

SHIPPING AND MATERIALS INSTRUCTIONS

FOR ART MATERIALS

Please include a printout of the ad. For color ads, provide an accurate color printout, as well as separation printouts. For art materials to be returned, please attach full instructions with complete address on submitted artwork. Materials will be returned two weeks after the ad publication date.

San Francisco Chronicle Attention: (Account Executive) Advertising Department 901 Mission Street San Francisco, CA 94103

FOR PREPRINTS

All inserts should be delivered to: Bay Area Production Services 47540 Kato Road Fremont, California, 94538

The 1 to 3 receiving docks are accessible Monday to Friday from 7 AM to 4 PM Report to receiving door. Unloading is on a first come first serve basis.

DEADLINES (based on calendar days)

Publication day Advertising Reservation Delivery at Transcontinental:

Monday to Friday 5 PM,14 days prior 7 days prior to publication day

Saturday 5PM on Monday, 7 days prior 12 days prior

Sunday 5 PM on Monday, On Friday, 9 days prior 13 days prior

NOTES: Inserts should not be delivered before 14 days prior to publication day. Delivery could be required ahead of time, because of legal holidays. In such cases, the advertising representative will notify the advertiser. For additional information contact the San Francisco Chronicle Preprint Department (415) 777-7429

SHIPPING AND MATERIALS INSTRUCTIONS

GUIDELINES FOR SENDING DIGITAL ADVERTISING

Deliver your ad easily through your browser of choice — the same tools you use to surf for information can bring your ad to the San Francisco Chronicle. Some services are free or cost less than postage. These systems offer secure transfer of your files, prompt notification that your ad was received and support personnel who can help with problems. No e-mail to get lost. No e-mail client to corrupt your attachments. No unread mailboxes.

PREFERED AD TRANSMISSION SERVICE

AFFINITY

This is a free web-based ad transfer, notification, confirmation and tracking system prefered by the San Francisco Chronicle.

- + To upload complete camera ready materials, visit portal.sfchronicle.com, click on "Upload Completed Media" and follow the instructions to upload your pdf file. Be sure to add SFC to the beginning of your SF Chronicle work order number to identify your ad.
- + Support issues: Call your Account Executive or the Prepress department 415-777-7387.

FILE FORMAT

- + Single Page Adobe Acrobat 4 PDF or higher.
- + All fonts embedded
- + Resolution should be a minimum of 240 dpi
- + Color should be supplied as CMYK
- + SNAP specs are acceptable

PAID AD TRANSMISSION SERVICE

ADSEND

This is a low cost, straightforward and managed ad delivery system

- + Advertisers pay a fee for each ad that is sent through the system
- + It is available 24 hours a day, seven days a week
- + Users must establish an AdSend account before transmission www.adsend.com Click the REGISTER NOW WITH THE NEW ADSEND button and follow the instructions.
- + Support issues: Email: adsendsupport@adsend.com or Phone: 800-823-7363

PRODUCTION REQUIREMENTS

MECHANICAL INFORMATION

ELECTRONIC MATERIALS - Preparing Digital ads using Macintosh:

All sizes listed are before processing.

- 1. Size must be accurate, no shrinking factor.
- 2. We do not accept True Type or Open Type fonts.
- 3. PDF/X-1a is preferred for all pagination/press-ready ads. All postscript fonts and graphics must be included with ad at time of submission.
- a. Photoshop files should be 240 dpi, line art files should be 600dpi.
- b. All postscript fonts and graphics must be included with ad at time of submission.
 - i. Photoshop files should be 240 dpi, line art files should be 600dpi.
 - ii. Art should be placed in document at 100% size.
- 4. Other acceptable software programs are Photoshop CS5.5 & Illustrator CS5.5
 - a. When submitting ads prepared in Photoshop, we recommend using the Save As Photoshop PDF function. In the PDF Options Dialog box, choose: Encoding: Quality 12 Maximum; (x) Include Vector Data; and (x) Embed Fonts. This will ensure your fonts will print at the full resolution of the typesetter.
 - b. When submitting ads prepared in Illustrator, convert all fonts to outlines. Postscript fonts and graphics must be included with ad at time of submission.
- 5. All ad material must contain crop marks adjacent to/outside image area.
- 6. Centerspread (doubletruck) ads must be submitted in one piece.
- 7. Line art should not be less than 1 pt. in thickness.

WEB OFFSET PRINTING

- 1. Minimum size ad -1/16 of a page.
- Advertising must be as many inches deep as columns wide in general news sections. Strip advertising available in Main News, Sports, Travel, Datebook (except Sunday in the Pink Datebook) and Business sections only.
- 3. Highlights should not be less than 5% printing dot; shadow dots should not exceed 85 percent (15 percent nonprinting dot). Line art should not be less than 1 pt. in thickness. For contrast and readability, reverse type should not be positioned within screened areas containing less than a 60% screen on any one, two, three, or four colors.
- 4. All ad material must contain crop marks adjacent to/outside image area.

ADS BUILT BY CHRONICLE

Ads can be submitted to your account manager to be created by the Chronicle.

- 1. All art and copy must be submitted digitally.
 - a. Art elements must be supplied at 240 dpi at the size they will appear in your ad. Resolutions lower than 240 dpi will result in pixelated images
- 2. Line screens are as follows:

The San Francisco Chronicle newspaper: 120-line screen Chronicle Magazine, color: 133-line screen Chronicle Magazine, black and white: 110-line screen Line screens other than listed above are unacceptable

PRODUCTION REQUIREMENTS

MECHANICAL MEASUREMENTS

All sizes listed are before processing.

1. Standard Size Sections

- a. Broadsheet page size: 9.875in W x 20.25in H
- b. Broadsheet Double truck size: 20.75in W x 20.25in H
- c. Space must be ordered in modular sizes.
 Advertisements over 18in in depth will be charged full column depth of 20.25in
- d. Ads should be provided cropped to size ordered
- e. To avoid content being cropped, ads should be created with a margin within the ordered ad size
- f. Standard newspaper products do not bleed

2. ROP Column Widths

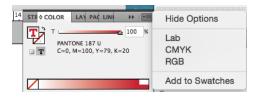
| 1 column | 1.507in |
|----------|---------|
| 2 column | 3.181in |
| 3 column | 4.854in |
| 4 column | 6.528in |
| 5 column | 8.201in |
| 6 column | 9.875in |

3. Tabloid Size Sections

- a. Tabloid page size: 9.875in W x 9.75in H, 6 columns to page
- b. Tabloid Double truck size: 20.5in W x 9.75in H
- c. Space must be ordered in modular sizes. Tabloid Ads with depth greater than 6.75in are billed at full depth of 9.75in
- d. Ads should be provided cropped to size ordered
- e. To avoid content being cropped, ads should be created with a margin within the ordered ad size
- f. Standard newspaper products do not bleed

COLOR REQUIREMENTS FOR PRINT ADS

- Printing materials requested for color must be submitted digitally in Process Color (CMYK) only. No spot colors/Pantone nor RGB colors
 - a. To convert to CMYK:
 - i. In Photoshop, click on the element, select Mode from the Image Menu and click on CMYK
 - ii. In InDesign and Illustrator, choose the CMYK setting in the Color Panel (see images of color panels)



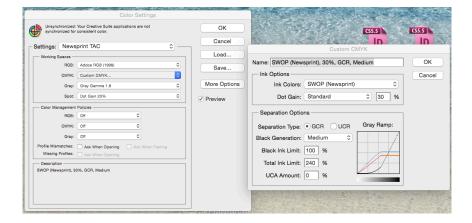
- 2. Highlights should not be less than 5%.
- 3. Type smaller than 12 points should not be reversed on a single color background. Type should not be reversed on a yellow or other light-colored background.

PRODUCTION REQUIREMENTS

COLOR REQUIREMENTS FOR PRINT ADS (CONTINUED)

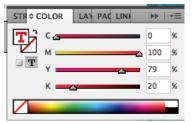
4. US Newspaper (SNAP 2007) specs are acceptable. Maximum overprint density of 4-color should not exceed 240%.

To adjust the total area coverage/ink density, open the photo in Photoshop. If it isn't already RGB, change the Image Mode to RGB. Then go to the Edit menu, select Color Settings and in the Working Space section change CMYK to Custom CMYK. When the new window pops up change the Total Ink Limit to 240%. (See screen shot below.)



Click ok then click Save. Name it Newsprint TAC then click Save and then click OK to close the color settings window. Then go to your Image window and change the Mode to CMYK and save your photo. Make any other adjustments to the photo that you desire then insert your photo into your InDesign document. Our presses do tend to print darker than expected so you may want to adjust the photos to be a bit lighter.

- 5. Four-color black is unacceptable for type and rules. Color can shift and misregistration becomes more visible. No 4-color black tint boxes with reversed white type.
- 6. Rules that are 4 points or thinner or type smaller than 7 points should be reproduced as one color only. (100% black is recommended.)
- a. To convert 4 color black elements to 100% black, click on the item and change the C, M and Y color sliders to zero and the K to 100%.





7. Image trap should be 0.005 inches or higher. For more mechanical information, contact The Chronicle's Prepress Department by emailing advertisingservice@hearst.com or by calling at 415-777-7450.

MODULAR SIZES: BROADSHEET

| MODULAR SIZE | SHAPE | WIDTH (INCHES) | DEPTH (INCHES) | TABLOID EQUIVALENT |
|--------------------------------------|-------|----------------|----------------|-----------------------------|
| Double Truck Broadsheet | | 20.75in | 20.25in | |
| Full Page Broadsheet | | 9.875in | 20.25in | |
| 1/2 Page Horizontal Broadsheet | Н | 9.875in | 9.75in | Full Page Tabloid |
| 1/2 Page Vertical Broadsheet | V | 4.854in | 20.25in | |
| 1/4 Page Horizontal Broadsheet | Н | 9.875in | 4.75in | 1/2 Page Horizontal Tabloid |
| 1/4 Page Vertical Broadsheet | V | 4.854in | 9.75in | 1/2 Page Vertical Tabloid |
| 1/8 Page Broadsheet | | 4.854in | 4.75in | 1/4 Page Vertical Tabloid |
| 1/8 Page Horizontal Broadsheet | Н | 6.528in | 3.58in | |
| 1/8 Page Vertical Broadsheet | V | 3.181in | 3.58in | |
| 1/16 Page Horizontal Broadsheet | Н | 6.528in | 1.58in | |
| 1/16 Page Vertical Broadsheet | V | 3.181in | 3.58in | 1/8 Page Vertical Tabloid |
| Page 1A Front Strip | | 9.875in | 2in | |
| Sports/Business/Features Front Strip | | 9.875in | 2.79in | |

MODULAR SIZES: TABLOID

| MODULAR SIZE | SHAPE | WIDTH (INCHES) | DEPTH (INCHES) | BROADSHEET EQUIVALENT |
|---------------------------------|-------|----------------|----------------|--------------------------------|
| Double Truck Tabloid | | 20.5in | 9.75in | |
| Full Page Tabloid | | 9.875in | 9.75in | 1/2 Page Horizontal Broadsheet |
| 1/2 Page Horizontal Tabloid | Н | 9.875in | 4.75in | 1/4 Page Horizontal Broadsheet |
| 1/2 Page Vertical Tabloid | V | 4.854in | 9.75in | 1/4 Page Vertical Broadsheet |
| 1/4 Page Horizontal Tabloid | Н | 9.875in | 2.25in | |
| 1/4 Page Vertical Tabloid | V | 4.854in | 4.75in | 1/8 Page Broadsheet |
| 1/8 Page Horizontal Tabloid | Н | 4.854in | 2.25in | |
| 1/8 Page Vertical Tabloid | V | 3.181in | 3.58in | 1/16 Page Vertical Broadsheet |
| 1/16 Page Horizontal Tabloid | Н | 3.181in | 1.83in | |
| 1/16 Page Vertical Tabloid | V | 1.507in | 3.58in | |
| Tabloid 1in Section Front Strip | | 9.875in | 1in | |

MECHANICAL REQUIREMENTS: PREPRINTS

GENERAL INFORMATION

- + One standard broadsheet page is considered two tabloid pages.
- + Preprinted sections are accepted at the San Francisco Chronicle's option after submission of samples for copy and mechanical acceptability.
- + All pages that resemble editorial matter must be marked "Paid Advertisement."
- + Preprints cancelled after deadline, arriving early or late, or improperly skidded, folded or trimmed will be charged additional handling and storage costs, based on expenses incurred by the San Francisco Chronicle.
- + The San Francisco Chronicle will not be liable for printing or other preprint costs due to incomplete distribution.
- + Product sample rates quoted on request.
- + Information on additional charges incurred when General Advertising appears in a Retail Preprint available upon request.
- + Additional charges for stitched insert or reply card.
- + Sunday rates apply to New Year's Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

PREPRINTS IN PAPER DISTRIBUTION

HOME DELIVERY (MONDAY - SATURDAY, SUNDAY)

Home-delivered circulation Monday through Sunday; geographically distributed by zip code to Chronicle subscribers Monday through Sunday in six Bay Area counties of San Francisco, San Mateo, Santa Clara, Alameda, Contra Costa, and Marin, plus portions of Sonoma, Napa counties and the Vallejo/Benicia area. NOTE: Circulation overlaps across ZIP code boundaries due to the structure of carrier routes.

MINIMUM INSERTION AMOUNT: 10,000

SINGLE COPY (WEDNESDAY - FRIDAY, SUNDAY)

Single-copy circulation is available Wednesday, Thursday, Friday and Sunday; geographically distributed by a Metro Zone Cluster Wednesday through Friday, while Sunday uses the Preprint Zone Cluster (no individual ZIP-code distribution offered).

PREPRINT SIZES

- + Minimum size accepted: 5 3/4" x 3 1/2".
- + Flexie: 5 3/4" x 3 1/2" through 7" x 11". (8" x 10" does not qualify.)
- + Tabloid supplements: Minimum 7" x 11"; maximum 11" x 10 1/2".
- + Standard (full page) supplements folded no larger than 11" x 10 1/2".
- + The leading edge of a standard size insert should be 3/4" higher than the tail edge. Dummies provided upon request.

PAPER WEIGHT

- + Single sheet $-5 \frac{3}{4}$ " x $\frac{31}{2}$ " = 104 lb. stock, up to 11" x $\frac{81}{2}$ " = 70 lb. stock, bigger than 11" x $\frac{81}{2}$ " = 50 lb. stock.
- + Four-page regular tabloid 40 lb. stock.
- + Four-page 5 3/4" x 3 1/2" approximately 40 lb. stock.

PAPER THICKNESS

+ Minimum thickness .005 (13 mm).

MECHANICAL REQUIREMENTS: PREPRINTS

PACKAGING INSTRUCTIONS

DAILY BUNDLE REQUIREMENTS

Preprints must be in bundles of equal count per bundle and skids should contain equal amounts of bundles.

BUNDLE SIZES

Bundles must be sized as follows:

| TAB PAGES | STANDARD | TURNS | NEWSPRINT | GLOSSY |
|-----------|----------|-------|-----------|----------|
| 4 | 2 | 50 | 1,000 | 500 |
| 8 | 4 | 50 | 500 | 250 |
| 12 | 5 | 50 | 400 | 200 |
| 16 | 6 | 50 | 300 | 150 |
| 20 | 10 | 50 | 300 | 150 |
| 24 | 12 | 50 | 250 | 150 |
| 28 | 14 | 50 | 200 | 100 |
| 32 | 16 | 50 | 150 | 100 |
| 36 | 18 | 50 | 150 | 100 |
| 40 | 20 | 50 | 100 | 50 |
| 44-56 | 22-28 | 25 | 100 | 50 |
| 56+ | 28+ | 25 | 50 | 25 OR 50 |

- + Single sheet without fold must have a flag protruding a minimum of 2" from the bundle at each 50 count.
- + Glossy sections up to 56 pages must be stacked in turns of 25. Catalogs over 56 pages must be in turns of 25.

SUNDAY TURN REQUIREMENTS

- + Preprints must be delivered in a consistent number per turn, as follows:
- + Unstitched and 56 tabloid pages or smaller minimum 75 per turn, maximum 125 per turn.
- + Stitched or larger than 56 tabloid pages 50 per turn.

DEADLINES & RESERVATIONS

GENERAL HOLIDAY

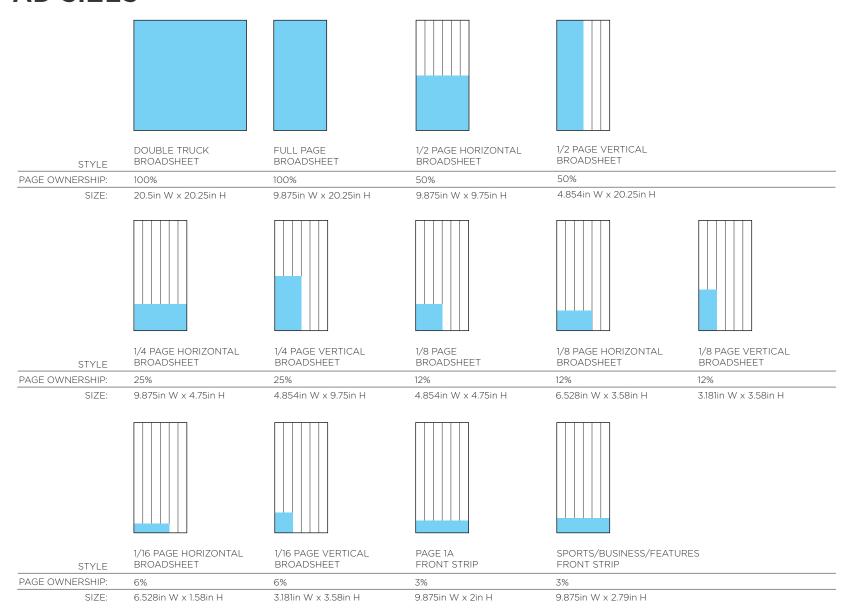
Contact your account executive for information regarding Holiday Space deadlines. All Material deadlines advance ONE DAY for publication date during the week in which a holiday occurs.

4-COLOR AD MATERIAL DEADLINES

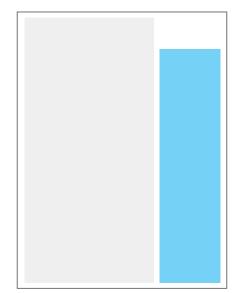
MATERIAL deadlines advance TWO DAYS for all four-color ads.

| PUB DAY | SECTION | SPACE RESERVATION DEADLINE | FINAL ART DEADLINE |
|---------|--|----------------------------|----------------------------|
| MON | Datebook, Main News, Sports | FRI; 11 AM | FRI; 11:30 AM |
| TUES | Datebook | FRI; 5:00 PM | MON; 10:00 AM |
| | Main News, Sports | MON; 10:00 AM | MON; 11:30 AM |
| WED | Datebook, Main News, Sports | MON; NOON | TUES; 11:00 AM |
| THU | Datebook, Main News, Sports | TUES; NOON | WED; 11:00 AM |
| FRI | Datebook, Main News, Sports | WED; NOON | THU; 11:00 AM |
| | New Homes | TUES; 5:00 PM | WED; NOON |
| SAT | Datebook, Main News, Sports | THU; NOON | FRI; 11:00 AM |
| SUN | Bay Area & Business, Main News, Sports | THU; 10:00 AM | FRI; 11:00 AM |
| | Real Estate | WED; 5:00 PM | THU; 5:00 PM |
| | Food+Wine | 2ND FRI BEFORE; NOON | TUES; 5:00 PM |
| | Datebook, Books And TV in Datebook | 2ND FRI BEFORE; NOON | WED; 10:00 AM |
| | We-Prints/Comics | MON 20 DAYS PRIOR; 5:00 PM | FRI 16 DAYS PRIOR; 5:00 PM |

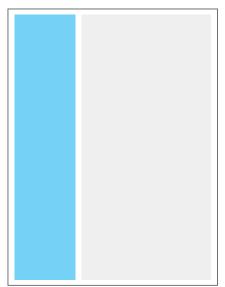
BROADSHEET AD SIZES



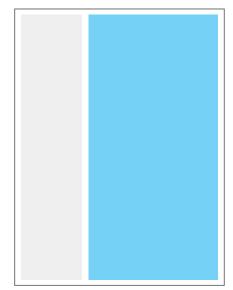
SPADEA DIMENSIONS



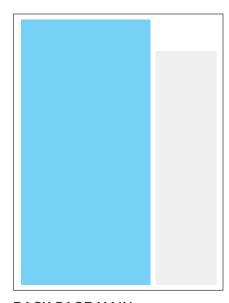
FRONT MAIN SPADEA 4.854in W x 18in H



INSIDE FRONT MAIN SPADEA 4.854in W x 20.25in H



INSIDE BACK PAGE MAIN SPADEA 9.875in W x 20.25in H



BACK PAGE MAIN SPADEA 9.875in W x 20.25in H

These standard terms and conditions are hereby made part of the attached Contract/Agreement (the "Advertising Agreement") by and between the San Francisco Chronicle, a division of Hearst Communications, Inc., ("Chronicle") and the Advertiser named there in and party thereto ("Advertisixng Party") and its advertising agency, if any ("Advertising Agency", and together with Advertising Party, "Advertiser"). Each such party acknowledges that the following additional terms and conditions are incorporated in and made a part of the Advertising Agreement.

A. ADVERTISING ACCEPTANCE/ AGREEMENTS/COPY REGULATIONS

- 1. All advertising is accepted subject to Chronicle's approval. The Chronicle shall at all times have the right without liability to reject, in whole or in part, any advertisement scheduled to appear in the newspaper for any reason in Chronicle's sole discretion, even if such advertisement has previously been acknowledged or accepted.
- 2. All advertising spending during the agreement period contributes towards Dollar Volume Contract fulfillment. Columns, inches or Classified lines purchased during the agreement period contribute to Space Agreements. Contributions to Frequency Agreements are based upon qualifying insertion orders during the agreement period. Fulfillment will be cumulative from the start of the Advertising Agreement. Limitations and restrictions may apply to some advertising categories and separate space or line advertising agreements may be required.
- 3. General advertising rates are commissionable at 15% only to Advertising Agencies recognized by the Chronicle. Cash discounts are not available. Retail rates are net and non-commissionable and are not available to advertising agencies. No cash discounts are offered. All General advertising is commissionable. All Retail advertising is non-commissionable. General classified advertising in connection with automotive and recruitment is commissionable. All other Classified advertising is non-commissionable.

- 4. If an Advertising Agreement threshold is exceeded during the initial contract period, the Advertiser may elect to upgrade the commitment level to obtain a more favorable rate going forward. If an Advertiser does not fulfill the annual commitment in the specified time period, the Chronicle will adjust all advertising placed during the Advertising Agreement period to the actual rate earned.
- 5. It is a condition of this Advertising Agreement that the Chronicle reserves the right to revise (upward or downward) its advertising rates at any time. The revised rates will become effective on the announcement date for all Advertisers ("Effective Date") except for Advertisers who qualify for a guaranteed rate for the duration of a previously existing contract.
 - a. If the Chronicle revises rates, then Advertisers are allowed to continue the Advertising Agreement at the new rates or to cancel the existing Agreement without penalty before the Effective Date of the new rates, provided that advertising performance level at the time of cancellation, in Chronicle's sole judgment, is consistent with fulfilling the original Advertising Agreement at the earned rate, if applicable.
 - b. If Advertisers elect to take advantage of newly established rates or revise the existing Advertising Agreement performance level to a level with a more favorable rate, then upon proper written approval, the Advertisers affected may be allowed to terminate the existing Advertising Agreement without penalty, if Chronicle determines that the advertising performance level at the time of cancellation is consistent with fulfilling the original Advertising Agreement. A new Advertising Agreement will be signed at the new Advertising Agreement level rate, superseding the prior Advertising Agreement.
 - c. If an Advertiser decides to cancel the existing Advertising Agreement to take advantage of a new lower rate and has not performed at a level that, in Chronicle's sole judgment, would be sufficient to fulfill the existing Advertising Agreement, then the Advertiser will be billed the difference between the Advertising Agreement rate and the rate earned prior to cancellation in accordance with the rate schedule applicable prior to the revision.

- 6. Words such as "advertisement" will be placed with a minimum point size of 14 at the top of copy that, in Chronicle's opinion, resembles editorial matter.
- 7. Advertising policies, terms, conditions and general information in the Rate Card Standard Terms and Conditions are subject to change at any time by the Chronicle. Chronicle will not be bound by any condition appearing on order blanks or copy instructions submitted by or on behalf of the advertiser when such condition conflicts with any provision contained in its rate card or with its terms and conditions. Terms in advertising orders that do not conform to the rates or terms and conditions on the existing rate card(s) will be regarded as clerical errors. Copy accompanying such orders will be inserted for publication and charged at the applicable effective rate.
- 8. The Chronicle shall not be responsible for orders, cancellations, corrections or copy given over the telephone. Written confirmation of any of the above must be received within sufficient time (as may be determined by the Chronicle) to allow Chronicle implementation or the advertising will be billed as originally ordered at corresponding rates.
- 9. The Advertiser and/or Chronicle shall designate the width in columns and the exact depth in inches to the nearest half inch or Classified line. The Chronicle will bill the advertisement in exact space ordered.
 - a. The printed image size of ads may vary from the mechanical measurements as a result of production parameters and processing shrinkage.
 - b. All display advertisements are billed from cut off rule to cut off rule. For in column ads, there is a charge for one cut off rule per liner ad.
 - c. Standard size advertisements over 19.5 inches in depth and tabloid size advertisements over 11 inches in depth will be charged full column depth of 21.5 inches and 11.5 inches respectively.
- 10. Display advertisements will be positioned from the bottom of the page. No guarantee is made regarding positioning. Orders specifying positions are accepted only on a request basis, subject to the right of the Chronicle to determine actual positions in its sole discretion. In no event will

- adjustments, reruns or refunds be made because of the position in which an advertisement has been published.
- 11. Advertiser is responsible for checking advertising copy for corrections and providing the Chronicle with prompt written notice of errors or changes within the Chronicle's deadlines.
- 12. Clippings, checking copies or tear sheets must be ordered at the time the ad is placed and fees will be charged for these services.
- 13. All advertising copy must be accompanied by a layout and correctly marked for processing by Chronicle's composing room. If any changes are required by the Chronicle to conform advertising copy to Chronicle requirements, the time required to make these changes will be billed to the Advertiser at hourly rates currently in effect by the Chronicle.
- 14. Reasonable commercial effort will be made to return artwork and layouts furnished by Advertisers upon reasonable request, but the Chronicle shall not be held responsible in case of loss or damage.
- 15. All advertising set and not published within 30 days will be billed and charged production charges at the Chronicle's current rates plus any additional costs incurred by the Chronicle. Production charges are based upon the Chronicle's current production schedules that are available upon request. Claims for adjustment of production charges must be made within 30 days of publication.
- 16. All preprinted advertising inserts must conform to the printing, packing and shipping instructions of the Chronicle. Copies of current instructions are available upon request. Preprints, which fail to conform to these instructions, will be subject to applicable charges for labor and late delivery, and other costs incurred by the Chronicle. All preprint delivery complaints must be received at the Chronicle's offices within three (3) days of distribution. The Chronicle cannot guarantee that all preprints will be inserted, or that every newspaper distributed will include a particular preprint. Advertiser understands and accepts that the Chronicle shall not have any liability for less than complete insertion of any preprints.

B. CREDIT AND BILLING POILICY

- 1. All rates are net, cash with order, unless credit has been approved in writing by the Chronicle credit department. The Chronicle may at any time and at its sole discretion (i) require cash with order in the form of cash, cashier's check or certified funds, (ii) require immediate payment in full of any outstanding balances, (iii) refuse to accept advertising until all past due payments are made, (iv) refuse to publish advertising, or (v) require all or any of the above.
- 2. All payments are to be made to The Chronicle's offices in San Francisco, California. Checks should be made payable to the San Francisco Chronicle in U.S. dollars. All advertising placed by Advertisers outside the United States must be prepaid in U.S. funds drawn on a U.S. bank.
- 3. Acceptance and publication of advertising does not constitute an extension of credit to the Advertiser or Advertising Agency. The Chronicle may, at its sole option, extend credit upon completion of an application for credit and/or personal guarantee, along with any other additional information, surety, and credit reference deemed necessary by the Chronicle
- 4. Where credit is extended, monthly bills are due upon receipt and should be paid no later than twenty (20) days following presentation (billing date), and weekly bills are due upon receipt and should be paid no later than seven (7) days following presentation (billing date). Continuation of credit privileges and terms is dependent upon full and prompt payment.
- 5. Any invoice submitted to the Advertiser or its Advertising Agency shall be deemed conclusive as to the correctness of the items contained therein, and shall constitute an account stated unless Advertiser or its agent makes a written objection delivered to the Advertising Manager or Credit Manager within 30 days of such invoice. IF THERE ARE ANY DISPUTES OR DISCREPANCIES, ADVERTISER MUST PROMPTLY PAY ALL AMOUNTS NOT SUBJECT TO DISPUTE, and present to the Advertising Manager and Credit Manager, in writing, a complete and

- detailed explanation of any payment withheld and reasons therefore. Advertiser agrees to cooperate with the Chronicle in the prompt resolution of disputes. Failure to receive tear sheets or checking copies is NOT recognized as a valid reason to withhold payment or a material breach of the Advertising Agreement.
- 6. Advertising Agencies that sign Agreements or receive invoices on behalf of Retail and Classified Advertisers are acting as the agent of these Advertisers. Local rate Advertisers are at all times liable for payment of all account balances due and all other liabilities, unless Chronicle and Advertising Agency agree in writing that Advertising Agency accepts the obligation to pay local rate Advertiser's liabilities. Local rate Advertisers are deemed to receive refund payments, adjustments, notices and all other documents when the same are delivered to their agents. Any language in any Advertising Agency's insertion order or other documents to the contrary is void and without effect.
- 7. Notwithstanding to whom bills are rendered, General rate Advertiser and Advertising Agency, jointly and severally, shall remain obligated to pay to the Chronicle the amount of any bills rendered by the Chronicle within the time specified and until payment in full is received by the Chronicle. Payment by Advertiser to Advertising Agency or any third party shall not constitute payment to the Chronicle.
- 8. Advertising submitted with insertion orders or other forms, which deny liability for payment, will not be accepted unless the submitting Advertising Agency satisfies at least one of the following conditions:
 - a. Signs a "Confirmation of Liability for Payment" form, which supersedes
 the denial of liability for payment in any and all insertion orders received
 from that agency; or,
 - b. Prepays for the advertising submitted with such a denial of liability.
 - c. Advertising agencies submitting agreements or orders limiting their sequential liability will be required to submit a Letter of Guaranteed Payment by their advertising client.

C. TERMINATION/CANCELLATION

- 1. Advertising Agreements can be canceled by either party upon giving thirty (30) days written notification. Cancellation does not relieve parties of liability for any existing obligations for advertising publicized pursuant to the applicable rate card. If the Advertising Agreement is terminated by the Chronicle for reasons other than non-payment and the cancellation does not permit the Advertiser an opportunity to fulfill the Advertising Agreement performance requirements, the amount due and payable will be the amount billed or the space actually used at rates consistent with fulfilling the Advertising Agreement.
- 2. Advertising Agreements are subject to immediate cancellation if bills are not paid by the due date and in cases where it is determined the Advertiser does not qualify for the Advertising Agreement rate. If cancellation is for non-payment of bills at due date, the entire amount receivable shall become due and payable and any existing agreement terminated at the option and discretion of the Chronicle without notice.
- 3. The Chronicle shall have the right to cancel an order at any time. In the event of termination, the Advertiser or its agent shall pay for the space actually used at the rate earned in accordance with the current rate structure.

D. REPRESENTATIONS AND WARRANTIES

- 1. Each of Advertising Party and Advertising Agency hereby represents and warrants to Chronicle that:
 - a. Each has the right to authorize its publication and is fully authorized and licensed to use (i) the names and/or the portraits or pictures of persons, living or dead, or of things, (ii) and trademarks, service marks, copyrighted, proprietary or otherwise private material, and (iii) any testimonials contained in any advertisement submitted by or on behalf of the Advertiser, and that such advertisement is not libelous, an invasion of privacy, violative of any third party's right, deceptive or otherwise unlawful;

- b. Each has complied with all federal, state and local laws and regulations of any kind, including but not limited to such laws that prohibit discrimination in employment, housing or other activities, or that regulate advertising in any form or manner; and further, each has relied on its own counsel on such matters and not on any advice express or implied by any Chronicle employee pertaining to the legality of any advertising or practice whatsoever;
- c. Each will promptly provide the Chronicle, upon its demand, proof of the truth of any statements made in advertisements, substantiation of any claims made in advertisements, and proof of the Advertiser's compliance with any federal, state or local law or regulation pertaining in any way to advertising;
- d. Each as part of the consideration and to induce the Chronicle to publish such advertisement, the Advertiser and its Advertising Agency agree(s), jointly and severally, to protect and indemnify the Chronicle, its parent, affiliates, subsidiaries, stockholders and the directors, officers and employees of the Chronicle in which the advertisement appears against any and all liability, damages, loss or expense of whatsoever nature, including attorneys' fees and costs, arising out of the copying, printing or publishing of such advertisement including, but not limited to, claims for libel, slander, deceptive statements, unfair trade practice, unfair competition, infringement of trademarks, copyrights, proprietary rights, trade names, or patents, and invasion or violation of rights of privacy resulting from publication of such advertisement;
- e. The Advertiser and its Agency agree to and do indemnify and save harmless the Chronicle from all loss, damage, and liability, growing out of the failure of any contest or sweepstakes inserted by them for publication to be in compliance and conformity with any and all laws, orders, ordinances, and statutes of the United States, or any of the States or subdivisions thereof.

E. LIMITS OF LIABILITY

- 1. The Chronicle shall not be liable to the Advertiser for any errors in any advertisement, except for failure to correct errors clearly and unambiguously marked by the Advertiser on proofs returned to the Chronicle within the Chronicle's deadlines, and in no event shall any such liability exceed the rate per inch for that portion of the advertisement in error as published on one day. Liability of the Chronicle for the omission of any portion(s) of any issue(s) of the newspaper in which it is scheduled to appear shall be limited to the amount chargeable for the omitted portion(s) of the advertisement on one day at the applicable rate per column inch or line. The Chronicle makes no guarantee that every advertisement will be published on the date ordered, and will make no adjustment for advertisements not published on the date ordered, or at all. No rebate will be allowed for insertion of wrong key numbers.
- 2. The Chronicle shall not be liable for any consequential damages, whether or not foreseeable, which may occur because of an error in any advertisement, or any omission of a part or the whole of any advertisement. All error claims must be submitted within 30 days of publication.

F. MISCELLANEOUS

Advertiser agrees that no representations of any kind have been made to Advertiser by Publisher or by any of its agents and that no understanding has been made or agreement entered into other than as set forth herein.

This Agreement and the rights and obligations hereunder are personal to Advertiser and/or Advertising Agency and may not be assigned by any act of Advertiser and/or Advertising Agency or by operation of law, change of control of Advertiser and/or Advertising Agency or otherwise without the prior written consent of Chronicle, in its sole discretion.

If any provision hereof is held invalid or unenforceable by a court of competent jurisdiction, such invalidity shall not affect the validity or operation of any other provision, and such invalid or unenforceable provision shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permissible the intent of the parties set forth in this Agreement. To the full extent, however, that the provisions of any applicable law may be waived, they are hereby waived to the end of this Agreement and this modified agreement shall be deemed a valid and binding agreement enforceable in accordance with its terms.

Advertiser agrees that the placement and publication of advertising is governed by the laws of the State of California and that the City and County of San Francisco is the location of the principal place of business of the Chronicle, and shall be the forum of any legal action between the Chronicle and Advertiser relating to advertising placed or published.

The Chronicle shall not be liable for failure to publish all or any portion of the advertising which is the subject hereof when such failure results directly or indirectly from fire, flood, earthquake, other acts of God, strikes, lockouts, other labor difficulties, acts of the public enemy, riots, insurrections, government regulations, or any other cause or event beyond their control