

# Sports Illustrated

## RATE CARD#66

EFFECTIVE:  
January 14, 2008 Issue

SPACE CLOSING DATE FOR ALL COVERS:  
Eight weeks prior to issue date

SPACE CLOSING DATE FOR ALL EDITIONS:  
Five weeks prior to issue date

MATERIAL CLOSING DATE FOR ALL EDITIONS:  
Four weeks prior to issue date

**National Edition\* - 3,150,000 (Average Paid Plus Verified Circulation)**

	<b>Black &amp; White</b>	<b>4-Color</b>
<b>Full Page</b>	\$194,350	\$320,000
<b>Second Cover Spread</b>	N/A	\$735,885
<b>Third Cover</b>	N/A	\$352,015
<b>Back Cover</b>	N/A	\$415,955
<b>4 Columns</b>	\$262,085	\$428,490
<b>2/3 Page (Horizontal or Vertical)</b>	\$159,965	\$262,315
<b>1/2 Page (Horizontal or Vertical)</b>	\$133,170	\$218,500
<b>1/2 Page Horizontal Spread</b>	\$251,620	\$412,390
<b>1/3 Page (Horizontal or Vertical)</b>	\$89,585	\$145,820

\*SI will publish National Preview issues and a Swimsuit feature issue at a higher circulation. Please see pages 5 and 6 for pricing details.

# TARGETED EDITIONS

## SI Select – 1,200,000 (Average Paid Plus Verified Circulation)

SI Select is targeted to subscribers identified as living in high income households. Available 33 times per year beginning with the January 14, 2008 issue.

	<b>Black &amp; White</b>	<b>4-Color</b>
<b>Full Page</b>	\$100,050	\$162,610

## National Less SI Select – 1,950,000 (Average Paid Plus Verified Circulation)

This edition represents the balance of the circulation exclusive of SI Select. Available 33 times per year beginning with the January 14, 2008 issue.

	<b>Black &amp; White</b>	<b>4-Color</b>
<b>Full Page</b>	\$143,750	\$235,520

## SI Half – 1,575,000 (Average Paid Plus Verified Circulation)

SI Half offers national reach to 50% of SI's circulation distributed on a random basis. Available 30 times per year beginning with the January 21, 2008 issue.

	<b>Black &amp; White</b>	<b>4-Color</b>
<b>Full Page</b>	\$106,950	\$175,375

# TARGETED EDITIONS continued

## SI Top Metros – 1,950,000 (Average Paid Plus Verified Circulation)

A high percentage of U.S. retail sales occur in the 29 major metros that comprise this edition. Available 30 times per year beginning with the January 21, 2008 issue in the following markets:

Atlanta*	Houston	Phoenix
Baltimore	Indianapolis	Pittsburgh
Boston	Kansas City	Portland/Seattle
Charlotte/Winston-Salem	Los Angeles*	Richmond/Norfolk
Chicago*	Miami	San Diego
Cleveland	Milwaukee	San Francisco
Dallas/Ft. Worth	Minneapolis/St. Paul	St. Louis
Denver	New Orleans	Tampa/St. Petersburg
Detroit	New York*	Washington D.C.
Hartford/Providence	Philadelphia*	

\*Includes single-copy sales

	<b>Black &amp; White</b>	<b>4-Color</b>
<b>Full Page</b>	\$135,585	\$222,870

## National Less SI Top Metros – 1,200,000 (Average Paid Plus Verified Circulation)

This edition represents the balance of the circulation exclusive of SI Top Metros. Available 30 times per year beginning with the January 21, 2008 issue.

	<b>Black &amp; White</b>	<b>4-Color</b>
<b>Full Page</b>	\$77,855	\$127,650

# TARGETED EDITIONS continued

## SI Golf Plus – 500,000 (Average Paid Plus Verified Circulation)

SI Golf Plus is a selectively bound edition targeted to subscribers who are golf enthusiasts, as well as subscribers who have specifically requested the edition through SI's selective edit program. The edition consists of an editorial section within the regular weekly issue featuring previews and reports of tournaments and major events, and coverage of the most current issues and personalities. Produced by senior editors and writers, SI Golf Plus is available 29 times in 2008. Card and fractional units are available on a limited basis. Contact your SI Account Manager for issue details and pricing.

	<b>Black &amp; White</b>	<b>4-Color</b>
<b>Full Page</b>	\$41,055	\$65,205

## Golf Plus Preview Issues – 750,000 (Average Paid Plus Verified Circulation)

For preview issues focused on Masters, Players Championship, U.S. Open, British Open\*, PGA Championship\*, Ryder Cup, and 2008 Review/2009 Preview issues (April 8, May 6, June 10, July 14, August 4, September 16, and December 9), SI Golf Plus targets our 500,000 Golf Plus subscribers and is expanded to target an additional 250,000 moderate golfers.

	<b>Black &amp; White</b>	<b>4-Color</b>
<b>Full Page</b>	\$52,325	\$83,605

\*PGA Championship and British Open Previews will be in-book sections within the weekly edition. All other Golf Plus Preview issues will be stand alone issues.

## SI HomeOwner – 1,000,000 (Average Paid Plus Verified Circulation)

SI Homeowner edition targets subscribers who are homeowners, with high household income. Advertising is displayed in an expertly written special advertising section covering a wide variety of topics ranging from home repair to garden and lawn care.

<b>Issue Dates:</b>	March 17	April 14	May 12	June 09
<b>Closing Dates:</b>	February 11	March 10	April 07	May 05

	<b>Black &amp; White</b>	<b>4-Color</b>
<b>Full Page</b>	\$65,550	\$107,410

# TARGETED EDITIONS continued

## SI Fantasy Plus – 750,000 (Average Paid Plus Verified Circulation)

SI Fantasy Plus is a special targeted edition for young, avid SI subscribers and newsstand buyers who have an interest in fantasy sports. Produced by SI writers, SI Fantasy Plus is available 18 times in 2008 beginning with the August 18, 2008 issue.

	<b>Black &amp; White</b>	<b>4-Color</b>
<b>Full Page</b>	\$55,085	\$88,090

## SI Latino – 500,000 (Non-Audited Qualified Circulation)

Written entirely in Spanish, SI Latino tells the stories of Hispanic athletic heritage and delivers the same journalistic and photographic excellence that sports fans expect from the SI brand.

<b>Issue Dates:</b>	Feb. 21	Apr. 16	June 18	Aug. 13	Oct. 18	Dec. 24
<b>Closing Dates:</b>	Jan. 2	Feb. 22	Apr. 25	June 20	Aug. 29	Oct. 24

	<b>Black &amp; White</b>	<b>4-Color</b>
<b>Full Page</b>	\$33,925	\$53,935

# 2008 PREVIEW ISSUES

SI will publish 5 preview issues focused on MLB, NCAA College Football, NFL, NBA and NCAA College Basketball previews (March 31, August 11, September 1, October 27 and November 17). Due to heightened enthusiasm for these issues, SI's national rate base is increased to 3,250,000.

<b>Edition</b>	<b>Rate Base (000's)</b>	<b>Black &amp; White</b>	<b>4-Color</b>
National	3,250	\$200,560	\$330,165
SI Half	1,625	\$110,285	\$180,895

# 2008 SWIMSUIT ISSUE – FEBRUARY 15, 2008

Once again, in 2008, SI will publish a feature double issue completely dedicated to swimsuit editorial. Since there will be no weekly sports coverage in this issue, a regular issue of SI containing the usual up-to-the-minute sports coverage will also be published that week.

Due to the popularity of this classic, the Swimsuit Issue's estimated circulation is 4,500,000 compared to the normal SI weekly circulation of 3,150,000. The higher circulation makes the Swimsuit Issue an extraordinary value.

## Space Closing: December 21, 2007

<b>Edition</b>	<b>Estimated Circulation (000's)</b>	<b>Black &amp; White</b>	<b>4-Color</b>
National	4,500	\$230,575	\$375,935
SI Half*	2,250	\$127,305	\$208,035
Select	1,200	\$100,050	\$162,610
18-34	750	\$55,085	\$88,090

\*Limited availability and subject to Edit approval; material closing date for the 2008 Swimsuit edition is 1/4/08.

NOTE: This feature issue is not eligible under the Time Inc. IBIT policy.

# GEOGRAPHIC/STATE/METRO EDITIONS

Sports Illustrated offers seven geographic editions to advertisers. Advertisers can buy the entire circulation of any of our six printing plants or our Canadian circulation. In addition, advertisers can also buy individual states and metros. Circulation areas, rate bases, and prices for each of these regions, states and metros are listed below. Advertisers wishing to buy combinations of states and metros should refer to the Multi-Edition Pricing section. SI reserves the right to move less-than-national insertions of less than 400,000 to adjacent regional issues. Geographic editions are available every week beginning with the January 14, 2008 issue. Regional (State and Metro) editions are available 30 times per year, beginning with the January 21, 2008 issue.

## Geographic Editions

<b>Edition</b>	<b>Rate Base (000's)</b>	<b>4-Color</b>
Northeastern*	427	\$45,310
Eastern*	530	\$56,235
Southern*	482	\$51,290
Southwestern*	427	\$45,425
Midwestern*	679	\$71,990
Western*	559	\$59,225
Canada (available on regional cycles only)	80	\$18,285

\*Includes all single-copy sales within geographic region

## Composition of Geographic Regions

### **Northeastern – 427,000 (Average Paid Plus Verified Circulation)**

Connecticut, Massachusetts, Maine, New Hampshire, New York (less Brooklyn, Queens, and Long Island), Rhode Island, Vermont, Ohio (Eastern balance and Cleveland)

### **Eastern – 530,000 (Average Paid Plus Verified Circulation)**

Delaware, District of Columbia, Maryland, New Jersey, New York (Brooklyn, Queens, and Long Island), Pennsylvania, Virginia, West Virginia

### **Southern – 482,000 (Average Paid Plus Verified Circulation)**

Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee

### **Southwestern – 427,000 (Average Paid Plus Verified Circulation)**

Arkansas, Colorado, Kansas, Louisiana, Missouri (Western balance and Kansas City), Montana, New Mexico, Oklahoma, Texas, Wyoming

### **Midwestern – 679,000 (Average Paid Plus Verified Circulation)**

Iowa, Illinois, Indiana, Michigan, Minnesota, Missouri (Eastern balance and St. Louis), North Dakota, Nebraska, Ohio (except Eastern balance and Cleveland), South Dakota, Wisconsin

### **Western – 559,000 (Average Paid Plus Verified Circulation)**

Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, Utah, Washington

Note: Additional targeted opportunities around regional/college conference editions are available on a selective basis.

# STATE EDITIONS

<b>Edition</b>	<b>Rate Base (000's)</b>	<b>4-Color</b>
Alabama	34	\$20,142
Alaska	6	\$20,142
Arizona	52	\$20,142
Arkansas	15	\$20,142
California*	317	\$56,689
Colorado*	63	\$20,142
Connecticut	52	\$20,142
Delaware	11	\$20,142
D.C.	8	\$20,142
Florida	148	\$31,267
Georgia*	78	\$20,604
Hawaii	10	\$20,142
Idaho	11	\$20,142
Illinois*	146	\$30,964
Indiana	68	\$20,142
Iowa	34	\$20,142
Kansas	33	\$20,142
Kentucky	33	\$20,142
Louisiana	33	\$20,142
Maine	16	\$20,142
Maryland	68	\$20,142
Massachusetts	107	\$25,056
Michigan	107	\$25,056
Minnesota	67	\$20,142
Mississippi	17	\$20,142
Missouri	62	\$20,142

<b>Edition</b>	<b>Rate Base (000's)</b>	<b>4-Color</b>
Montana	10	\$20,142
Nebraska	23	\$20,142
Nevada	22	\$20,142
New Hampshire	18	\$20,142
New Jersey	109	\$25,359
New Mexico	15	\$20,142
New York*	195	\$38,387
North Carolina	82	\$21,221
North Dakota	8	\$20,142
Ohio	153	\$32,024
Oklahoma	30	\$20,142
Oregon	33	\$20,142
Pennsylvania*	156	\$32,479
Rhode Island	15	\$20,142
South Carolina	35	\$20,142
South Dakota	8	\$20,142
Tennessee	50	\$20,142
Texas*	193	\$38,084
Utah	20	\$20,142
Vermont	8	\$20,142
Virginia	81	\$21,067
Washington*	55	\$20,142
West Virginia	11	\$20,142
Wisconsin	73	\$20,142
Wyoming	4	\$20,142

\*Includes single-copy sales

# METRO EDITIONS & SECTIONAL CENTERS

<b>Edition</b>	<b>Rate Base (000's)</b>	<b>4-Color</b>	<b>Sectional Centers</b>
Albany/Buffalo/Rochester	60	\$20,142	120-123, 128, 130-132, 140-147
Atlanta*	57	\$20,142	300-303, 305, 306
Baltimore	35	\$20,142	210-213, 214, 216, 218, 219
Boston	110	\$25,511	014-027, 030, 031, 033, 034, 036, 038, 051, 053
Charlotte/Winston-Salem	45	\$20,142	270-274, 280-282, 286, 297
Chicago*	117	\$26,571	600-609, 613, 463, 464
Cincinnati/Columbus/Dayton	72	\$20,142	430-433, 450-455
Cleveland	74	\$20,142	434-436, 440-449
Dallas/Ft. Worth	65	\$20,142	750-754, 757, 760-762, 764
Denver	50	\$20,142	800-806
Detroit	81	\$21,067	480-489, 492
Hartford/Providence	41	\$20,142	028-059, 060-062, 065, 067
Houston	51	\$20,142	770-775
Indianapolis	34	\$20,142	460-462, 469, 470, 472-474
Kansas City	27	\$20,142	640-643, 646, 647, 660-663
Los Angeles*	167	\$34,145	900-908, 910-918, 922-928, 930-935
Louisville/Memphis/Nashville	55	\$20,142	370-372, 380-383, 386, 400-406, 421, 422
Miami/Ft. Lauderdale/W. Palm Beach	48	\$20,142	330-334, 349
Minneapolis/St. Paul	58	\$20,142	540, 550-552, 553-555, 559, 562, 563
New York*	240	\$45,203	064, 066, 068-079, 085-089, 100-119, 124-127
Orlando/Jacksonville	47	\$20,142	320-323, 326-329, 344, 345
Philadelphia*	120	\$27,026	080-084, 169, 170-177, 180, 181, 189-199
Phoenix	58	\$20,142	850, 852, 853, 855-857, 859, 863, 864
Pittsburgh	49	\$20,142	150-166, 168
Portland/Seattle	73	\$20,142	970-973, 980-987
Raleigh/Durham	24	\$20,142	275-277, 283
Richmond/Norfolk	30	\$20,142	230-239
San Antonio/Austin	42	\$20,142	780-784, 786-789
San Diego	31	\$20,142	919-921
San Francisco*	127	\$28,086	936-961
St. Louis	38	\$20,142	620-622, 630-633, 636
Tampa/St. Petersburg	50	\$20,142	335-339, 341-343, 346-348
Washington D.C.	80	\$20,913	200-209, 215, 217, 220-229

\*Includes single-copy sales

# MULTI-EDITION PRICING

Multi-edition pricing gives advertisers an extraordinary number of options to create their own special geographic editions of SI. Using this system, an advertiser can mix and match almost any combination of states and metros.

## MULTI-EDITION PRICING TABLE

Multi-edition pricing table should be used when buying more than one state and/or metro edition. Use national rates for rate bases great than 2,700,000. A single advertiser can split copy along market lines at a premium charge. See your SI Account Manager for more information.

Total Rate Base		Black & White Page		4-Color Page	
First	To	Base Price	CPM	Base Price	CPM
75,000	100,000	n/a	n/a	\$20,142	\$154.16
100,000	300,000	n/a	n/a	\$23,996	\$151.48
300,000	500,000	n/a	n/a	\$54,291	\$141.04
500,000	700,000	n/a	n/a	\$82,499	\$133.20
700,000	900,000	n/a	n/a	\$109,139	\$125.37
900,000	1,100,000	n/a	n/a	\$134,212	\$119.08
1,100,000	1,300,000	\$96,190	\$69.32	\$158,028	\$113.87
1,300,000	1,500,000	\$110,053	\$66.78	\$180,801	\$109.71
1,500,000	1,700,000	\$123,409	\$64.86	\$202,742	\$106.55
1,700,000	1,900,000	\$136,381	\$63.27	\$224,052	\$103.96
1,900,000	2,100,000	\$149,035	\$61.99	\$244,843	\$101.84
2,100,000	2,300,000	\$161,433	\$61.04	\$265,211	\$100.30
2,300,000	2,500,000	\$173,642	\$60.42	\$285,270	\$99.24
2,500,000	2,700,000	\$185,726	\$43.12	\$305,118	\$74.41

### Calculate rates as follows:

1. Add the rate bases of all the editions used in the single insertion. The minimum price is at the 75,000 circulation level.
2. Using the left-most column, locate the closest total rate base level that does not exceed your desired rate base. For example, if your rate base is 350,000, use the 300,000 row.
3. Read across the line to find the rate base price. Next to this is the additional CPM rate. Make sure you use the column with appropriate coloration (BW or 4C).
4. Multiply the difference between your TOTAL rate base and the closest LOWER rate base by this CPM. For example, if your total circulation is 350,000 for a 4C ad, multiply the difference between 350 and 300 (50) by the \$141.04 CPM.
5. Add the price of the additional CPM (in this example,  $50 \times \$141.04 = \$7,052$ ) to the base price (\$54,291). The resulting number is the one-time open rate for a full-page 4C ad. The full calculation is as follows:  $\$54,291 + \{(350-300) \times \$141.04\} = \$61,343$ .

# SPECIAL EMPHASIS

SI will also emphasize special sporting events and individual sport previews throughout 2008. All issue dates are tentative and subject to change.

Special Emphasis	Issue Date	Closing Date
Super Bowl Preview	2/4/08	12/31/08
NASCAR Preview	2/18/08	1/14/08
NCAA Tournament Preview	3/24/08	2/18/08
Major League Baseball Preview	3/31/08	2/25/08
Olympic Preview	7/28/08	6/23/08
Fantasy Football Spectacular	8/4/08	6/30/08
College Football Preview	8/11/08	7/7/08
NFL Preview	9/1/08	7/28/08
NHL Preview	10/6/08	9/1/08
NBA Preview	10/27/08	9/22/08
College Basketball Preview	11/17/08	10/13/08
Sportsman of the Year	12/8/08	11/3/08
Year in Sports Double Issue	12/29/08 - 1/5/09	11/24/08

**Additional Offerings – Please contact your SI Account Manager for more information on the following.**

**SI Fast Close:** In order to accommodate an advertiser wishing to recognize a winner of a special event, SI can arrange to accept material for a booked insertion very close to press time.

**Standby Space:** Due to makeup requirements, both national and less-than-national standby space is occasionally available to advertiser at closing date at a reduced rate. We cannot guarantee that a certain amount of standby space will run during a specific period of time.

**Non-Standard Space Units:** SI can accommodate non-standard units by special arrangement, including: gatefolds, insert cards, multi-page small-size and full-size advertising sections, and supplied inserts.

## Discounts

**Dollar Volume Discount:** Dollar Volume Discount (DVD) is based on an advertiser's total gross spending in SI at the open rate during a one-year period. An advertiser may select any contract year of 52 consecutive weeks. For the purpose of calculating DVD, gross spending includes all spending for space in SI except as otherwise specified, and excludes any spending with respect to production premiums or other charges. Should a contract year fall within two calendar years, the DVD grind in effect at the beginning of the advertiser's contract year shall apply to the advertiser's entire contract year.

See your SI Account Manager for details on DVD discount levels.

**Commitment Plans:** SI offers discount plans based on various levels of advertising commitment.

# SPORTS ILLUSTRATED AD SALES

## Publisher's Office

Mark Ford, President 212-522-4858  
Dick Raskopf, Vice President, Advertising Sales 212-522-6698

## Business Office

Kerry Murphy, Advertising Business Manager 212-522-4194  
Angela Cogswell, Advertising Pricing Manager 212-522-8447  
Caitlin McDonald, Associate Pricing Manager 212-522-7801  
Morgan Krug, Advertising Finance Manager 212-522-5784

## Production

Bob Kanell, Operations Director 212-522-1054  
Luisa Durante, Operations Manager 212-522-7395  
Kerith Foley, Associate Production Director 212-522-9881  
Tracy Carolonza, Makeup Manager 212-522-4797

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New York, NY 10020  
Phone: 212-522-1212  
Fax: 212-522-0320/0390

Michael Safran, NY Divisional Manager  
212-522-5608  
Ryan Michaelis, NY Divisional Manager  
212-522-3865

**BOSTON:** 399 Boylston Street  
Boston, MA 02116  
Phone: 617-954-9400  
Fax: 617-954-9430

John Cooney, New England Ad Director  
617-954-9410

**CHICAGO:** 303 East Ohio Street  
Chicago, IL 60611  
Phone: 312-321-7800  
Fax: 312-321-7933

Tom Buerger, Midwest Ad Director  
312-321-7828

**DALLAS:** 12222 Merit Drive, Suite 820  
Dallas, TX 75251  
Phone: 972-387-8595  
Fax: 972-726-8760

Martin Crawford, Southwest Ad Director  
972-387-8595

**DETROIT:** 39577 Woodward Avenue, Suite 200  
Bloomfield Hills, MI 48304  
Phone: 248-988-7700  
Fax: 248-988-7915

John Schram, Detroit Ad Director  
248-988-7770

**LOS ANGELES:** 11766 Wilshire Boulevard, Suite 1700  
Los Angeles, CA 90025  
Phone: 310-268-7200  
Fax: 310-268-7308

Matt Sganga, West Coast Ad Director  
310-268-7368

**SAN DIEGO:** 4407 Manchester Avenue, Suite 206  
Encinitas, CA 92024  
Phone: 760-753-4100  
Fax: 760-753-2110

Brian Fortini, San Diego Ad Director  
760-753-4100

**SAN FRANCISCO:** 2 Embarcadero Center, Suite 1900  
San Francisco, CA 94111  
Phone: 415-982-5000  
Fax: 415-434-5267

John Handley, Northwest Ad Director  
415-434-5234

**ATLANTA:** 3399 Peachtree Road NE, Suite 1600  
Atlanta, GA 30326  
Phone: 404-364-4020  
Fax: 404-364-4003

Patti Pruett, Southeast Ad Director  
404-364-4051

**CANADA:** 175 Bloor Street  
Suite 602, North Tower  
Toronto, ON M4W 3R8  
Fax: 416-929-0019

Rob DePodesta  
416-928-4838

# SPORTS ILLUSTRATED MAGAZINE

## 2008 ADVERTISING TERMS AND CONDITIONS

The following are certain general terms and conditions governing advertising published in Sports Illustrated Magazine (the "Magazine") published by Time Inc. (the "Publisher").

1. Rates are based on average total audited circulation, effective with the issue dated January 14, 2008. Announcement of any change in rates and/or circulation rate base will be made in advance of the Magazine's advertising sales close date of the first issue to which such rates and/or circulation rate base will be applicable. The Magazine Rate Card specifies the publication schedule of the Magazine, and its respective on-sale dates.
2. The Magazine is a member of the Audit Bureau of Circulations (ABC). Total audited circulation is reported on an issue-by-issue basis in publisher's statements audited by the ABC. Total audited circulation for the Magazine is comprised of paid plus verified.
3. Advertisers may not cancel orders for, or make changes in, advertising after the closing dates of the Magazine.
4. The Publisher is not responsible for errors or omissions in any advertising materials provided by the advertiser or its agency (including errors in key numbers) or for changes made after closing dates.
5. The Publisher may reject or cancel any advertising for any reason at any time. Advertisements simulating the Magazine's editorial material in appearance or style or that are not immediately identifiable as advertisements are not acceptable.
6. All advertisements, including without limitation those for which Publisher has provided creative services, are accepted and published in the Magazine upon the representation by the agency and advertiser that they are authorized to publish the entire contents and subject matter thereof in all applicable editions of the Magazine and that such publication will not violate any law or infringe upon any right of any party. In consideration of the publication of advertisements, the advertiser and agency will, jointly and severally, indemnify, defend and hold the Publisher harmless from and against any and all losses and expenses (including, without limitation, attorney's fees) (collectively, "Losses") arising out of the publication of such advertisements in all applicable editions of the Magazine, including, without limitation, those arising from claims or suits for defamation, copyright or trademark infringement, misappropriation, violation of the Lanham Act or rights of privacy or publicity, or from any and all claims now known or hereafter devised or created (collectively "Claims"). In the event the Publisher has agreed to provide contest or sweepstakes management services, email design or distribution or other promotional services in connection with an advertising commitment by advertiser, all such services are performed upon the warranty of the agency and advertiser that they will, jointly and severally, indemnify and hold the Publisher harmless from and against any and all Losses arising out of the publication, use or distribution of any materials, products (including, without limitation, prizes) or services provided by or on behalf of the agency or advertiser, their agents and employees, including, without limitation, those arising from any Claims.
7. In consideration of the Publisher's reviewing for acceptance, or acceptance of, any advertising for publication in the Magazine, the agency and advertiser agree not to make promotional or merchandising reference to the Magazine in any way without the prior written permission of the Publisher in each instance.
8. No conditions, printed or otherwise, appearing on contracts, orders or copy instructions which conflict with, vary, or add to these Terms and Conditions or the provisions of the Magazine's Rate Card will be binding on the Publisher and to the extent that the Terms and Conditions contained herein are inconsistent with any such conditions, these Terms and Conditions shall govern and supersede any such conditions. The Publisher has the right to insert the advertising anywhere in the Magazine at its discretion, and any condition on contracts, orders or copy instructions involving the placement of advertising within an issue of the Magazine (such as page location, competitive separation or placement facing editorial copy) will be treated as a positioning request only and cannot be guaranteed. The Publisher's inability or failure to comply with any such condition shall not relieve the agency or advertiser of the obligation to pay for the advertising.
9. The Publisher shall not be subject to any liability whatsoever for any failure to publish or circulate all or any part of any issue(s) of the Magazine because of strikes, work stoppages, accidents, fires, acts of God or any other circumstances not within the control of the Publisher.
10. Agency commission (or equivalent): up to 15% (where applicable to recognized agents) of gross advertising charges after earned advertiser discounts.
11. Invoices are rendered on or about the on-sale date of the Magazine. Payments are due within 20 days from the billing date. The Publisher reserves the right to change the payment terms to cash with order at any time. The advertiser and agency are jointly and severally liable for payment of all invoices for advertising published in the Magazine.
12. Any and all negotiated advertiser discounts are only applicable to and available during the period in which they are earned. Rebates resulting from any and all earned advertiser discount adjustments must be used within six months after the end of the period in which they were earned. Unused rebates will expire six months after the end of the period in which they were earned.
13. Special advertising production premiums do not earn any discounts or agency commissions.
14. The Magazine is subject to Time Inc.'s standard 2008 issue-by-issue tally (IBIT) pricing system.

## **SPORTS ILLUSTRATED MAGAZINE 2008 ISSUE-BY-ISSUE TALLY (IBIT) PRICING SYSTEM**

1. Circulation delivery of Sports Illustrated Magazine (the "Magazine") is measured on an issue-by-issue tally (IBIT) pricing system for full-run circulation advertising only. The IBIT pricing system is administered by comparing, for each issue of the Magazine in which an advertiser books space and remits a cash payment for such advertisement, the issue's total audited circulation as reported in the Magazine's Publisher's Statement (issued by the Audit Bureau of Circulations (ABC) for the first and second half of the 2008 calendar year) and the published total circulation rate base as set forth in the Magazine's rate card.
2. In order to permit advertisers to apply earned IBIT credit in a timely manner, ABC Publisher's Statements are used to calculate IBIT credit. The calculation will be made following the issuance of the Publisher's Statements for each six month ABC reporting period.
3. Total audited circulation for the Magazine is comprised of paid plus verified.
4. IBIT credits will be calculated on an individual insertion basis and will only be credited to an advertiser if the total audited circulation of the issue booked by the advertiser is lower by more than two percent (2%) than its published circulation rate base.
5. If the total audited circulation of the issue booked by an advertiser is lower by more than two percent (2%) than its published circulation rate base, the advertiser's IBIT credit will be calculated by multiplying the net cost after agency commissions (excluding production premiums) ("Net Cost") of the advertiser's insertion in that issue by the difference between two percent and the actual percentage by which the total audited circulation is less than its published circulation rate base. By way of example, if the "Net Cost" of the advertiser's insertion is \$100,000 and the total audited circulation of an issue is three percent lower than its published circulation rate base, the IBIT credit would be calculated as follows:  $\$100,000 \times (3\% - 2\%) = \$1,000$ .
6. IBIT credit must be used against future insertions not yet ordered or booked, must be applied at the Magazine and must be used within 12 months after the issuance of the Publisher's Statements for the ABC reporting period in which the credit was earned. An advertiser may apply IBIT credit to any brand, product or division within the same advertiser parent company.
7. IBIT credit will be issued net of agency commissions and must be applied to invoices net of agency commissions. No agency commissions will be paid by the Magazine on IBIT credit.
8. IBIT credit may be applied to production charges.
9. The Magazine will not refund IBIT credit as cash.
10. Only full-run circulation advertising in regular issues as reported in Paragraph 3 of the Publisher's Statements issued by ABC are eligible for IBIT credit. The following are not eligible for IBIT credit: (a) special issues published in addition to the normal frequency of the Magazine (including those listed in Paragraph 3 of the ABC Publisher's Statements) and (b) any issues specifically excluded from being eligible for IBIT per the Magazine's rate card.
11. None of barter (whether cash paid or trade), standby or remnant advertising is eligible for IBIT credit.