BEK SPORTS NETWORK TELEVISION ADVERTISING POLICY

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Overview

BEK Sports Network ("BSN") is a North Dakota television broadcaster that delivers advertiser-supported sports broadcasting and other content to its viewers.

It is the overall policy of BSN to present only advertising which is truthful, tasteful, and not misleading or deceptive, and in line with the standards of the communities that BSN serves. Further, all material broadcast by BSN must comply with applicable law and regulation, the requirements of sports leagues, athletic sponsoring bodies and intellectual property rights owners, as well as BSN standards and policies.

This Television Advertising Policy is intended as a <u>guide</u> to help advertisers, studios and agencies create advertising that complies with BSN standards and policies regarding the products and services that may be advertised on BSN and the content of those advertisements. That said, this Policy is not intended to be comprehensive. BSN reserves the right to review any advertisement submitted and may in its discretion accept or reject any advertisement at any time.

Procedure

Advertisers are urged to consult with BSN <u>prior</u> to producing any advertisement that may contain controversial content, provided that BSN cannot give advice regarding compliance with law. Advertisers <u>must</u> submit advertisements to BSN for review at least two (2) business days before the advertisement is set to run. BSN will thereafter notify the advertiser whether it rejects the advertisement as submitted, or requires the advertiser to delete or revise any content of a given advertisement prior to acceptance. The sooner the advertisement is submitted to BSN, the more likely the advertisement will be run as scheduled.

BSN reserves the right to investigate a given advertiser, the products and services advertised, and the accuracy of all claims contained in the advertisement. BSN may request the advertiser to substantiate any claims, and urges advertisers to submit such substantiation along with the advertisement. BSN further reserves the right to verify independently that a given advertisement complies with applicable law. BSN's decision with regard to a given advertisement is final.

Policies and Standards

At all times, BSN urges advertisers to consider the product or service advertised, the way the subject is advertised, the time the advertisement is set to run, and most of all, the audience who will view the advertisement. All advertisements must comply with applicable law. Although advertisers are responsible for the content of their advertisements, BSN shall not run any advertisement which it believes violates any law or will damage its reputation.

The following applies to all BSN advertisements:

- 1. <u>Animals</u>. BSN may accept advertisement of lawful hunting and fishing-related products or services, however the use of animals in any advertisement must conform to accepted standards of humane treatment.
- 2. Claims.
 - a. Advertising claims must be substantiated with valid scientific or market research conducted in accordance with accepted procedures, and may not exaggerate or distort the conclusions that may be reached from such substantiation.
 - b. Comparisons between products and services must be based on meaningful and verifiable differences and may not distort or exaggerate such differences to create a false or deceptive impression. Competitive products and services must be clearly and accurately identified. Advertisers may differentiate their products and services but may not disparage competing products and services. Subjective claims which can neither be verified or disproven ("puffery") may be permitted in

advertisements run as part of programs not directed at children, as long as such claims are subjective or personal preference.

3. Community Sensibilities.

- a. BSN will not accept advertising which attacks or ridicules an individual or group on the basis of age, color, national origin, race, ethnicity, gender, religion, sexual orientation or disability.
- <u>b.</u> Advertising which promotes violence, crime, drug or alcohol abuse, obscenity or anti-social behavior is unacceptable, as is any advertisement which BSN judges to be vulgar, repulsive, in poor taste, or likely to offend the sensibilities of BSN viewers.
- c. BSN may require a given advertisement to run only at specified times or in conjunction with specified programming.
- d. During times of national or international tragedy, it may be necessary to reexamine advertisements to ensure that they meet community standards in light of such tragedy.
- 4. <u>Environmental Claims</u>. Advertisers making express or implied claims regarding the environmental attributes of a product or service ("green", "biodegradable", "earth-friendly", "non-toxic") must comply with FTC rules and have a reasonable basis.
- 5. <u>Political Advertising</u>. Special rules apply to "political advertisements" (as defined by law) and carried on broadcast television. Such rules include "equal opportunities", "lowest unit rate", "reasonable access", sponsor identification and other state and federal rules and requirements.
- 6. <u>Sponsorship Identification</u>. All advertisements must contain sponsorship identification as required by law.

The following are some standards for advertising specific types of products and services:

Adult Services, Abortion Services, 1-900 Numbers, etc. BSN does not accept
advertising for such services or advertisements from advertisers providing
such services, even if such services are not mentioned in or part of the

- advertisement in question.
- 2. Alcoholic Beverages (Including Bars). BSN may permit advertisement of alcohol, provided that the audience is primarily of legal drinking age. BSN may also allow advertisement by a liquor retailer, bar or other establishment serving alcohol, provided that such advertisement does not depict excessive or irresponsible drinking.
- 3. Competing Media. BSN reserves the right to reject or impose restrictions on advertisements for media or communications services competing with BEK Communications, BSN or its affiliates, as well as programs or content competing with those offered by BSN or its affiliates.
- 4. <u>Condoms, Pregnancy Tests, etc.</u>. BSN may accept such advertising on a caseby-case basis and only between 9:00PM and 6:00 AM. Such advertising shall be carefully scrutinized to avoid offending community sensibilities.
- 5. <u>Dating Services</u>. Such advertising may be considered on a case-by-case basis for broadcast at appropriate times, but may not feature or imply sexual content.
- 6. <u>Direct Response Advertising</u>. Mail order, telephone, internet and other direct response advertising of products or services must conform to all legal requirements. The sales price and all applicable charges (shipping, handling, etc.) must be fairly disclosed.
- 7. Financial Services.
 - a. BSN may accept advertising for banking, insurance and other financial services, provided all required disclosures are made ("member of the FDIC, equal housing lender, MLS Number..."), including any material restrictions or penalties.
 - <u>b.</u> BSN does not accept advertising for speculative investments. BSN may accept advertising from a licensed broker or financial advisor who offers such investments, provided that the advertisement merely lays out the types of investments the advertiser has to offer.

- 8. <u>Firearms, Ammunition, Gun Shows and Fireworks</u>. Advertisement of such products must conform with accepted safety standards and with applicable law.
- 9. Food and Beverages (Including Restaurants). Advertising may not overstate nutritional value or portion size of foods. Claims that food offerings are "healthy" or similar must be substantiated. Nutrient descriptions ("low fat", "low calorie", "good source", "high in fiber", etc.) must comply with Nutrition Labeling and Education Act definitions for such terms. Unsubstantiated health claims for food products are not permitted.
- 10. Lotteries, Contests, Gambling and Casinos.
 - a. BSN may accept advertising for lotteries, contests, gambling and casinos, provided that the subject offers a fair opportunity and complies with all applicable laws. Such advertising may not falsely or unfairly raise hopes or expectations of winning. All fees and charges must be disclosed.
 - b. Contest advertisements must contain "no purchase necessary" and "void where prohibited" audio disclosure where required. If a contest is not carried by all outlets or locations, the advertisement must disclose that the contest is confined to participating locations. Advertising for contests must disclose where a complete copy of the contest rules may be obtained.
- 11. <u>Medical, Pharmaceutical, and Health-Related Services (aka "Persons in White")</u>. A medical professional may appear in a commercial promoting his or her own services. Advertisements for legitimate therapeutic massage services are generally permitted.
- 12. OTC and Prescription Medicines and Devices (including Vitamin Supplements)
 Advertisement of these products is subject to specialized and stringent regulation. BSN will not accept any such advertising which does not in BSN's judgment comply with all applicable regulations.
- 13. <u>Personal Care Products</u>. BSN may accept such advertising, provided that copy and visuals are appropriate to the show and its audience and are not overly graphic.

- 14. <u>Psychic Services</u>, <u>Astrology</u>, <u>and Similar</u>. Advertising may not state or imply that these services have any scientific basis or may be relied upon as factual or true.
- 15. Public Service Announcements ("PSAs") and Charitable Solicitations.
 - <u>a.</u> PSAs are intended to inform viewers of and promote the work of charitable, government and non-profit organizations (including sporting organizations) and to deliver educational, health and safety messages to viewers. PSAs must disclose the name of the sponsor and should avoid controversial issues and overt religious doctrine.
 - <u>b.</u> BSN may permit charitable solicitations, provided that the sponsor is clearly identified. Standards for advertising controversial causes may also apply.
 - c. Advertising that purchase of a product or service will benefit a charitable cause must disclose the terms of the promotion and the amount donated.
- 16. <u>Tax and Legal Services</u>. BSN may accept advertising from persons licensed to provide such services. No advertisement may imply or promise a given outcome. Advertisers may advertise contingency fee ("no win, no fee") arrangements where applicable.
- 17. Weight Loss Products and Services. In addition to applicable requirements for medical products and/or services, such advertisements must comport with established medical opinion and nutritional evidence. Average results should be communicated. Where results are not typical, this fact must be conspicuously disclosed. Weight loss advertising must also disclose that results vary among individuals, and should not unfairly represent that results will be permanent. Advertising promoting the safety of a given weight loss product or service must contain the "when used as directed" disclaimer. Advertising should refer to weight loss products and services as part of a balanced and healthy regimen of diet and exercise. Side effects must be disclosed adequately. Such requirements do not apply to advertisements for low-calorie food products, unless advertised for their weight loss potential.

The following are policies applicable to **specific types of messages and advertisements:**

- 1. Advertisement of Controversial Issues (other than Political Advertising).
 - a. BSN will consider advertising that presents a partisan position on a controversial political issue on a case-by-case basis, taking into community sensibilities and standards, as well as laws governing political advertising, into account.
 - <u>b.</u> Such advertising must disclose the name of the individual or organization paying for the ad, in the form of a "paid for by..." or "sponsored by..." audio disclosure.
 - c. BSN does not accept advertising relating to board elections for BEK Communications Cooperative or for any BEK affiliate.
- 2. <u>Billboards</u>. A "billboard" is a five-second announcement that identifies the sponsor of a program, and may contain endorsements by sports associations and others. Billboards should not comprise mini-commercials.
- 3. <u>Chairman's Messages in Sporting Events</u>. A chairman's message is one delivered by an officer or spokesperson of a corporate sponsor of a sporting event. The length and content of the chairman's message shall be agreed to prior to broadcast.
- 4. <u>Dramatizations</u>, <u>Reenactments and Simulations</u>. Advertising using these techniques must clearly disclose their use, unless an obvious fictionalization of a real-life situation.
- 5. Endorsements. Endorsements must reflect the honest opinions, beliefs, findings or experience of the endorser, and may not contain representations that could not be made directly by the advertiser itself. BSN may request a notarized statement by the endorser as to the truthfulness of any claims. When an advertisement indicates that the endorser is an expert, such expert must be appropriately qualified. A fictionalized real-life situation not intended to depict a specified person is not an endorsement.

- 6. <u>"Free" Products and Services.</u> An offer may only be described as "free" if all conditions for obtaining the free product and service are clearly and conspicuously disclosed.
- 7. <u>Guarantees and Warranties</u>. Advertisement which refers to a guarantee or warranty must comply with all applicable laws and regulations. Such advertisements must disclose whether an advertised warranty is full or limited, any limitations or restrictions, and where applicable, state that the full warranty may be seen at the advertiser's outlet ("see dealer for details...").
- 8. <u>Privacy and Publicity Rights</u>. Advertisers must obtain permission before submitting any advertisement featuring or using any living person's name, likeness or picture. BSN may verify consent before accepting such advertisement. This does not apply to political ads.
- 9. <u>Product Demonstrations</u>. Advertisements featuring product demonstrations must comply with applicable FTC regulations.
- 10. <u>Religious Messages</u>. BSN may permit paid advertisements by religious organizations to call attention to religious meetings or services. BSN does not permit advertising that presents religious doctrines.
- 11. Safety.
 - <u>a.</u> Advertisements must show users wearing appropriate safety gear.
 - b. Persons shall not be shown engaging in reckless activity. Children shall not be shown, except under appropriate adult supervision, in proximity to a product or situation that may be dangerous to them. An exception may be made for PSAs intended to illustrate safety and safe procedures ("don't let this happen to you...")
- 12. <u>Telephone and Text Message Requests</u>. Advertisements containing telephone and text message requests should disclose "message and data rates may apply" or similar, as appropriate.

The following apply to all advertisements on **programs directed towards persons** under 18:

- 1. <u>BSN has a special responsibility to children</u>, especially children ages 12 and under. In addition, the Children's Television Act and FCC regulations place various restrictions on the scope and content of advertising directed towards children.
- 2. Advertisements must be designed so that children can easily distinguish advertisements from the programs on which they are run.
- Advertisements should not use exhortative language or hard-sell techniques, or encourage children to ask parents to purchase the advertised product.
- 4. Advertising must provide audio disclosure whether additional items are required to operate a product ("batteries not included") and whether assembly is required. An advertisement must provide audio disclosure when multiple products are for sale ("each sold separately").
- 5. Advertisements for snack foods may not suggest immoderate use.
- 6. Websites disclosed in advertising directed to children must comply with the Children's Online Privacy Protection Act, and include an audio statement directing the child to obtain parent permission before accessing the site.