

## Important Update about KCAU (ABC) and KELO (CBS) Stations

Dear Customer:

As you may have heard, Premier Communications is currently in negotiations with Nexstar Media Group, owner of KCAU and KELO regarding retransmission fees. Our current retransmission agreement ends at midnight on October 31. Nexstar has been asking for exorbitant increases not just this coming year, but throughout the life of the agreement ending in 2023. We have attempted to negotiate in good faith, but at this point negotiations have not been progressing. We have been warned that it's very likely Nexstar will force us to TEMPORARILY remove KCAU, KELO and their affiliated channels from our channel lineup until a new agreement is reached.

We know it's important for you to be able to watch the shows you love, especially during this time when many people are spending more time at home. If your favorite program(s) are shown on KCAU and/or KELO you are understandably frustrated right now as we may endure a temporary removal of this programming. Premier shares your frustration and we are doing our best to negotiate with Nexstar without giving into their extreme demands.

To give you a little background – Every three years, local Cable TV providers across the country, like Premier, enter into “David vs. Goliath” negotiations with large corporate broadcast networks, such as Nexstar, over the fees they charge us for the rights to carry their programming. What many people don't realize is that these same channels are FREE via an antenna. Yet, for Premier to offer you the convenience of getting these broadcast signals through your Cable TV service, by federal law, we must negotiate to pay a retransmission fee to broadcasters.

Unfortunately, out-of-town broadcasting giant, Nexstar Media Group, is currently demanding an increase of almost 40% to carry their programming. As corporate broadcasters like ABC and CBS are facing shrinking broadcast TV audiences, they want to make up for their loss of advertising revenues through companies such as ours - they are maximizing profits at your expense.

Please remember, KCAU and KELO are not the only negotiations that we need to complete before the end of the year. Agreeing to an increase of almost 40% with one broadcast group sends a clear message to the remaining broadcast groups that we are willing to accept exorbitant increases. It is our hope that companies like ours will take a stand and broadcasters



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will realize that ridiculously high rates cannot be sustained. Keeping our costs low during negotiations must remain a priority in order for us to keep rates fair.

Thank you in advance for your patience and understanding while we attempt to negotiate an affordable renewal. We will continue to update customers as we know more.

If you have any questions, please don't hesitate to contact us.

Sincerely,

Premier Communications

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In case an agreement is not reached before October 31, and Premier is forced to temporarily remove KCAU and KELO from our channel lineup, Premier customers can stream local ABC and CBS stations using an app called Locast. The Locast app is available for iPhone, Android and on streaming devices. Learn more at [www.locast.org](http://www.locast.org).

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