

MONTICELLO MEDIA RADIO: WCHV, WCYK, WHITE, WKAV, WZGN

#### STATEMENT OF POLICY ON POLITICAL ADVERTISING

It is the intention of MONTICELLO MEDIA 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, MONTICELLO MEDIA 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 MONTICELLO MEDIA stations by permitting the purchase of reasonable amounts of time for their use on MONTICELLO MEDIA radio stations. While MONTICELLO MEDIA 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 MONTICELLO MEDIA has offered to commercial advertisers during the year preceding the relevant pre-election period, as well as any length of time that the station has programmed in the year preceding the election. MONTICELLO MEDIA 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.

MONTICELLO MEDIA 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 MONTICELLO MEDIA, and potential programming disruption.

**STATE AND LOCAL RACES.** It is the policy of MONTICELLO MEDIA to keep its listeners informed of opposing candidates' viewpoints in state and local elections. Generally, MONTICELLO MEDIA also sells airtime to legally qualified candidates for non-federal public office. However, MONTICELLO MEDIA reserves discretion to determine the amount of advertising that it will 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 MONTICELLO MEDIA's obligation to afford reasonable access to federal candidates, the availability of inventory, and potential programming disruption. MONTICELLO MEDIA 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.

**RATES FOR CANDIDATES.** During the 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 MONTICELLO MEDIA by legally qualified candidates running in that election are not, under federal law, permitted to exceed the lowest unit charge of MONTICELLO MEDIA stations 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 MONTICELLO MEDIA 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, MONTICELLO MEDIA 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 MONTICELLO MEDIA by legally qualified candidates may not exceed the charges made for comparable use of MONTICELLO MEDIA 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 candidate authorizes the advertisement. 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 PLACEMENT AND DIRECT PLACEMENT.** Except for spots sold by the station’s rep firm, MONTICELLO MEDIA’s lowest unit charge is based on the net to MONTICELLO MEDIA. Thus, for example, if MONTICELLO MEDIA’s commissionable lowest unit charge for a particular advertisement is \$100, and a recognized agency books a spot on behalf of a legally qualified candidate who is entitled to the lowest unit charge, MONTICELLO MEDIA will net \$85 from the sale of that spot (\$100 less the normal 15% agency commission). MONTICELLO MEDIA’s lowest unit charge for a spot of the same class, length and time period will therefore be \$85 for candidates who wish to make a “direct” buy.

**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 MONTICELLO MEDIA’s advertisers may make:

**Length of Announcements.** Generally, MONTICELLO MEDIA makes available for purchase airtime in the following lengths: 60 seconds, 30 seconds and 15 seconds. As stated above, MONTICELLO MEDIA will make other lengths of time available to candidates for federal office if MONTICELLO MEDIA has offered

such lengths to commercial advertisers during the year preceding the relevant pre-election period, or if MONTICELLO MEDIA has aired programs of such lengths in the year preceding the election.

Classes of Time. Generally, MONTICELLO MEDIA makes available the following classes of time:

Grid 1 Fixed (non-pre-emptible): These spots are guaranteed to air at the scheduled time or during a set time period, except in the event of unforeseen program changes or technical difficulties. Fixed spots constitute MONTICELLO MEDIA's highest-priced class of time.

Grid 2 Effective Selling Level (pre-emptible with notice): Spots of this level are generally pre-empted only to run fixed spots purchased by another advertiser. The likelihood of clearance of this level of pre-emptible spot, therefore, is relatively high except in shows with high demand and few locally available commercials.

Grid 3 Immediately Pre-emptible (pre-emptible without notice): Spots of this level are the lowest program/day part rate accepted by the station and are immediately pre-emptible to run Effective Selling Level spots or fixed spots. Thus, the likelihood of clearance of Immediately Pre-emptible Level 3 spots is the lowest of all available classes of time.

For "pre-emptible" classes, candidates may purchase ads at the lowest unit charge or at a higher rate so as to decrease the potential for pre-emption. In the event that a candidate purchases a pre-emptible spot at a higher rate to air during a statutory "lowest unit rate" period, and the station sells a spot of the same length and pre-emptible class that airs during the same time period for a lower rate, the candidate will be afforded the benefit of the lower rate either by way of a timely rebate or as credit against future purchases, at the option of the candidate.

Direct Response Advertising: This class typically involves a :30 or :60 announcement that describes a product or service and solicits a call directly to the advertiser via an 800 or 900 prefix telephone number. Time purchased in this class is scheduled in very broad rotations and is highly pre-emptible, with no attempt to make good pre-empted spots.

Per Inquiry Advertising: This class of time is similar to Direct Response, except that the station's charge for the individual announcements booked is determined by the number of responses or inquiries generated from the announcement. The station receives a negotiated amount or percentage. This class offers an even greater likelihood of pre-emption than true Direct Response. Spots purchased in this class of time are subject to sign-on to sign-off rotations, often run overnight and act only as filler with no attempt to clear any specific number and no assurance that they will even run.

Current rate information for all of the lengths, classes of time and rotators offered by MONTICELLO MEDIA are provided to each person who requests that information regarding political advertising on MONTICELLO MEDIA.

Make Goods: It is the policy of MONTICELLO MEDIA to offer all political candidates "make goods" prior to the election, for candidate "use" spots that are pre-empted if MONTICELLO MEDIA has offered time-sensitive make goods for the same class of time to any commercial advertiser within the past year.

MONTICELLO MEDIA cannot guarantee, however, that the time-sensitive make goods can be provided in the time period or rotation originally ordered. If inventory constraints make identical scheduling impossible, MONTICELLO MEDIA will offer make goods of equivalent value. If these spots are not acceptable to the candidate, MONTICELLO MEDIA will provide credits or refunds for pre-empted spots.

News and Election Day: MONTICELLO MEDIA does accept political advertising during newscasts. MONTICELLO MEDIA does accept political advertising on Election Day.

PREREQUISITES TO BROADCAST. For each political time order, an NAB political broadcast form must be at MONTICELLO MEDIA or MONTICELLO MEDIA's representative's office prior to broadcast. Copies of the current NAB form are available upon request. MONTICELLO MEDIA must also be provided the name of the advertising entity and its official mailing address. Commercial audio must be at MONTICELLO MEDIA in advance of their first scheduled airing, or no later than 12:00pm on Friday for weekend airing. However, we will do our best to accommodate federal candidate's 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 an outside party is involved, the identification must state whether a candidate or his/her committee authorized the announcement. An identifiable audio "use" by the candidate is required. 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 MONTICELLO MEDIA is required to perform such production, normal production charges will be assessed.

STAND BY YOUR AD PROVISION. In order to qualify for Lowest Unit Charge rates, Federal candidates must provide MONTICELLO MEDIA with a written certification stating that they will not make a direct reference to another candidate for office without an enhanced sponsorship identification announcement. This identification must include an identifiable audio "use" by the candidate and the announcement must also state that the candidate has approved the ad and that the candidate's campaign committee has paid for the ad.

PREPAYMENT AND CREDIT. All political orders, whether direct from the candidate or through a recognized advertising agency, are subject to normal MONTICELLO MEDIA credit policies. 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 (24) hours 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.

PRODUCTION FACILITIES. MONTICELLO MEDIA GROUP will make its production facilities available to candidates and their representatives. All inquiries or requests concerning production time and facilities should be made through your sales representative. 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.

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 MONTICELLO MEDIA of each such request, any charges made if the request was granted, and the lengths, classes and dayparts purchased. The political file is available for public inspection during regular business hours at MONTICELLO MEDIA'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. MONTICELLO MEDIA requires a committee, association, or group that is purchasing political advertising to furnish MONTICELLO MEDIA with the name of its chief executive officers, members of its executive committee, or members of its board of directors. Such information must be furnished before MONTICELLO MEDIA will grant a request for time. These lists will be available for public inspection at MONTICELLO MEDIA's main studio during regular business hours. These records will be retained in the political file for two years.

PLACING ORDERS. The following person is available to assist candidates with their radio advertising on MONTICELLO MEDIA STATIONS:

*Steve Gaines*

General Manager

Political Sales