

WTVQ-TV
CONDITIONS OF SALE, TERMS OF PAYMENT, CREDIT POLICY AND ADVERTISING POLICIES

These terms and conditions together with the confirmation on the reverse side hereof (the "Confirmation") constitute an agreement (the "Agreement") by and between WTVQ-TV, LLC ("WTVQ") and the Advertiser and Agency (if any) set forth in the Confirmation. In consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Credit Application.** WTVQ's extension of credit is subject to WTVQ's prior written approval following submittal of a complete credit application. Agency and Advertiser hereby represent that the information contained in and submitted with such application is correct and complete.
2. **No Credit Extended.** Advertisers without credit must pay in full prior to the airing of any advertisements. In WTVQ's sole discretion, Advertiser may purchase advertising from WTVQ and thereby establish credit with WTVQ.
3. **Confirmations.** Agency and Advertiser are responsible for reviewing the Confirmation and notifying the WTVQ account executive of any possible discrepancy. If WTVQ does not receive a notice from Agency or Advertiser within seven (7) days from the date of the Confirmation, the Confirmation shall be deemed correct, and Agency and Advertiser will be held responsible for payment. Once confirmed, Agency or Advertiser must provide WTVQ with at least two (2) weeks notice of cancellation.
4. **Payment.** Unless otherwise agreed or set forth herein, invoices are mailed within five (5) days following the end of the schedule and at the end of the broadcast month. Invoices shall contain date and exact time of telecast, length of commercial announcements, cost, and any commercial code which may have been supplied by the Advertiser or Agency. Invoices shall state that dates and times were taken from the official log, maintained by the Station, as required by FCC regulations. This statement, when sworn to by the Station, shall be the affidavit of performance and act as proof-of-performance. PAYMENT IS DUE WITHIN thirty (30) DAYS OF THE INVOICE DATE. In the event WTVQ pursues collection of past due amounts, WTVQ shall be entitled to all costs of such collection, including but not limited to, its attorney's fees. In the event WTVQ does not receive payment within ninety (90) days of the invoice date, WTVQ may elect to refuse new advertising schedules for Advertiser, and may cancel Advertiser's existing advertising schedules. Advertiser and Agency understand that, notwithstanding to whom invoices are rendered, Advertiser and Agency are and shall be jointly and severally obligated for payments under this Agreement. Payment by Advertiser to Agency shall not constitute payment to WTVQ. WTVQ reserves the right to cancel existing advertising schedules without penalty at any time upon written notice to Advertiser or Agency in the event Advertiser: (i) is adjudicated to have engaged in fraudulent, criminal or grossly negligent conduct; (ii) ceases to do business, or otherwise terminates its business operations; (iii) becomes insolvent or seeks protection under any bankruptcy, receivership, trust deed, creditors arrangement, composition or comparable proceeding, or if any such proceeding is instituted against the other Party and such proceeding is not dismissed within ninety (90) days; or (iv) breaches any term of this Agreement.
5. **Agency Commission.** As further consideration for Agency's agreement to the obligations set forth herein, WTVQ will pay recognized agencies a commission of up to fifteen percent (15%).
6. **Selling Class Descriptions.** The classes of sales indicated on the Confirmation shall have the following meanings:
 - Class One: "FIXED RATE," means a rate that is quoted on a weekly basis per program and is not pre-emptible by any other rate (but may be pre-empted due to "reasonable access" or "equal opportunity" requirements for Federal candidates, or reasons such as those listed in Item 7 below).
 - Class Two: "PRE-EMPTIBLE WITH NOTICE," means a rate that allows pre-emption by a higher rate. The pre-emption will occur before airdate with advance notice given to Advertiser with or without Make Goods offered.
 - Class Three: "PRE-EMPTIBLE WITHOUT NOTICE," means a rate that allows pre-emption by any higher rate up to the time of log closing with no advance notice given to Advertiser and sold with no guarantee of any Make Goods.

Other classes of time are sold based on conditions of sale and length of spot. If purchasing under such other classes of sale, the applicable terms shall be set forth on the Confirmation.

7. **Failure to Telecast.** If, due to public emergency or necessity, force majeure, restrictions imposed by law, acts of God, labor disputes or for any other cause, including mechanical or electronic breakdowns, beyond the reasonable control of WTVQ, there is an interruption or omission of both the audio and video signals of the commercial announcement or the program provided by Agency or Advertiser pursuant to this Agreement (collectively the "Material"), WTVQ may suggest a substitute time period for the telecast of the Material ("Make Good"). If no such Make Good is acceptable to Advertiser, then WTVQ shall issue a credit against Advertiser's account as follows:
 - a. With respect to Material that is more than three (3) minutes in length (a "Program"), a credit in an amount equal to the monies attributable to that portion of the Program not aired. For example, if WTVQ fails to telecast thirty (30) seconds of a ten (10) minute program, and Make Good is not acceptable to Advertiser, then Advertiser would receive a credit in an amount equal to five percent (5%) of the amount attributable on the Confirmation to that airing of the Program; and
 - b. With respect to Material that is three (3) minutes or less in length (a "Commercial Announcement"), a credit in an amount equal to the monies attributable to that failed airing of the Commercial Announcement.
- Agency shall have the benefit of the same discounts that would have been earned if there had been no interruption or omission in the telecast.
8. **Substitution of Programs of Public Significance.**
 - a. WTVQ shall have the right to cancel the telecast of any Material in order to telecast any program which, in its absolute discretion, it deems to be of public significance. In any such case, WTVQ will notify Advertiser or Agency in advance if reasonably possible, but where such notice cannot reasonably be given, WTVQ will notify Advertiser or Agency within one (1) business day after such scheduled telecast has been cancelled.
 - b. If Advertiser or Agency and WTVQ cannot agree upon a satisfactory substitute day and time, the telecast so pre-empted shall be deemed cancelled without affecting the rates, discounts, or rights provided under this contract, except that Advertiser or Agency shall not have to pay the cancelled WTVQ charges.
 9. **Program and Commercial Material.**
 - a. Unless otherwise noted in this Agreement, all Material shall be furnished by Advertiser or its Agency. All expenses connected with the delivery of Material to WTVQ, and with return therefrom, if return is directed, shall be paid by Advertiser or Agency.
 - b. If any Material and scheduling instructions do not arrive seventy-two (72) hours in advance of telecast date, WTVQ shall notify Advertiser or Agency as soon as possible. If the Material and instructions do not arrive at WTVQ within forty-eight (48) hours after WTVQ's notification, Agency and Advertiser shall nevertheless pay WTVQ the agreed amount for the time reserved. WTVQ will exert all reasonable effort to telecast Material despite late receipt.

c. If, due to public emergency or necessity, force majeure, restrictions imposed by law, acts of God, labor disputes or for any other cause beyond Advertiser's or Agency's control, the Material cannot be provided prior to the scheduled telecast hereunder, Advertiser or Agency shall not be liable to WTVQ. In such event, WTVQ shall suggest a substitute day and time period for telecast of the Material. If no such substitute day and time period is mutually agreed upon, WTVQ shall credit Advertiser or Agency for the time and/or program charges hereunder in the amount of money assigned to the time period and/or the program at the time of purchase. Advertiser or Agency shall have the benefit of the same discounts which would have been earned if the Material had been telecast.

d. All Material is subject to WTVQ's approval, and WTVQ may exercise a continuing right to reject any Material, whether because of unsatisfactory technical quality or for any other reason or for no reason. In the event a Program is unsatisfactory, WTVQ shall notify Advertiser or Agency, and unless satisfactory Material is delivered to each station from which the Material is to be telecast at least seventy-two (72) hours in advance of telecast, WTVQ shall have the right to substitute its own program. In the event a Commercial Announcement is unsatisfactory, WTVQ shall notify Advertiser or Agency, and unless satisfactory Material is delivered to each station from which the Material is to be telecast at least forty-eight (48) hours prior to telecast time, each station may substitute Public Service Announcements. In either event, Advertiser and Agency are still responsible for contracted airtime charges.

10. **Political Advertisements.** Political advertisements shall be subject to WTVQ's terms and conditions set forth on WTVQ's Political Disclosure Statement (the "PDS"). To the extent the PDS conflicts with the terms and conditions set forth herein, the PDS shall control.

11. **Indemnification and Limitation of Liability.**

a. Agency and Advertiser hereby represent and warrant: (i) they are free to enter into and perform their obligations under the Agreement; (ii) the Material complies with all applicable laws and does not and will not violate or infringe the intellectual property rights, rights of privacy or publicity, or any other rights of any person or entity and does not and will not defame, libel or slander any person or entity; (iii) Agency and Advertiser have the right to grant to WTVQ the rights set forth in the Agreement; and (iv) there are not now and in the future there shall not be any claims, liens, encumbrances or rights that attach to or otherwise interfere with the use or telecast of the Material by WTVQ in accordance with this Agreement. Agency and Advertiser agree jointly and severally to hold and save harmless WTVQ, its officers, employees, directors, agents, related corporations, affiliates, networks, successors and assigns against: (i) any breach by Agency or Advertiser of this Agreement, including but not limited to, the aforementioned representations or warranties; (ii) any liability resulting from the telecast or other use of Material except musical compositions licensed as stated below. The term liability includes all losses, costs, damages, claims (whether founded or unfounded or are successful or unsuccessful), settlements, judgments or expenses, including reasonable attorneys' fees. WTVQ agrees to hold and save Agency and Advertiser harmless against all liability resulting from WTVQ's use of programs not furnished by Agency or Advertiser.

b. EXCEPT AS SPECIFICALLY SET FORTH HEREIN, WTVQ MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY PRODUCT OR SERVICE PROVIDED HEREUNDER, INCLUDING WITHOUT LIMITATION ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. AS A MATERIAL INDUCEMENT FOR WTVQ TO PROVIDE THE SERVICES AT THE RATES AND CHARGES STATED HEREIN, AGENCY AND ADVERTISER AGREE THAT, IN NO EVENT, SHALL WTVQ BE LIABLE FOR: (A) ANY LOSS, EXPENSE OR DAMAGE ASSOCIATED WITH AGENCY, ADVERTISER OR A THIRD PARTY'S LOSS OF REVENUE, PROFITS, SAVINGS, BUSINESS OR GOODWILL; OR (B) ANY INDIRECT, EXEMPLARY, PROXIMATE, CONSEQUENTIAL OR INCIDENTAL DAMAGES AND EXPENSES OF ANY NATURE RELATING TO THIS AGREEMENT OR THE TELECAST SERVICES. ADVERTISER AND AGENCY'S SOLE AND EXCLUSIVE REMEDY IN THE CASE OF A BREACH OF THIS AGREEMENT BY WTVQ SHALL BE LIMITED TO A REFUND OF THE PRICE PAID FOR THOSE SERVICES NOT PROVIDED IN ACCORDANCE WITH THE TERMS OF THIS AGREEMENT AS A RESULT OF WTVQ'S BREACH. THIS SECTION 11 SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THE AGREEMENT.

12. **General.**

a. WTVQ reserves the right to adjust rate grids at any time. This may cause all or some contracted spots to change section codes and therefore class of time.

b. WTVQ shall exercise normal precautions in handling of property and mail, but assumes no liability for loss or damage to Material and other property furnished by Agency in connection with telecasts hereunder. WTVQ will not accept or process mail, correspondence, or telephone calls in connection with telecasts except after prior, written approval.

c. Advertiser may not assign this Agreement, in whole or in part, without first obtaining the prior, written consent of WTVQ. WTVQ shall be under no obligation to telecast hereunder for the benefit of any Advertiser not named on the Confirmation. Failure of WTVQ to enforce any of the provisions herein shall not be construed as a general relinquishment or waiver as to that or any other provision.

d. WTVQ's obligations hereunder are subject to the terms and conditions of licenses held by it and to applicable federal, state and local laws and regulations.

e. This Agreement contains the entire agreement between the parties relating to the subject matter herein contained, and no change or modification of any of its terms and provisions shall be effective unless made in writing and signed by both parties. If Advertiser or Agency purchases online or print advertising in conjunction with its purchase of broadcast advertising hereunder, then such non-broadcast advertising shall be governed by WTVQ's standard terms and conditions for online or print, as the case may be.

f. No term or condition of this Agreement shall be deemed to have been waived, except by written instrument signed by the party charged with such waiver. No such written waiver shall be deemed a continuing waiver unless specifically stated therein, and each such waiver shall operate only as to the specific term or condition waived and shall not constitute a waiver of such term or condition for the future or as to any act other than that specifically waived.

g. In the event any one or more of the provisions of this Agreement for any reason is held invalid, illegal, or unenforceable, that provision shall be replaced by the mutually acceptable, valid, and enforceable provision that comes closest to the original intent of the parties.

h. All notices hereunder shall be given in writing and sent by U.S. Mail or by facsimile at the addresses or facsimile numbers set forth in the Confirmation.

i. This Agreement shall be construed in accordance with the laws of the Commonwealth of Kentucky. Any action brought to enforce this Agreement shall be brought in the state or federal court of the jurisdiction of the WTVQ station providing the telecast.

j. WTVQ does not and will not discriminate in any way on the basis of race and ethnicity, with respect to its advertising practices. No advertiser may use the station to discriminate on the basis of race or ethnicity and any contract entered into by an advertiser intending to discriminate on the basis of race or ethnicity will be null and void.