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To: All Broadcast Clients

October 30, 2008

CALIFORNIA ADOPTS NEW SWEEPSTAKES REGULATIONS

Recently, California adopted new regulations designed to prevent false and misleading sweepstakes solicitations. If you plan to conduct a sweepstakes in California, in addition to federal sweepstakes laws, you must comply with the following:

- The official rules for a sweepstakes must disclose information about the date that the final winner will be determined.
- Sweepstakes solicitations must include a clear and conspicuous statement that “No purchase or payment of any kind is necessary to enter or win this sweepstakes.” The message must be set forth in a separate paragraph in the rules and printed in capital letters in contrasting typeface at least as large as the largest typeface used in the text of the official rules. If the official rules are not included in the solicitation materials, the message must be included on the entry device included with the sweepstakes materials.
- Sweepstakes solicitations may not represent that a person is a winner or has already won a prize unless that person has in fact won the prize.
- Sweepstakes entries that are not accompanied by an order for products or services may not be subjected to any disadvantage in the winner selection process as compared to entries accompanied by an order for products or services. Solicitation materials may not represent that an entry accompanied by an order for products or services will be eligible to receive additional prizes or be more likely to win than an entry not accompanied by an order for products or services.
- Sweepstakes solicitations may not represent that a person has been specially selected in connection with a sweepstakes unless such representation is accurate.

- Sweepstakes solicitations may not represent that the person receiving the solicitation has received any special or personal attention from the sweepstakes sponsor unless the representation is true.
- Sweepstakes solicitations may not represent that a person is being notified a second or final time of the opportunity to receive or compete for a prize, unless such representation is accurate.
- Sweepstakes solicitations may not represent that a prize notice is urgent or otherwise convey an impression of urgency, unless there is a limited time period in which the recipient must take action to claim, or be eligible to receive, a prize, and the date by which that action is required is clearly and conspicuously disclosed in the body of the solicitation materials.

- A sweepstakes solicitation may not simulate or falsely represent that it is a document authorized, issued, or approved by any court, official, or agency of the United States or any state, or by any lawyer, law firm, or insurance or brokerage company, or create a false impression as to its source.

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If you have any questions concerning the new California sweepstakes regulations, or sweepstakes regulations in other states, please contact an attorney in our office at (202) 429-8970.

Leventhal Senter & Lerman PLLC