

## **Required Information and Documentation to Provide when Filing a Petition for Exemption from the IP Closed Captioning Requirements**

To support a claim that providing closed captions would be economically burdensome, a petitioner must file a petition with the Federal Communications Commission (FCC) containing the following required information and documentation:

- Name of the programming for which an exemption is requested. Provide sufficient information to identify the programming that is the subject of the petition for which you request an exemption, such as the specific name of each program, the URL address(es), and/or the domain name, where the programming may be viewed.
- Information about the class for which an exemption is requested. Petitions that request an exemption for a class of services, programs, or equipment that share common defining characteristics must provide sufficient information about the class for which an exemption is requested.
- The nature and cost of the closed captions for the programming, or of the expenses required in order to make the equipment or services accessible. Provide information about your organization's costs associated with closed captioning each specific program for which you are requesting an exemption, and your efforts to find companies that can provide captioning at a reasonable cost.
  - Include documentation for two or more recent quotes you received from closed captioning service providers to produce, convert, or deliver closed captioning specifically for your program(s). "Recent" means a quote you obtained within one year of the date of your petition.
  - For each of these quotes, include an estimate of your annual cost to caption your program(s). For example, multiply the cost to caption each of your program episodes by the number of program episodes you expect to distribute via Internet protocol in one year.
  - In addition to providing the quotes described above, if you have considered buying equipment to produce, convert, or deliver the closed captioning yourself, provide information about the costs to purchase and maintain the equipment and for any costs associated with hiring personnel to operate the equipment for one year.
- The impact of captioning on your programming activities. Explain in detail the impact that having to provide closed captioning will have on your programming activities. For example, describe the extent to which your video program(s) might not continue be shown using the Internet protocol if you are required to provide captions.
- Your financial resources.

- Provide information about all income and all expenses for your organization, as follows:
  - Provide a statement of all income (cash receipts) and all expenses for the two most recent completed calendar or fiscal years. Cash receipts include money received from all sources for your entire organization, not just the video program(s). Cash expenses include money paid for purchases, expenses, and settlement of obligations throughout the year for your entire organization, not just the video program(s). List, describe, and provide the dollar amount for each type of cash receipt (such as sales, donations, grants, earnings, revenues, dividends, or interest) and for each type of cash expense (such as wages, fees, supplies, rent, mortgage interest, depreciation, or taxes) for the two most recent completed calendar or fiscal years. Cash receipts and cash expenses must each be subtotaled. You must provide a total net dollar amount (sometimes called a surplus or deficit, or profit or loss) for all cash receipts and all cash expenses for each year. Note: In order to meet the requirement of this paragraph, you must provide this information in a stand-alone statement that explicitly lists this information. The submission of documents (such as tax returns, bank statements, or invoices) that may contain some of this information, but which does not explicitly list this information will not satisfy this requirement.
  - Provide audited financial statements or an accountant's review or compilation of financial statements for the two most recent completed calendar or fiscal years. If such statements have not been prepared by or for you or your organization, provide complete federal income tax returns or tax-exempt information returns, including all schedules and attachments, for your organization for the two most recent completed calendar or fiscal years, if such returns were filed. If your organization is a sole proprietorship, provide complete personal federal tax returns, including all schedules and attachments, for the two most recent completed calendar or fiscal years for the sole proprietor. If your organization is a Subchapter S corporation, limited liability company (LLC), professional corporation (PC), or partnership, in addition to the organization's tax returns, also provide the complete personal federal tax returns, including all schedules and attachments, for the two most recent completed calendar or fiscal years for the shareholders or partners. Redact (black out) sensitive information, such as account numbers and social security numbers, before submitting personal tax returns or other documentation. If none of these documents have been prepared by or for you or your organization, you must provide a written statement to that effect.
- Provide information about the current assets and current liabilities of your overall organization, as follows:

- Provide a statement of all current assets and current liabilities of the overall organization as of the last day of the two most recent completed calendar or fiscal years. Current assets and current liabilities must each be totaled. List, describe, and provide the dollar amount for each type of current asset and current liability so listed. This requirement may be satisfied by providing complete balance sheets that identify current assets and current liabilities as of the last days of the two most recent completed calendar or fiscal years. Balance sheets that do not identify current assets and current liabilities do not satisfy this requirement. If you have no current liabilities, provide a statement to that effect.
- Current assets are any asset (or resource) as of the last day of the calendar or fiscal year that can be converted into cash within the following year.
  - Examples of current assets for an individual or sole proprietor: cash; checking accounts; savings accounts; investment accounts including money market accounts; certificates of deposit and bonds that will mature within one year; stocks; and trust/endowment account amounts available for that year.
  - Examples of current assets for a corporation: cash; accounts receivable; inventory; marketable securities; and prepaid expenses.
- Current liabilities are obligations (or debts) as of the last day of the calendar or fiscal year that must be paid within the following year.
  - Examples of current liabilities for an individual or sole proprietor: any loans (principal and interest) and mortgage payments (principal, interest, taxes, and insurance) due to be paid within one year; the balance of any credit cards as of the last day of the year; and unpaid bills as of the last day of the year (utility bills, and medical bills).
  - Examples of current liabilities for a corporation: accounts payable; accrued liabilities; notes payable; current portion of long-term debt; and taxes payable.
- Sponsorships. Verify that you have sought sponsorships or other sources of revenue specifically for closed captioning (or for making your equipment or services accessible). State your efforts to obtain such revenue, and whether these requests were accepted or rejected. If rejected, state whether you do not otherwise have the means to provide captioning. If accepted, describe the assistance that each sponsor has offered to provide. If your organization is precluded from seeking outside assistance or you cannot solicit and/or accept such sponsorships, provide the reason why you are unable to do so.

- Your type of operations. Describe your overall operations.
- Affidavit or declaration. Your submission must contain a detailed, full showing, supported by a signed and sworn affidavit or signed declaration made under penalty of perjury attesting to the truthfulness and accuracy of the information and representations contained in your submission. An affidavit is a written statement made under oath, before an official who is authorized to administer oaths, such as a notary public or county clerk. A declaration is a written statement made under penalty of perjury, such as “I declare under penalty of perjury that the information contained in this submission is true and correct.” (*See* 47 C.F.R. § 1.16.) The affidavit or declaration must be dated.

You may also provide other information that you deem relevant to our determination of your exemption request pertaining to the impact that captioning will have on your program or programming activities and any available alternatives that might constitute a reasonable substitute for the closed captioning requirements including, but not limited to, text or graphic display of the content of the audio portion of the programming.