, address and phone number of a contact person and the information set forth in (b) above. This information will be placed in the Station's online political files.
- 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 television political advertising will be subject to reconfirmation 30 days preceding start of schedule and <u>may not be cancelled within two weeks</u> of broadcast.
- g) Deadlines for all commercial material, time orders, instructions and contract changes can be found below. Candidates may contact the Station prior to the Friday before the weekend prior to the election for a list of contacts to facilitate copy changes during the weekend prior to the election only.

10am Friday	Sunday Log
10am Friday	Monday Log
10am Monday	Tuesday Log
10am Tuesday	Wednesday Log
10am Wednesday	Thursday Log
10am Thursday	Friday Log
10am Thursday	Saturday Log

Station will work with advertiser/agency regarding constraints that may occur due to log deadlines.

- i) Confirmation of broadcast or changes to schedules as ordered will be sent to the political advertiser and placed in the Station's online political inspection files in a reasonable period of time.
- j) Completed Agreement Form for Political Candidates or Agreement Form for Non-Candidate Issue Advertisements (PB 20 or its equivalent). Please note, the Station will clear an advertisement without the appropriate form if all necessary information has been provided. However, political candidates who do not provide a completed and signed BCRA statement will forfeit all LUC rights for the remainder of the Pre-Election Window. No advertisement will clear if all required information has not been provided to the Station at least 72 hours prior to broadcast.
- k) Failure by a political advertiser to fulfill all requirements in advance of the deadlines will result in preemption of some or all announcements or programs previously scheduled but not confirmed.
- **6. Production:** Station production facilities may be utilized to produce political announcements or programs subject to available production time. A production ratecard is available upon request. Production charges are handled separately from time charges. Agencies and/or candidates who schedule production time with the Station are required to provide a check for payment of accrued charges immediately following the production session. No spots will air, nor will any dubs be produced, until a check is received for the correct amount. No Station news talent is available for political advertising purposes.

## 7. Broadcast Availabilities:

- a) Legally qualified candidates may purchase television time on the basis of any class set forth on the attached chart subject to availabilities. The base availability is a 30 second ad. Ad time may be available in other lengths (10, 15, 60, 90 and 120 seconds).
- b) Candidates should be aware that, unless required by statutory requirements, orders for the purchase of time made after 4pm 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 option will be.
- c) The Station will place all orders as to day and time period, subject to availabilities. Due to potential "equal opportunities" obligations for opposing candidates, certain time periods may be unavailable for candidates to purchase. In addition, the Station reserves the right to recapture advertising time sold to a candidate to meet equal opportunities requirements. If time is recaptured, the Station will notify the candidate as soon as practical and a credit or refund will be promptly issued.
- d) Request for program time, including lengths of 30 and 60 minutes, will be considered on an individual basis. No promotional announcements will be scheduled to promote political programs unless purchased separately.
- e) Sponsorship packages, which imply a relationship between the Station and the sponsor, are not available to political candidates.
- f) Streaming Broadcast: Station may or may not live stream newscasts and certain other programs via Station's website and mobile app. In the event that Station does live stream such programming, the purchased commercial time will be included in such stream at no extra charge. Unless otherwise stated, the purchased commercial time will not be included in any non-live streamed programming.

## 8. Rates:

- a) Advertising rates are negotiated and established on an individual basis with each advertiser. Quoted rates from availability requests are for 30 second ads. Rates for other lengths will be quoted upon request.
- b) Each separate class of television time is offered to candidates at its lowest unit charge: the lowest clearing rate of the particular class of time ordered by the candidate for the time period when the ad is broadcast during the Pre-Election Window. The Station will provide its best, good faith estimate of the lowest unit charge for each class upon request.
- c) Rates may fluctuate on a daily basis according to class of time ordered. Candidates or their respective agency must utilize rates designated on Station rate card for class of time to be utilized by the candidate.
- **9. Rebates:** In the event a particular class of television advertising time for a specified time period is broadcast during the Pre-Election Window reflecting a rate lower than the rate paid by the candidate for the same class of time and time period, the candidate will be afforded the benefit and choice of the lower rate, either by way of a timely rebate or as a credit against future purchases, net of agency commission. Rebates are not available outside of a Pre-Election Window.

- <u>10. Makegoods:</u> The Station will use its best efforts to provide makegood television spots prior to the election for candidate "use" spots that are preempted due to technical problems or because of the class of the time purchased. Although the Station's policy is to offer all candidates makegoods before the election, it cannot guarantee to any advertiser that the makegoods can be provided in the time period or rotation originally ordered. If inventory constraints preclude such identical scheduling, the Station will offer makegoods of equivalent value. If these are not acceptable to the advertiser, the Station will provide credits or refunds of preempted spots.
- <u>11. Packages:</u> Combinations of classes are available. Each individual ad ordered will reflect the appropriate class of time for the lowest unit charge purposes. The Station will allocate rates for each ad in the package for each class. Packages and volume discounts outside of Pre-Election Windows are negotiable. Packages will be made available upon request.
- **12.** Value Added Features: If scheduled during a Pre-Election Window, candidates may purchase value-added elements in conjunction with airtime, including, but not limited to project or program sponsorships (excluding news time periods and updates).
- **13. Rotations:** Ads may be purchased individually or in designated rotations among several designated days or time periods.
- 14. Underdelivery: The Station does not guarantee rating point or demographic target delivery on any particular program or combination of programs for any advertiser. Solely in the event that Station and candidate have included in a contract a pre-negotiated gross household rating point or demographic target level, if there is an actual delivery for an entire schedule of advertising at a level below 90% of the pre-negotiated gross household rating point or demographic target level, the Station will occasionally air additional spots at no additional charge to adjust the actual delivery to the 90% level. To determine "actual delivery" advertisers must furnish a copy of a post-broadcast quantitative analysis prepared on the entire advertising schedule using the Donovan, BMP or TV Scan methodology and based upon the Nielsen rating analysis for the calendar quarter in which the advertising schedule ran. Makegood spots, if necessary, normally will be aired on a Run of Schedule basis at the Station's discretion as immediately preemptible spots in the two quarters following the quarter in which the advertising ran. No other adjustments are available, including cash rebates. Given election timetables, it is normally not feasible for candidates to obtain this type of adjustment.
- 15. Classes of Time: The Station sells time by grid and does not sell between the grid for any class of time other than "immediately preemptible." Rates for each class of time will vary based upon supply and demand. The Station offers the below classes of time, all of which are available to candidates for purchase. With respect to all classes of Preemptible Time, the Station reserves the right to adjust rates within each class of time at any time prior to the applicable preemption notice deadline in order to ensure availability and equal opportunity.
- Grid I Fixed: Ads scheduled to air in a specified program, break or day or daypart (each a "Fixed Time"). These ads may not be preempted in favor of any other ad and will air as scheduled absent unforeseen program changes or technical difficulties. The Station reserves the right to raise its rates for new purchases in this class of time for commercial advertisers as market demand dictates. With respect to eligible candidates purchasing Fixed Time during a Pre-Election Window, the first candidate purchasing that Fixed Time will set the rate for only that specific Fixed Time. The Station reserves the right to adjust fixed time rates for candidates with respect to different programs, times, breaks, dayparts and dates as demand dictates (e.g.

Dancing with the Stars may have different lowest unit charge rates on nights 1 and 2 each week and/or from week to week).

<u>Grid II - Preemptible with 72 Hour Notice:</u> Ads scheduled to air at the Station's discretion in a particular program, time period or daypart specified by the advertiser. These ads may be preempted in favor of Fixed Time advertisements upon 72 hours' prior notice to the advertiser. If notice of preemption is not given by the Station, the ads become non-preemptible at 72 hours in advance. Upon request, the Station will give a good faith assessment of the likelihood of preemption at the time of a request, but this is not a guarantee with respect thereto.

<u>Grid III - Preemptible with 48 Hour Notice:</u> Ads scheduled to air at the Station's discretion in a particular program, time period or daypart specified by the advertiser. These ads may be preempted in favor of Fixed Time and 72 Hour Notice ads upon 48 hours' prior notice to the advertiser. If a notice of preemption is not given by the Station, the ads become non-preemptible at 48 hours in advance. Upon request, the Station will give a good faith assessment of the likelihood of preemption at the time of the request, but this is not a guarantee with respect thereto.

Grid IV - Preemptible with 24 Hour Notice: Ads scheduled to air at the Station's discretion in a particular program, time period or daypart specified by the advertiser. These ads may be preempted in favor of Fixed Time, 72 Hour Notice ads and 48 Hour Notice ads upon 24 hours' prior notice to the advertiser. If a notice of preemption is not given by the Station, the ads become non-preemptible at 24 hours in advance. Upon request, the Station will give a good faith assessment of the likelihood of preemption at the time of the request, but this is not a guarantee with respect thereto.

<u>Grid V - Immediately Preemptible:</u> Ads scheduled to air at the Station's discretion in a particular program, time period or daypart specified by the advertiser. These ads are not guaranteed to run and may be preempted in favor of all of the foregoing classes of spots at any time. They are sold to advertisers with the understanding that they will run unless the Station sells out of its inventory in particular program, time period or daypart. Upon request, the Station will give a good faith assessment of the likelihood of preemption at the time of the request, but this is not a guarantee with respect thereto.

<u>Preemptions</u>: With respect to all preemptible advertising, the likelihood of preemption is a function of supply and demand for advertising within a specific class, program or time period. Preemptions may also occur due to unforeseen or circumstances beyond the control or advance knowledge of the station. Candidates should also be aware that the Station uses a "last-in, first out" policy with respect to determining the order of preemption in each preemptible class (e.g., the last advertiser – whether commercial or candidate – to purchase the applicable time, will be the first advertiser preempted for the applicable time). For purposes of determining the "last-in" advertisement, the Station's date of order entry of the advertisement will be the determining date.

Other Classes: The Station offers "Direct Response" ads which are scheduled to air at the Station's discretion in the particular program, time period or daypart specified by the advertiser. Makegoods are not available. Rates and other conditions of use are available upon request.

<u>Run of Schedule:</u> Run of Schedule spots are Immediately Preemptible spots in which the Station has the widest discretion to air the ads. Makegoods are not available.

<u>16. Political File</u>. We maintain an online 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 the Station of each such request, any charges made if the request was granted, and the lengths, classes, and dayparts purchased. The political file is available on the FCC's website. We retain the records in our political file for a period of two years.

Questions concerning the policies outlined in this disclosure should be directed to Chris Morrison, KELOLAND General Sales Manager.

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THIS STATION DOES NOT DISCRIMINATE OR PERMIT THE DISCRIMINATION ON THE BASIS OF RACE, ETHNICITY OR GENDER IN THE PLACEMENT OF ADVERTISING.