

MISSION STATEMENT

Entertainment Weekly brings the fun

With our **unparalleled access** to Hollywood's most creative minds and most fascinating stars, we keep **you plugged into pop culture**.

And with our sharp, **trusted voice**, we're always **the first to tell** you about the best (and worst) in entertainment.

We know your free time is precious. So is your money. We make sure you make the most of both.



Entertainment
WEEKLY

2014 EDIT CALENDAR

Issue #	Issue Date	On Sale	Feature	Ad Close
1293	1/10/14	1/3/14	Winter TV Preview	12/16/13
1294	1/17/14	1/10/14	Forecast Issue	12/23/13
1295	1/24/14	1/17/14	Grammy Insider/Golden Globes Wrap-Up	12/30/13
1296/1297	1/31-2/7/14	1/24/14	Oscar Nominations	1/6/14
1298	2/14/14	2/7/14	Grammy Wrap-Up	1/20/14
1299	2/21/14	2/14/14		1/27/14
1300	2/28/14	2/21/14	Oscar Odds	2/3/14
1301	3/7/14	2/28/14		2/10/14
1302	3/14/14	3/7/14	Oscar Winners & Losers	2/17/14
1303	3/21/14	3/14/14		2/24/14
1304	3/28/14	3/21/14		3/3/14
1305	4/4/14	3/28/14		3/10/14
1306	4/11/14	4/4/14		3/17/14
1307/1308	4/18-4/25/14	4/11/14	Summer Movie Preview	3/24/14
1309	5/2/14	4/25/14		4/7/14
1310	5/9/14	5/2/14	Mother's Day Gift Guide	4/14/14
1311	5/16/14	5/9/14		4/21/14
1312	5/23/14	5/16/14	Summer Music Preview	4/28/14
1313/1314	5/30-6/6/14	5/23/14	Your Summer Must List	5/5/14
1315	6/13/14	6/6/14	Hot Summer TV /Father's Day Gift Guide	5/19/14
1316	6/20/14	6/13/14		5/26/14
1317	6/27/14	6/20/14		6/2/14
1318	7/4/14	6/27/14		6/9/14
1319	7/11/14	7/4/14		6/16/14
1320	7/18/14	7/11/14		6/23/14
1321/1322	7/25 -8/1/14	7/18/14	Comic-Con Preview	6/30/14
1323	8/8/14	8/1/14	Comic-Con Wrap Up	7/14/14
1324	8/15/14	8/8/14	Emmys Insider	7/21/14
1325/1326	8/22 - 8/29/14	8/15/14	Fall Movie Preview	7/28/14
1327	9/5/14	8/29/14	Fall Music Preview /Emmys Wrap-Up	8/11/14
1328	9/12/14	9/5/14		8/18/14
1329/1330	9/19-9/26/14	9/12/14	Fall TV Preview	8/25/14
1331	10/3/14	9/26/14	Comedy	9/8/14
1332	10/10/14	10/3/14		9/15/14
1333	10/17/14	10/10/14		9/22/14
1334/1335	10/24-10/31/14	10/17/14	Reunions	9/29/14
1336	11/7/14	10/31/14		10/13/14
1337	11/14/14	11/7/14	Holiday Movie Preview	10/20/14
1338	11/21/14	11/14/14		10/27/14
1339	11/28/14	11/21/14	Holiday Gift Guide	11/3/14
1340	12/5/14	11/25/14	Entertainers of the Year	11/10/14
1341	12/12/14	12/5/14		11/17/14
1342	12/19/14	12/12/14		11/24/14
1343/1344	12/26/14-1/2/15	12/19/14	Best and Worst of 2014	12/1/14

2014 EW.COM EDIT CALENDAR

Name	Type	Online Media Flight*	Print Issue	Print On-Sale
Golden Globes	Site Special	1/2 - 1/17	n/a	n/a
Winter TV	Site Special	1/3 - 2/14	Winter TV Preview	1/3
Sundance	Site Special	1/16 - 1/26	TBD	TBD
SAG	Extended Coverage	1/13 - 1/24	n/a	n/a
Oscars	Signature Site Special	1/13 - 3/7	Oscar Issues	1/24, 2/21, 3/7
Grammys	Site Special	1/17-1/31	Grammy Wrap-Up	2/7
Winter Olympics	Site Special	2/6 - 2/25	n/a	n/a
Valentine's Day	Extended Coverage	2/7 - 2/14	n/a	n/a
SXSW / Music Festivals Hub	Site Special	3/7 - 3/21	n/a	n/a
Coachella / Music Festivals Hub	Site Special	4/10 - 4/24	n/a	n/a
Summer Movie Guide	Site Special	May - Aug	Summer Movie Preview	4/11
Mother's Day Gift Guide	Extended Coverage	5/2 - 5/11	Mother's Day Gift Guide	5/2
Summer Music Preview	Extended Coverage	5/16 - 5/30	Summer Music Preview	5/16
Summer Must List	Site Special	5/23 - 6/30	Your Summer Must List	5/23
MTV Movie Awards	Site Special	TBD	n/a	n/a
Father's Day Gift Guide	Extended Coverage	6/2 - 6/8	Father's Day Gift Guide	6/6
Comic-Con	Signature Site Special	7/18 - 8/1	Comic-Con Preview	7/18
Lollapalooza / Music Festivals Hub	Site Special	7/28 - 8/6	n/a	n/a
Fall Movie Guide	Site Special	Sept - Oct	Fall Movie Preview	8/15
Fall Music Preview	Extended Coverage	8/29 - 9/12	Fall Music Preview	8/29
Fall TV	Signature Site Special	Sept - Nov	Fall TV Preview	9/12
MTV VMA's	Site Special	TBD	n/a	n/a
Emmys	Signature Site Special	8/11 - 8/29	Emmy Insider, Emmy Wrap-Up	8/8, 8/29
Comedy	Site Special	TBD	Comedy	9/26
Reunions	Site Special	10/17-10/31	Reunions	10/17
Holiday Movie Guide	Site Special	Nov - Dec	Holiday Movie Preview	11/7
Holiday Gift Guide	Site Special	11/21- 12/26	Holiday Gift Guide	11/21
Year End	Site Special	11/25 - 12/31	EOY / Best & Worst	11/25, 12/19

Last updated 7.24.14

* Dates subject to change

Signature Site Special: Dedicated hub with special features, applications and promotions.

Site Special: Dedicated hub for content. Sponsorship surrounds hub

Expanded Coverage: No dedicated content hub. Media targeted around individual content pieces

Entertainment
W E F K L V

2014 RATE CARD



Open Rates

4 Color

Page	\$197,000
2/3 Page	\$164,300
1/2 Page	\$128,200
1/3 Page	\$88,800
1/3 Page (Square)	\$95,300
1/2 Page Spread	\$256,400

Covers

Cover 4	\$256,200
Cover 3	\$216,800
Cover 2, Page 1	\$433,600

Black & White

Page	\$157,700
2/3 Page	\$131,500
1/2 Page	\$102,600
1/3 Page	\$71,000
1/3 Page (Square)	\$76,300

Rate Base

1,725,000

Circulation includes the print and digital editions of the Magazine. Qualified full-run advertisements will run in both editions. See MAGAZINE ADVERTISING TERMS AND CONDITIONS for additional information including opt-out and upgrade options.

Entertainment
WEEKLY

PRODUCTION SPECS

1) All Web Offset. Entertainment Weekly subscribes to the SWOP (Specifications for Web Offset Publications) standards. For complete mechanical requirements, visit our Web site at direct2time.com.

2) File Submission. All files must be submitted via the Ad Portal. For instructions on how to register and download the client application, please visit our website at direct2time.com. Preferred digital file format is PDF/X1a. No application files such as QuarkXPress documents will be accepted. All digital files must conform to SWOP specifications.

- Maximum single files size, including all marks, identification and agency information (image size) is 11" wide by 17" high.
- Maximum spread file size, including all marks, identification and agency information (image size) is 22" wide by 17" high.
- Right-reading, portrait mode, 100% size, no rotations.
- Standard trim, bleed and center marks in all separations must be located 1/2" outside trim size.

Desktop File Format

Desktop applications (InDesign and others) must be saved as PostScript (Print to File) and converted to PDF/X1a. The DDAP PPD and DDAP Distiller settings must be used when creating PostScript and PDF files. These may be downloaded from our Web site at direct2time.com. We accept PDF/X1a files as well.

Only one ad per file. All of the high-resolution images and fonts must be included when the PostScript file is saved. Use only Type 1 fonts—No True Type fonts or font substitutions are allowed. Do not apply style attributes to fonts. Images must be SWOP (CMYK or Grayscale, no RGB colors and no spot colors accepted) TIFF or EPS format (no JPEG or JPEG filter) between 200 and 400 dpi. Do not embed ICC Profiles within files. Total area density should not exceed SWOP standard 300% TAC. Do not nest EPS files within other EPS files. All required image trapping must be included in the file. The file must be right-reading, portrait mode, 100% size, no rotations.

In addition, please call or send test files when updating software.

3) Proofing. Entertainment Weekly Magazine is 100% Virtual Proofing at all of our printing plants.

If you own a Virtual Proofing System:

Virtual proofing, also known as monitor based softproof, is a process that does not require the use of hard proofs. The virtual proofing system must be a SWOP certified system and recently calibrated to the manufacturer's Application Data Sheet (ADS). We require the use of TRO05 as the output profile. In addition, the type of system and profile used must be communicated in the file as part of the information slug (please refer to direct2time.com for instructions on downloading a sample slug).

For a complete list of SWOP certified virtual proofing systems, please visit www.swop.org.

If you DO NOT own a Virtual Proofing System:

If you opt to use a hard proofing system, please calibrate your hard proofing device to TRO05. The use of hard proofs is for internal approvals only. We no longer require hard proofs.

Type Reproduction

Fine lettering (thin lines, serifs) should be restricted to one (1) color. Reverse lettering: Dominant color should be used for shape of letters with subordinate colors spread slightly to reduce register problems. Surprinting: When type is to be surprinted, the background should be no heavier than 30% in any color, and no more than 90% in all four colors.

4) Trim Size is 778" x 1012".

5) Unit Sizes Available

Page	Bleed Size	Live/Safety	Trim
Spread	8 7/8" x 10 3/4"	7" x 10"	7 7/8" x 10 1/2"
1/2 Page Vertical	16" x 10 3/4"	15" x 10"	15 3/4" x 10 1/2"
1/6 Page Vertical	4 7/8" x 10 3/4"	3 3/8" x 10"	3 7/8" x 10 1/2"
1/6 Page Vertical (Half Column)	2 1/4" x 4 5/8"	N/A	N/A
1/2 Page Vertical (One Column)	3" x 10 3/4"	2 1/8" x 10"	2 3/4" x 10 1/2"
2/3 Page Vertical (Two Columns)	5 1/4" x 10 3/4"	4 1/4" x 10"	5" x 10 1/2"
1/3 Page Horizontal	8 7/8" x 3 3/4"	7" x 3 3/8"	7 7/8" x 3 5/8"
1/2 Page Horizontal	8 7/8" x 5 1/4"	7" x 4 1/2"	7 7/8" x 5"
1/2 Spread Horizontal	16" x 5 1/4"	15" x 4 1/2"	15 3/4" x 5"
1/3 Spread Horizontal	16" x 3 3/4"	15" x 3 3/8"	15 3/4" x 3 5/8"

6) Live matter intended to print must be positioned in accordance with the live/safety spec of the ad, for both full and partial page ads. Live area is 14" from top and bottom and 38" on either side (based on trim size).

Spreads and half horizontal units: Type crossing the gutter should be positioned 1/16" from center fold on each page to provide 1/8" total separation. Safety for live area is 1/4" from top and bottom. Safety for face sides is 3/8". Safety dimensions are noted above. Engraver must keep all crop and register marks 1/2" outside the trim of the magazine for full-page and spread ads.

7) General Information. Entertainment Weekly assumes no responsibility for advertising materials submitted other than as expressly agreed in writing and, in the absence of disposition instructions, such materials will be discarded four months after issue date.

Queries concerning printed reproduction should be submitted within three weeks of issue date.

Please call EW Production for all questions and material extensions:

Technical questions on file format, specs and ad portal, contact:

Mike Perrone Pike_Perrone@timeinc.com 212-522-3472	Eddy Orellana Eddy_Orellana@timeinc.com 212-522-2488
--	--

Jackie Valencia Jackie_Valencia@timeinc.com 212-522-8818	Luis Jimenez Luis_Jimenez@timeinc.com 212-522-5432
--	--

Material extensions, contact:

Rachel Skweky
Rachel_Shweky@timeinc.com
212-522-4340

Katherine Cox
Katherine_Cox@ew.com
212-522-4115

Supplied Unit Specifications, contact:

Michelle Garza Michelle_Garza@timeinc.com 212-522-1060	Ron Redfern Ron_Redfern@timeinc.com 212-522-7551
--	--

Tasha Anderson
Tasha_Anderson@timeinc.com
212-522-2945

For additional information, including tablet specs, please go to our website at direct2time.com

EW ADULT DEMOS



MRI Spring 2013	Aud (000)	% Comp	Index
Total Adults	9,956		
Readers-Per-Copy:	5.53		
<u>Gender</u>			
Women	6,234	63%	121
Men	3,722	37%	77
<u>Age</u>			
Median Age:	41 years		
Age 18-24	1,540	16%	121
Age 25-34	2,304	23%	130
Age 18-34	3,844	39%	126
Age 18-49	6,543	66%	115
Age 25-44	4,223	42%	122
Age 25-49	5,003	50%	114
Age 25-54	6,041	61%	113
<u>Income</u>			
Median HHI:	\$62K		
HHI \$75K+	4,062	41%	105
HHI \$100K+	2,834	29%	111
HHI \$150K+	1,207	12%	112
<u>Education</u>			
Any College	5,787	58%	103
In College	1,192	12%	145
<u>Employment</u>			
Employed	6,730	68%	113

UNPARALLELED READER LOYALTY



Entertainment Weekly:

- Provides more bonus circulation
- Did not miss rate base in 1H 2013

Title	1H13 Avg. Bonus Copies	% of Issues Missed Rate Base in 1H 2013
EW	48,561	0%
Vanity Fair	42,439	0%
TV Guide	21,689	6%
Rolling Stone	20,083	8%
Us Weekly	9,784	36%
Star	5,621	48%
Ok Weekly	2,205	36%
In Touch	-45,504	88%

Source: AAM Publisher's Statements June 2013, June 2012

Entertainment
WEEKLY

EW IS EVERYWHERE



PRINT

Total Audience	10.0MM
Rate Base	1.725MM

DIGITAL

Total Uniques	8.5MM
Total Page Views	91MM

MOBILE

Total Uniques	6.5MM
Total Page Views	30.5MM

TABLET

EW.com on iPad Uniques	2.1MM
EW.com on iPad Page Views	10.7MM
EW Must List App iPad/iPhone	482K

SOCIAL

Twitter Followers	2.8MM+
Facebook Fans	805K+
Google +	862K+

Source: Spring 2013 MRI, EW.com Desktop: comScore Unified Sept 2013, Omniture Sept 2013, EW Mobile: Comscore mobile Aug. 2013 Omniture Sept 2013, iPad: Omniture May 2013, Social: 11/4/13

Entertainment
WEEKLY

EW.COM DEMOS



	Audience (000)	% Comp	Index
Total Uniques	8.8mm	n/a	n/a
Gender			
Women	4,428	52.10%	97
Men	4,071	47.9%	104
Age			
Median Age: 36			
Age 18-34	3,043	36%	127
Age 18-49	5,720	67%	118
Age 25-34	2,099	25%	139
Age 25-44	4,131	49%	132
Age 25-49	4,777	56%	120
Age 25-54	5,533	65%	114
Income			
Median HHI: \$74k			
HHI \$50k+	6,103	72%	115
HHI \$75k+	3,859	45%	120
HHI \$100k+	2,193	26%	128
HHI \$150k+	986	12%	179
Education			
Any College	7,361	87%	127
College/Post Grad	4,590	54%	186
Employment			
Prof/Mgmt	2,074	24%	134

Source: UVs: Comscore Unified Oct 2013, Nielsen
Answers: Q1 2013, (Median Age: iPerceptions)

EW: THE ULTIMATE INFLUENCER



Our Readers Thrive on Being:

The first to know...

Among my friends, I'm always the one in the know

The first to try...

I am interested in new product launches

The first to tell...

I'm an evangelist for new products I like

Your Ultimate Brand Ambassador

of people talk to about:

	General Population	EW Consumers
Beauty products	4	13
Health	5	13
Clothing/Shoes	7	14
Pets	5	14
Technology	6	16
DVDs	4	21
Travel	3	21
Food/Beverage	10	27
Restaurants	11	27
Movies	9	32
TV Shows	5	39

Source: 2012 EW Front Row Panel,
2012 SSI Panel - General Population

TERMS & CONDITIONS

ENTERTAINMENT WEEKLY MAGAZINE 2014 MAGAZINE ADVERTISING TERMS AND CONDITIONS

The following are certain general terms and conditions governing advertising published in the U.S. print and digital editions of **Entertainment Weekly Magazine** (the "Magazine") published by **Entertainment Weekly Inc.** (the "Publisher").

1. Rates are based on average total audited circulation, effective with the issue dated January 10th, 2014. 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 on-sale dates.
2. The Magazine is a member of the Alliance for Audited Media (the "AAM"). Total audited circulation is reported on an issue-by-issue basis in publisher's statements audited by the AAM. Total audited circulation for the Magazine is comprised of paid plus verified.
3. An advertiser running a full-run qualifying advertisement in the Magazine will automatically run in the print and digital edition of the Magazine, **unless the advertiser explicitly opt-outs in writing of running in the digital edition, either on the insertion order or via email**, by no later than the ad close date. In the event advertiser opts-out of running in the digital edition of the Magazine for any reason other than legal or regulatory considerations that advertiser reasonably believes would prevent the advertisement from running in the digital edition, such advertiser's ad placement will no longer be deemed a "full-run" buy, and advertiser would therefore not be entitled to the benefits of advertising on a full-run basis (by way of example and not limitation, the advertisement would not be eligible for IBIT credits and may not be considered for premium placement). Certain advertisements that are not standard and/or full-page run-of-book advertisements may not qualify to run in the digital version, including but not limited to, scented units, non-standard fractionals (such as fractionals that are less than 1/3 page) and business reply cards. Please consult the Publisher for details. If an advertiser elects to opt-out of the digital edition, such opt-out will apply to all devices and platforms.

With respect to the digital edition of the Magazine, depending on the device and/or platform on which it is viewed, the Magazine may be viewed in one of two formats: (i) a straight from print magazine format, which is an exact reproduction of the design and content of the print version of the Magazine (the "Straight From Print Magazine Version") or (ii) a designed for tablet/enhanced for tablet magazine format, in which the design of the Magazine has been optimized for viewing on the device on which it is displayed (the "Designed For Tablet Magazine Version"). Please consult the Publisher for details.

Qualifying advertisements, depending on various factors, including but not limited to the device and/or platform on which they are viewed, may be viewed in one of three formats: (i) "straight from print advertising format" or "SFP" where the page on screen looks exactly like the advertisement appearing in the print edition; (ii) "designed for tablet advertising format" or "DFT" where the same creative has been resupplied and designed for optimal reading on the device and/or platform and is meant to be displayed at 100%; and (iii) "enhanced for tablet advertising format" or "EFT" where an advertisement has added enhancements and bonus content to transform the print content to more fully utilize the digital medium (e.g., hotspots, photo slide shows, video, audio, in-app browser, etc.).

Qualifying advertisements running in the Straight From Print Magazine Version or the Designed For Tablet Magazine Version of the digital edition of the Magazine will automatically run in a straight from print advertising format. If an advertiser wishes to include its qualifying advertisement in the digital edition in a format other than straight from print (i.e., designed for tablet advertising format or enhanced for tablet advertising format), it must so indicate prominently on the insertion order by the ad close date. Designed for tablet advertising format or enhanced for tablet advertising format may not be available on all platforms or devices. Please consult the Publisher for details.

With respect to qualifying advertisements in a straight from print advertising format, if a URL exists in the print creative, such URL shall be automatically activated unless advertiser notifies Publisher otherwise in writing; if the print creative has multiple URLs, Publisher shall activate the brand's main URL unless notified otherwise in writing. With respect to qualifying advertisements in a "designed for tablet" advertising format, if such advertising creative contains one URL, Publisher shall automatically activate that URL; if the advertisement contains more than one URL, Publisher shall activate the brand's main URL.

4. With respect to national advertisements that are less than a full-page but equal to or greater than 1/3 page that are running in the digital edition of the Designed For Tablet Magazine Version, such advertisements will be framed by white space unless they are upgraded to a full page. Please consult the Publisher for details regarding the opportunity to upgrade such advertisement. National advertisements that are less than a full-page that are running in the digital edition of the Straight From Print Magazine Version shall appear as they appeared in the print edition of the Magazine.
5. Advertisers may not cancel orders for, or make changes in, advertising after the closing dates of the Magazine.
6. 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.
7. 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.

TERMS & CONDITIONS

8. All advertisements, including without limitation those for which the Publisher has provided creative services, are accepted and published in the Magazine subject to the representation by the agency and advertiser that they are authorized to publish the entire contents and subject matter thereof in all applicable editions, formats and derivations of the Magazine and that such publication will not violate any law, regulation or advertising code 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, formats and derivations of the Magazine, including, without limitation, those arising from third party claims or suits for defamation, copyright or trademark infringement, misappropriation, unfair competition, violation of the Lanham Act or any rights of privacy or publicity, or any unfair commercial practice or misleading advertising or impermissible comparative advertising or from any and all claims or regulatory breaches 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.
9. 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.
10. 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.
11. 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 will attempt to keep the same running order of advertisements in the digital edition as they appeared in the print edition, but the Publisher does not make any adjacency guarantees or other promises regarding competitive separation of the positioning of any advertisements in the digital edition. The Publisher's inability or failure to comply with any condition shall not relieve the agency or advertiser of the obligation to pay for the advertising.
12. 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.
13. Agency commission (or equivalent): up to 15% (where applicable to recognized agents) of gross advertising charges after earned advertiser discounts.
14. 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.
15. All pricing information shall be the confidential information of the Publisher and neither advertiser nor agency may disclose such information without obtaining the Publisher's prior written consent.
16. 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.
17. None of creative fees, special advertising print production premiums, digital edition upgrade fees or DFT or EFT production fees earn any discounts or agency commissions.
18. The Magazine is subject to Time Inc.'s standard 2014 issue-by-issue tally (IBIT) pricing system.
19. Publisher reserves the right to modify these terms and conditions.

These Advertising Terms and Conditions were issued October 14, 2013.

TERMS & CONDITIONS

TIME INC. 2014 ISSUE-BY-ISSUE TALLY (IBIT) PRICING SYSTEM

1. Magazine circulation delivery of the U.S. and North American editions of magazines published by Time Inc. and its affiliates (collectively, referred to herein as the "Publisher") 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 a 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 Alliance for Audited Media (AAM) or the Brand Reports issued by BPA Worldwide (BPA) for the first or second half of the 2014 calendar year and the published total circulation rate base as set forth in the applicable magazine's rate card.
2. In order to permit advertisers to apply earned IBIT credit in a timely manner, AAM Publisher's Statements and BPA Brand Reports are used to calculate IBIT credit. The calculation may only be made following the issuance of the Publisher's Statements or Brand Reports for second half of the 2014 calendar year (July – December) and will be based on final billed earned advertising rates.
3. Total audited circulation for magazines audited by AAM is comprised of paid plus verified (plus analyzed non-paid for those magazines who count analyzed non-paid in their rate base). Total audited circulation for magazines audited by BPA is comprised of qualified paid plus qualified non-paid.
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, must be applied at the magazine at which it was earned and must be used within 12 months after the issuance of the Publisher's Statements or Brand Reports for the second half (July – December) AAM/BPA reporting period and calculation of the 2014 IBIT credit. 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 AAM and Paragraph 2 of the Brand Reports issued by BPA are eligible for IBIT credit. The following are not eligible for IBIT credit: (a) special issues published in addition to the normal frequency of a magazine (including those listed in Paragraphs 3 and 2 of the AAM Publisher's Statements and BPA Brand Reports, respectively) and (b) any issues specifically excluded from being eligible for IBIT per the applicable magazine's rate card. Notwithstanding the foregoing, if the advertiser opts-out of running its advertisement in the digital edition of the magazine because of legal or regulatory considerations such advertisement shall remain eligible for IBIT credit.
11. No barter (whether cash paid or trade), standby or remnant advertising is eligible for IBIT credit.
12. IBIT credit will only be issued against eligible insertions that have been paid in full at the final earned and billed (pre-IBIT) rate.

Issued: October 14, 2013