



## BILLING TERMS

### 1. BILLING TERMS AND RATES

(a) All accounts are due within thirty (30) days of the billing date ("Due Date") shown on the most recent invoice received from SPORTS PUBLICATIONS INTERNATIONAL. (herein referred to as THE COMPANY).

(b) Accounts with orders less than \$5,000 may be require a credit card number to ensure collection.

(c) Frequency used in excess of contract will be billed at contract rate. Frequency used less than that called for in a contract will be billed at open rate for space used. Advertiser will be short-rated if within a twelve (12) month period from the date of tile first insertion, it does not use the frequency upon which its billings have been based. Advertiser will receive appropriate rebates if, within a twelve (12) month period from the date of first insertion, it has used sufficient additional frequencies to warrant a lower rate than which it was billed.

### 2. COMMISSIONS, CASH DISCOUNT & FREQUENCY RATE

(a) A commission equal to fifteen percent (15%) of "gross fees" as that term is defined herein to Advertiser will be allowed to a recognized Advertising Agency on space, color, bleed and position, provided account is paid by the Due Date on the most recent invoice. If the account is not paid by the Due Date, no commissions will be allowed. The term "gross fees" as used herein shall mean all charges except those for insert handling, special binding or trimming of inserts, reprints, other mechanical charges and non-display, classified advertising (1/6, 1/9, 1/12).

(b) Neither a two percent (2%) cash discount on or any other cash discount will be allowed on any account.

(c) The term "Frequency Rate" as used herein shall mean the lower rate which applies under the general advertising rates set forth on the Rate Card for insertion of an advertisement in at least six (6) issues, nine (9) issues, twelve (12) issues or eighteen (18) issues per year, as the case may be. Different sized units may be used, provided the minimum size is one-sixth (1/6) page in each issue.

### 3. EFFECT OF NON-PAYMENT

(a) In the event of non-payment of an invoice by the Due Date, THE COMPANY reserves the right to hold Advertiser and/or its Advertising Agency and/or the Advertiser's Credit Card Company jointly and severally liable for the total amount due pursuant to such invoice.

(b) THE COMPANY may stop inserting Advertiser's advertisement in its magazines if payment of any invoice is not made by the Due Date, or if a petition for bankruptcy or for reorganization under the Federal Bankruptcy Laws is filed by or against Advertiser, or if Advertiser goes out of business or announces intention to do so.

(c) If advertising is stopped in accordance with Paragraph 3(b), payment in full is due immediately at THE COMPANY'S "one time" advertising rate set forth on the Rate Card for the amount of advertising actually used. If Advertiser pays the amount due in full, the Advertiser may purchase additional advertising space at THE COMPANY'S current "one time" advertising rate.

### 4. GENERAL

(a) Advertiser, and any Advertising Agency acting on behalf of the Advertiser with respect to this Agreement, assumes all liability for the content of all advertising copy delivered by it for publication by THE COMPANY, including, without limitation, text representation and illustration of all advertising copy delivered by it for publication by THE COMPANY. Advertiser, and any Advertising Agency acting on behalf of the Advertiser with respect to this Agreement, assumes all liability for the content of all advertising copy delivered by it for publication by THE COMPANY, including, without limitation, text representation and illustration of all advertising copy delivered by it for publication by THE COMPANY. Advertiser, and any Advertising Agency acting on behalf of Advertiser agrees to indemnify and hold THE COMPANY, its directors, officers, shareholders, parents, subsidiaries or affiliated entities of any type, harmless from any and all liability, demands, claims, suits or expenses, including, without limitation, reasonable attorneys' fees and court costs arising from the content of all advertising copy delivered to THE COMPANY.

(b) The failure of THE COMPANY to insert any advertisement in any issue due to strikes, accidents, acts of God or other delays beyond the control of the publisher shall be deemed immaterial, and shall not be considered a breach of this Agreement, nor shall THE COMPANY be liable for damages for any such failure. Advertiser's sole remedy in such an event will be to require THE COMPANY to publish a comparable advertisement in a subsequent issue.

(c) The validity, interpretation, and performance of this Agreement shall be controlled by and construed under the laws of the State of California, the state in which this Agreement is being executed and performed.