



Hawaii

AAA Hawai'i magazine is the AAA member publication that inspires members to experience their region and the world.

Every issue yields high readership and actions taken by AAA Hawai'i members as a result of reading.

AAA Hawai'i offers advertisers the opportunity to expand their brand by delivering their message into the homes of purchasing AAA Member households throughout Hawai'i.

AAA Hawai'i is published six times per year providing award winning travel editorial, automotive, membership information, discount savings and more.



2014 PLANNED EDITORIAL LINEUP *(subject to change)*

JANUARY/FEBRUARY

- Allerton/McBryde gardens 50th anniversary (Kaua'i)
- Upland state parks near Hololulu (O'ahu)
- Holoholo: Limahuli Garden (Kaua'i)
- Celebrity: Ceramic artist Tim Freeman (Hawai'i Island)

MARCH/APRIL

- Hana photographic essay (Maui)
- Bee industry in the state (Hawai'i Island)
- Holoholo: Snorkeling in Kahalu'u Bay (Hawai'i Island)
- Celebrity: Lantern Lighting Festival priest Craig Yamamoto (O'ahu)

MAY/JUNE (Food issue)

- Porkapalooza: Everything you need to know about pigs in the Islands (roundup)
- Foraging on Bainbridge Island, Washington (Seattle) [WW pickup]
- O'o Farm tour + sidebar roundup of others (Maui)
- Holoholo: Chocolate class at Madre Chocolates (O'ahu)
- Celebrity: Kona Brewing Company owner Mattson Davis (Hawai'i Island)

JULY/AUGUST

- Scenic byways roundup (3 on Kaua'i + 1 on Hawai'i Island)
- Lava tubes roundup (Hawai'i Island)
- Holoholo: Polihale Beach Park (Kaua'i)
- Celebrity: Art Explorium leader Heather Williams (O'ahu)

SEPTEMBER/OCTOBER

- Hot tubs in Japan [WW pickup]
- New stuff in the Presidio (San Francisco) [WW pickup]
- Essay: "What I Miss about Hawai'i"
- Holoholo: 4WD trek in Hakalau Forest Wildlife Preserve (Hawai'i Island)
- Celebrity: Floral designer Asa Ige (Maui)

NOVEMBER/DECEMBER

- TBA: Planned Story on O'ahu
- Secrets of Alaska [WW pickup]
- Holoholo: Whale watching (Maui)
- Celebrity: Sustainable farmer Kylie Matsuda (O'ahu)

Audience Profile

2014

Circulation Region: Hawai'i

Circulation: 79,000 ♦ Readers: 165,900



- ♦ On average, AAA Hawai'i readers earn a household income that is \$73,800 more than the average United States adult
- ♦ AAA Hawai'i readers spend on average, while on a domestic trip, \$1,900 more than the average United States adult spends when traveling on a domestic trip

AAA Hawai'i readers	Mean/Median	Audience	Composition
Men		77,807	46.9%
Women		88,093	53.1%
Married		93,402	56.3%
Household Income			
\$60,000+		93,402	56.3%
\$75,000+		78,637	47.4%
\$100,000+		56,074	33.8%
\$150,000+		26,046	15.7%
Average HHI	\$140,000		
Median HHI	\$88,700		
Age			
18-34		8,295	5.0%
35-54		42,305	25.5%
55-64		52,756	31.8%
65+		62,544	37.7%
Median Age	60.2 years		
Employment			
Employed full-time		79,964	48.2%
Retired		63,208	38.1%
Home			
Own Home		132,056	79.6%
Mean home value	\$727,800		
Median home value	\$644,000		

Source: 2013 AAA Hawai'i Reader Profile Study, GfK MRI



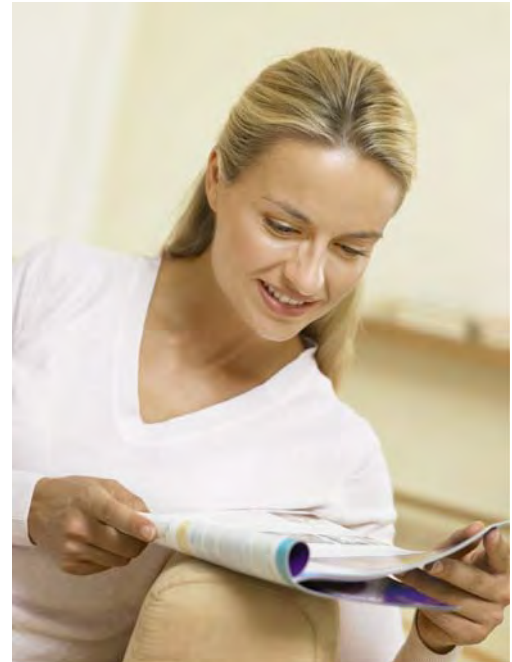
Readership

2014

Circulation Region: Hawai'i

Circulation: 79,000 ♦ Readers: 165,900

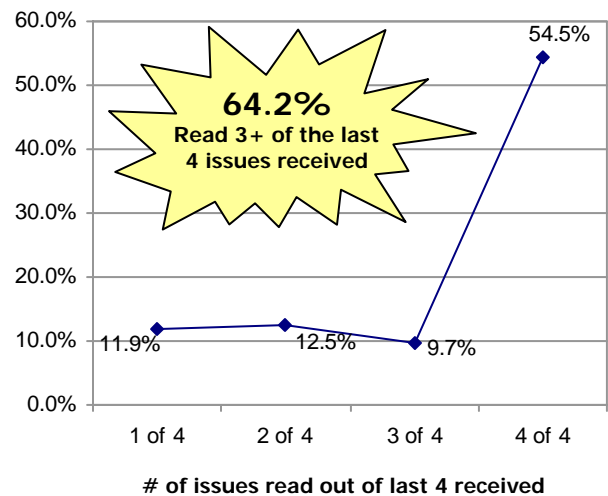
- Readers spend 20.5 minutes, on average, reading or looking into an issue of their AAA publication
- Readers who read 3-4 out of 4 issues spend an average of 24.1 minutes reading or looking into an issue of their AAA publication



Actions taken as a result of reading AAA Hawai'i in the past year:

Took Any Action	63.9%
Became Aware of AAA Discount(s)	31.5%
Visited/Contacted AAA office	24.2%
Used/Received AAA Discount(s)	19.2%
Used AAA Tour Book	14.3%
Visited AAA.com	14.2%
Called a Toll-Free Number	10.0%
Made Reservations or Bought Tickets	9.2%
Called or Visited AAA Travel Agent	6.0%
Used Advertising for Travel Planning	5.6%
Obtained Information on a Product or Service Advertised	5.4%
Traveled to a Destination Advertised or Written About	5.2%
Planned or Modified Existing Plans for a Trip	5.0%
Visited an Advertiser's Web Site	4.3%
Bought an Advertised Product or Service	3.7%
Contacted an Advertiser Directly for Information	3.0%

AAA Hawai'i Readership



Source: 2013 AAA Hawai'i Reader Profile Study, GfK MRI



Regional Travel

2014

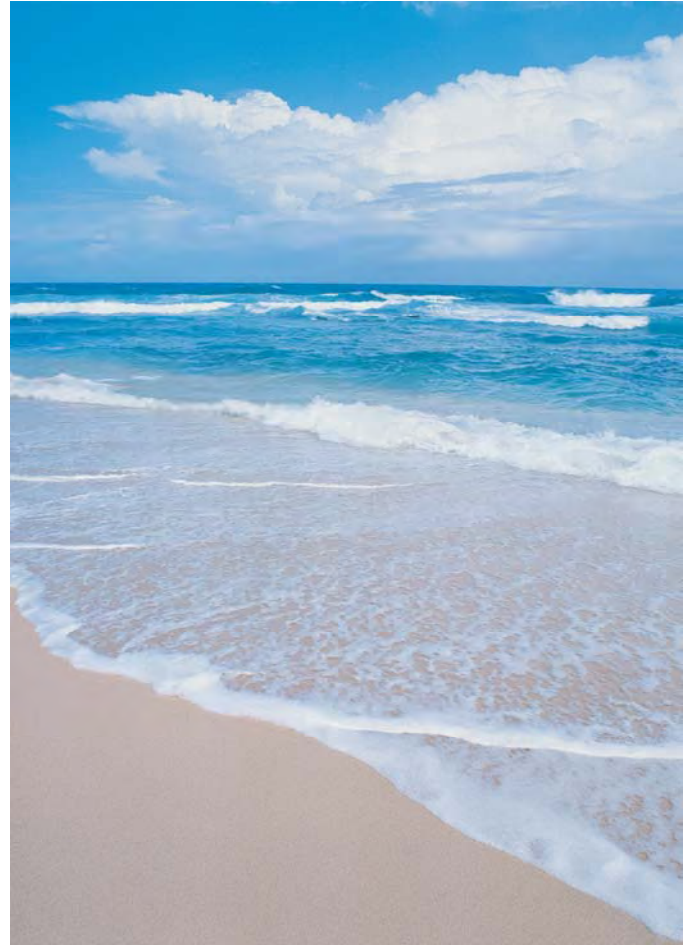
Circulation Region: Hawai'i

Circulation: 79,000 ♦ Readers: 165,900

- ♦ 66.6% of AAA Hawai'i readers took at least one overnight domestic trip in the past year

Regional areas visited in the past year

Waikīkī, Oahu	28.4%
Las Vegas, NV	26.8%
Hilo, Hawaii	20.6%
Kailua-Kona, Hawaii	19.1%
Los Angeles, CA	17.2%
Kailua, Oahu	16.8%
San Francisco Bay Area, CA	14.6%
Līhu'e, Kaua'i	11.2%
Seattle, WA	10.3%
Hāna, Maui	9.9%
Hanalei, Kauai	9.5%
Waikoloa, Hawaii	9.4%
Orange County, CA	8.7%
Phoenix, AZ	7.2%
Po'ipū, Kaua'i	7.2%
San Diego, CA	7.0%
New York City, NY	6.8%
Portland, OR	5.9%
Princeville, Kaua'i	4.9%
Sacramento, CA	4.2%
Lāna'i Island	2.5%
Lake Tahoe, UT	2.2%
Moloka'i Island	2.0%



In the last 12 months

- ♦ On average, readers took four domestic vacations
- ♦ Reader spent an average of \$3,700 while on a domestic vacation

Source: 2013 AAA Hawai'i Reader Profile Study, GfK MRI



Travel Planning and Booking

2014

Circulation Region: Hawai'i
 Circulation: 79,000 ♦ Readers: 165,900

AAA Hawai'i is looked upon more than any other magazine as a source of information when planning a trip



Sources of information when planning a trip:	
Friends or Relatives	45.0%
Other Websites	37.1%
AAA Hawai'i Magazine	35.0%
Direct from Accommodations/Travel provider	30.9%
Other Magazines/Newspapers	23.6%
Other Travel Agency	20.7%
AAA Website	19.7%
AAA Travel Agency	15.3%
Books	14.5%
Television	12.8%

Method readers use to make reservations or buy tickets for a trip:	
Direct from Travel Provider	62.9%
Other Web Sites	41.5%
AAA Travel Agency	12.1%
Other Travel Agency	23.1%
AAA Web Site	6.4%

Source: 2013 AAA Hawai'i Reader Profile Study, GfK MRI



Theme Parks and Attractions

Circulation Region: Hawai'i

Circulation: 79,000 ♦ Readers: 165,900

2014

- Over 27% of readers visited a theme park or attraction in the last 12 months
- While visiting a theme park or attraction, nearly 25% of readers stayed 3 nights or more

Top theme parks & attractions visited in the past year:

Ala Moana Shopping Center	77.4%
Honolulu Zoo	36.3%
Bernice Pauahi Bishop Museum	28.9%
Waikīkī Aquarium	24.7%
Hawai'i Volcanoes National Park	18.9%
Pacific Aviation Museum	17.6%
USS Arizona Memorial	15.6%
Hanauma Bay Nature Preserve and Beach Park	13.6%
Honolulu Museum of Art	13.6%
Diamond Head State Monument	12.6%
Hawai'i State Art Museum	12.2%
Waimea Canyon State Park	12.0%
Haleakalā National Park	11.3%
Wet 'n' Wild Hawaii	10.9%
Paradise Cove	8.2%
Maui Ocean Center	7.8%
Pana'ewa Rainforest Zoo & Gardens	6.7%
Wailuā River State Park	4.9%
Hawai'ian Adventure Park	3.9%
Pacific Tsunami Museum	3.9%
Waimea Arboretum and Botanical Gardens	3.7%
Pu'uhoonua O Hōnaunau National Historical Park	1.9%



In the last 12 months

- More than 41% of readers stayed on theme park/attraction property when visiting a theme park or attraction

Source: 2013 AAA Hawai'i Reader Profile Study, GfK MRI
Base: Visited a theme park or attraction in the last 12 months



General Advertising Rates

2014

All rates are Gross

Rate Card #11
Effective January 2014



Rate Base: 79,000 ♦ Total Readers: 165,900

Circulation Region: Hawai'i

	1X	3X	6X
4 Color			
Full Page	\$ 4,440	\$ 4,220	\$ 4,000
2/3 Page	3,100	2,950	2,790
1/2 Page	2,770	2,630	2,490
1/3 Page	1,660	1,580	1,490
1/6 Page	980	930	880
B&W			
Full Page	\$ 3,550	\$ 3,370	\$ 3,200
2/3 Page	2,490	2,370	2,240
1/2 Page	2,220	2,110	2,000
1/3 Page	1,330	1,260	1,200
1/6 Page	780	740	700



2014 Issue Dates	Space Close	Materials Due	First Possible In-Home Dates
Jan/Feb	11/1/13	11/7/13	12/12/13
March/Apr	1/3/14	1/8/14	2/21/14
May/June	3/3/14	3/10/14	4/21/14
July/Aug	5/1/14	5/8/14	6/20/14
Sep/Oct	7/1/14	7/9/14	8/21/14
Nov/Dec	9/5/14	9/12/14	10/21/14

RUN OF BOOK			
SPACE SIZES	BLEED (W x H)	TRIM (W x H)	NON-BLEED (W x H)
Full Page	8.125"W x 10.75"H	7.875"W x 10.5"H	-
Spreads	16.125"W x 10.75"H	15.75"W x 10.5"H	-
2/3 Page Vertical	-	-	4.5"W x 9.5"H
1/2 Page Horizontal	-	-	6.875"W x 4.625"H
1/2 Page Island	-	-	4.5"W x 7.125"H
1/3 Page Vertical	-	-	2.125"W x 9.5"H
1/3 Page Square	-	-	4.5"W x 4.625"H
1/6 Page Vertical	-	-	2.125"W x 4.625"H

Note: Live copy no less than .25" from trims

DIGITAL AD REQUIREMENTS

All ads must be uploaded to www.adshuttle.com/acepubs

Ads must be submitted as a PDF/X1a Application files such as Adobe Illustrator, InDesign, and Quark Xpress are not acceptable. File must be high resolution (300 dpi), CMYK or grayscale (no spot colors, RGB, LAB, or ICC color profiles) with a maximum density of 300. Preferred fonts are Open Type and Type 1 and should be imbedded. All marks (trim, bleed, center, color bars) should be included in all colors and outside of the bleed area.

PROOFING REQUIREMENTS

You may either agree to waive a proof in Ad Shuttle, or send a 4/C SWOP proof (made from supplied file) to:
 JoAnn Granich
 AAA Hawai'i
 3333 Fairview Road, A327
 Costa Mesa, CA 92626-1698
 Tel: 714-885-2383
 Fax: 714-885-1109
granich.joann@aaa-calif.com





For the six months ended
June 30, 2013

USPS 3541 Circulation Verification

Editorial Overview: AAA HAWAII (formerly published as Hawaii Westways) is a magazine edited for Automobile Club members in Hawaii. It offers timely coverage of local issues, plus consumer information about travel, insurance, automobiles and safety issues. In addition, the magazine contains departments offering advice for travelers and motorists, and money saving opportunities on local attractions, events and travel.

Frequency: 6 times/year

TOTAL AVERAGE PAID & VERIFIED CIRCULATION

	Average for the Statement Period	%	Rate Base	Above (Below)	% Above (Below)
Subscriptions					
Paid	80,104	100%			
Verified	N/A				
Total Paid & Verified Subscriptions	80,104	100%			
Single Copy Sales	N/A				
Total Paid & Verified Circulation	80,104	100%	76,000	4,104	5.1%

PAID CIRCULATION BY ISSUE

Issue	Paid Circulation
Jan/Feb	79,907
Mar/Apr	79,850
May/Jun	80,556



3 YEAR TREND

	2011	%	2012	%	2013	%
Subscriptions:						
Paid	74,646	100.0	78,143	100.0	80,104	100.0
Verified	N/A		N/A		N/A	
Total Paid & Verified Subscriptions	74,646	100.0	78,143	100.0	80,104	100.0
Single Copy Sales	N/A		N/A		N/A	
Total Paid & Verified Circulation	74,646	100.0	78,143	100.0	80,104	100.0
Year Over Year Percent of Change				4.7%		2.5%
Average Annualized Subscription Price	\$2.00		\$2.00		\$2.00	

CIRCULATION BY STATE - for the May/June 2013 issue

State	Paid Subscriptions	State	Paid Subscriptions
Alabama	12	Ohio	18
Arizona	88	Oklahoma	8
Arkansas	6	Oregon	85
California	751	Pennsylvania	37
Colorado	61	Rhode Island	5
Connecticut	11	South Carolina	10
Delaware	2	South Dakota	7
District of Columbia	5	Tennessee	19
Florida	81	Texas	91
Georgia	16	Utah	16
Idaho	22	Vermont	4
Illinois	23	Virginia	58
Indiana	17	Washington	152
Iowa	1	West Virginia	2
Kansas	16	Wisconsin	14
Kentucky	11	Wyoming	6
Louisiana	6		
Maine	9	TOTAL 48	1,997
Maryland	28	CONTERMINOUS	
Massachusetts	29	STATES	
Michigan	21		
Minnesota	16	Alaska	13
Mississippi	5	Hawaii	78,543
Missouri	20	TOTAL ALASKA &	78,556
Montana	5	HAWAII	
Nebraska	4		
Nevada	99	U.S. Unclassified	
New Hampshire	5	TOTAL UNITED	80,553
New Jersey	16	STATES	
New Mexico	10	Poss. & Other	3
New York	34	Areas	
North Carolina	34	U.S. & POSS., etc.	80,556
North Dakota	1	Canada	-
		International	-
		Other Unclassified	-
		Military or Civilian	-
		Personnel Overseas	-
		GRAND TOTAL	80,556

DMA PAID SUBSCRIPTIONS BREAKDOWN AS OF JUNE 30, 2013

Honolulu	81,619
Total DMA - Hawaii	81,619

ANALYSIS OF TOTAL NEW AND RENEWAL PAID INDIVIDUAL SUBSCRIPTIONS

Total gross subscriptions (new and renewal) sold in the six month period ended June 30, 2013

DURATION

		%
a. One to six months (1 to 3 issues)	None	
b. Seven to eleven months (4 to 5 issues)	None	
c. Twelve months (6 issues)	44,402	100%
d. Thirteen to twenty-four months	None	
e. Twenty-five months and more	None	
Total Subscriptions Sold in Period	44,402	100%

USE OF PREMIUMS

		%
a. Ordered without premium	44,402	100%
b. Ordered with material reprinted from this publication	None	
c. Ordered with other premiums	None	
Total Subscriptions Sold in Period	44,402	100%

CHANNELS

		%
a. Ordered by subscriber action via direct mail, direct mail agents, inserts, online, renewals, catalogs, or other outlets available to the subscribers	None	
b. Ordered by subscribers in response to unsolicited telemarketing and door to door selling	None	
c. Ordered by subscribers in response to fund-raising programs of schools, churches, and other similar organizations	None	
d. Subscriptions as part of membership in an organization	44,402	100%
Total Subscriptions Sold in Period	44,402	100%

We certify that to the best of our knowledge all data set forth in this Publisher's Statement are true and report circulation in accordance with the United States Postal Service.

Parent Company: AAA Hawaii
 AAA Hawaii
 1130 N. Nimitz Highway, Suite A170
 Honolulu, HI 96817-4579
 P: 808-593-2221
 F: 808-550-4813
 www.aaa.com


 JIM DOOLEY-GREEN
 Postal Affairs/Circulation/Distribution


 TAMARA HILL
 Publisher


 KATHY BOWYER
 Manager Advertising Sales |

Dated Signed: August 13, 2013

Advertiser Information

2014

Rate Card 11 Effective January 2014

ADVERTISER INFORMATION

TERMS OF SALE

Net 30 days from date of invoice. First time advertisers must prepay by Ad Close date. Publisher reserves the right to request further prepayment for so long as Publisher desires.

COMMISSION

15% paid to recognized agency on space, position, color and bleed charges, provided the account is paid within 30 days from invoice date.

COMBINATION RATES

Sold in combination with AAA Western Magazine Network.

SHORT RATES AND REBATES

Each page or fractional page counts as one insertion. Frequency discounts may be earned with any combination of different size insertions used during a 12-month period. If a greater frequency discount is earned, a rebate will be made. If the billed rate is not earned, the short rate will be based on the number of insertions actually run during the contract period. See Advertising Contract Provisions for more details.

CANCELLATIONS

Must be received from advertiser in writing prior to Materials Due date; all orders non-cancellable after Materials Due date of relevant issue. (See Section C of Contract Conditions.)

SEND ALL INSERTION ORDERS TO:

AAA *Hawai'i*

Attn: Jim Green

3333 Fairview Road,

Mail Stop A327

Costa Mesa, CA 92626-1698

Tel: 714-885-2394

Fax: 714-641-5522

Green.Jim@aaa-calif.com

COPY REGULATIONS

A. The caption line "ADVERTISEMENT" shall be printed at the top of advertisements that either carry no signature or resemble editorial pages.

B. When new ad material, covered by an uncanceled Insertion Order is not received by the applicable Materials Due date, copy run in the previous Issue will be inserted.

C. The Publisher will not be bound by any terms or conditions, printed or otherwise, appearing on any order blank or copy instructions, when such conditions conflict with the Publisher's Advertising Policy Guidelines, Advertising Contract Provisions or Rate Card.

CONTRACT CONDITIONS

ADVERTISING CONTRACT PROVISIONS

A. In order to place advertising with AAA *Hawai'i* ("Publisher"), Advertiser (as defined below) shall complete and execute an Advertising Contract & Insertion Order (the "IO" and together with the terms and conditions set forth in this Rate Card, collectively referred to as this "Contract"). "Advertiser" means the party designated in the IO as "Advertiser." The publication selected in the IO shall be referred to as the "Publication," and the issue(s) designated in the IO shall be referred to as the "Issue(s)."

B. Advertiser shall have the right, without liability to Publisher to terminate the entire Contract at any time prior to the Ad Close date for the first insertion ordered under the Contract's IO.

C. Once the Ad Close date for any Issue has passed, but the Materials Due date for that Issue has not yet passed, Advertiser may, by written notice to Publisher received prior to the Materials Due date, cancel Advertiser's insertion for that issue by paying 10% (Ten percent) of the Earned Rate.

D. Once the Ad Close date and the Materials Due date for any Issue has passed, Advertiser may only cancel an insertion for that Issue with the written consent of the Publisher and upon payment of 100% (One hundred percent) of the Earned Rate for that insertion within 30 days after invoice date. Advertiser's failure to provide materials for an insertion in an Issue on or prior to the Materials Due date for that Issue shall be deemed a cancellation of such insertion, unless Publisher agrees in writing to an extension of the Materials Due date for that particular insertion.

E. Advertiser's cancellation of any insertion specified in the IO automatically nullifies any rate protection and any preferred position reservation as to any remaining insertions specified under the IO.

F. Publisher shall have the right, at its option, to terminate this Contract at any time by written notice to Advertiser, in which event Advertiser shall pay for insertions already published, and any Frequency Discount contracted for in the IO shall apply irrespective of the actual number of insertions published prior to termination.

G. Publisher shall have the right to terminate this Contract and any other agreements, contracts or insertion orders entered into by Advertiser and Publisher, at any time with or without notice to Advertiser upon the occurrence of any of the following ("Events of Default"): (i) a failure by Advertiser to pay in full any invoice on or prior to its due date, (ii) an insertion specified in the IO was not published within the Contract Period (as defined in the IO) as a result of one or more cancellations by Advertiser, or (iii) a breach by Advertiser of any other provisions of the Contract. In the event of such termination by Publisher, Advertiser shall pay Publisher for all insertions already published under the Contract at the Earned Rate. Failure of Publisher to terminate this Contract upon the occurrence of an Event of Default shall not be deemed a waiver of Publisher's right to terminate this Contract by reason of any subsequent Event of Default.

H. Publisher reserves the right to revise its advertising rates at any time. Any new rate immediately applies to insertions not previously covered by the Contract's IO. Insertions already covered by the IO may receive rate protection only if published in the six months immediately following the date when the new rates become effective. Advertiser may terminate this Contract on the date new rates become effective, provided that prior to said effective date, Advertiser gives to Publisher written notice of such termination; and, in the event of such termination, Advertiser shall only be liable for insertions already published and any Earned Discount contracted for in the IO shall apply irrespective of the actual number of insertions actually published prior to termination.

I. Publisher reserves the right at Publisher's sole discretion to revise or reject any advertisement or portion thereof. Publication of advertising copy shall not affect the Publisher's right to revise or reject the same copy thereafter. (See Advertising Policy Guidelines)

J. Advertiser warrants and represents that any material submitted to Publisher is original; truthful and not misleading; does not violate any law or infringe the copyrights, trademarks, trade names, patents or other intellectual property rights of any other person; and contains no matter that is libelous, an invasion of privacy, an unlawful appropriation of the name or likeness, or otherwise injurious to the rights of any other person; and Advertiser has obtained all necessary consents prior to submission to Publisher. Advertiser assumes all responsibility for all content (including, but not limited to, text, representations, names, photographs, and illustrations) of advertisements printed. Advertiser agrees to indemnify, defend and hold Publisher, its officers, members of its Board of Governors, employees and agents, harmless against any and all claims, losses, liabilities and expenses, including attorney's fees and legal expenses, resulting from or attributable to the publication of any material submitted by Advertiser under this Contract.

K. An IO that specifies pages or directs insertion of advertising in a special position or on a designated page or specifies "or omit" will not be accepted. Any provision in the IO specifying or barring the use of any page because of the kind of news or advertising on that



Advertiser Information

2014

page, on its reverse side or on the facing page will not be legally binding upon Publisher but will be treated as a request only. Discontinuance of advertisements ordered "Till Forbid" and changes or cancellations of advertisements must be given in writing. No oral agreements will be recognized.

L. IN THE EVENT OF ANY ERROR OR OMISSION IN PRINTING OR OTHER INADVERTENT PUBLICATION OF AN ADVERTISEMENT, PUBLISHER'S LIABILITY SHALL NOT EXCEED THE COST OF THE SPACE USED OR THE COST OF THE INSERTION OMITTED. IN THE EVENT OF ANY OTHER BREACH OF PUBLISHER'S OBLIGATIONS UNDER THIS CONTRACT, PUBLISHER'S LIABILITY SHALL NOT EXCEED THE TOTAL AMOUNTS PAID BY ADVERTISER TO PUBLISHER UNDER THIS CONTRACT. Publisher shall have no liability unless it receives written notice of the error or omission no later than 30 calendar days after the Issue Date (as defined below) of the Issue in which or with respect to which the error or omission occurred. The cover of each Issue bears a designation consisting of (a) either one month, or two months separated by a forward slash, and (b) followed by year. The first day of the first month so designated shall be referred to herein as the "Issue Date." (By way of example only, January 1, 2013 is the Issue Date of the Issue designated "January/February 2013".) Where the same insertion is ordered for more than one issue, credit, if allowed, shall be for the first insertion only and may, at the sole discretion of Publisher, be given in the form of republication of the corrected advertisement. No adjustment will be made under circumstances in which Advertiser, its client or its agent is responsible for the error.

M. Advertiser authorizes Publisher, and any of its affiliates or agents, to obtain credit reports in Advertiser's name at any time.

N. To the extent Advertiser fails to pay any invoice from Publisher when due, Advertiser further agrees that Publisher may refer Advertiser's account to a collections agency. Advertiser acknowledges and agrees that Publisher, or any of its affiliates or agents, may from time to time report the credit experience of Publisher, or one of its affiliates, with Advertiser to third parties, including, without limitation, governmental authorities and credit reporting agencies. Advertiser hereby waives and holds Publisher harmless from and against any and all claims that Advertiser may have as a result of such reporting.

O. If Advertiser fails to pay an invoice from Publisher when due and payable, a late payment charge of 1.5% per month (or the highest rate permitted by law, if lower), will be applied, as of the thirty-first (31st) day after the invoice date, to the outstanding balance of such invoice and the agency commission, if applicable, is also revoked on the 31st day.

P. Publisher shall have the right at any time, at its sole discretion to require prepayment for any advertising under this Contract (or any other insertion order submitted by Advertiser or Advertiser's client) on such terms as it may see fit. In the event Advertiser fails to make a prepayment within five (5) business days after delivery to Advertiser of a written demand from Publisher therefore, Publisher shall have the right to immediately terminate this Contract and any other agreement or insertion order entered into by Advertiser and Publisher, without further notice to Advertiser and without any liability to Publisher.

Q. If Advertiser is an advertising agency placing advertising on behalf of a client:

1. This Contract shall have no force or effect until (a) such client has executed and delivered to Publisher a letter on a form provided by Publisher, providing for, among other things, such client's liability in the event Advertiser fails to make timely payment of amounts owing to Publisher under this Agreement, or (b) Publisher waives in writing the requirement set forth in Clause (a).

2. This Contract creates a direct payment obligation of Advertiser to Publisher, irrespective of whether Advertiser is paid by its client, except to the extent Publisher receives valid payment from Advertiser's client.

3. Advertiser shall not be entitled to any advertising agency commission with respect to any invoice unless such invoice is paid within 30 days of invoice date.

R. Any notice required or permitted to be given under this Contract shall be in writing and shall be effective immediately upon receipt if delivered personally or by reputable national overnight delivery service, or two (2) working days from mailing such notice if mailed through the United States mail, certified, postage prepaid, return receipt requested, and addressed to each party as follows: (i) if to Publisher at AAA *Hawai'i*, 3333 Fairview Road, Mail Stop A327, Costa Mesa, CA 92626-1698, Attention: Publisher, and (ii) if to Advertiser, to the address(es) set forth in the boxes titled "Agency" and "Client" on the IO, to the extent either box is completed.

S. IN NO EVENT SHALL PUBLISHER BE LIABLE TO ADVERTISER FOR INDIRECT, SPECIAL, OR CONSEQUENTIAL DAMAGES ARISING OUT OF, OR RELATED TO, THE PERFORMANCE OF SERVICES UNDER THIS CONTRACT, UNDER ANY THEORY OF LAW, EVEN IF ADVERTISER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

T. Advertiser agrees that no representations or warranties 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 that set forth in the Contract.

U. This contract shall be governed by the laws of the State of California. Any legal action relating to this Contract shall be brought in a State or Federal Court sitting in the County of Orange, State of California.

ADVERTISING POLICY GUIDELINES

A. All advertisements must be approved by the Publisher before they are deemed acceptable for publication in AAA *Hawai'i*.

B. Publisher reserves the right to inspect or test any product or service to be advertised before the advertisement is deemed acceptable. Publication of any advertisement for a product or service tested by Publisher shall not be deemed an endorsement thereof by Publisher.

C. All advertising copy must comply with the guidelines established for editorial material in word, illustration, and design.

D. Priority of available advertising space will be given to Advertisers of products and services that bear a relationship to the demographics of AAA *Hawai'i* subscribers. General categories include, but are not limited to: (1) automobiles, other vehicles, and transportation facilities; (2) accommodations, resorts, restaurants, recreational areas, tours, and cruises; (3) consumer electronics and sporting equipment; and (4) aftermarket products and services related to the above categories.

E. Advertisements of products or services in which AAA *Hawai'i* has a special expertise or in which the ad might be construed as an endorsement must receive specific approval by the Publisher with regard to the veracity of the ad or the product or service advertised. Examples include (1) automotive products, (2) insurance products, (3) vehicle-repair business or products, (4) travel related products or services, and (5) group purchase plans.

F. Advertisements considered unacceptable include, but are not limited to, the following: (1) distilled spirits; (2) all "per inquiry" arrangements; (3) personal vanity products (such as those claiming to restore hair, reduce weight, remove fat, increase bust size, restore youth, improve sexuality); (4) get-rich-quick schemes, speculative offerings, and any claims made to amass personal fortunes or to guarantee "winning"; (5) garish displays, unacceptable posture of models, or advertisements that might appeal to sensuous or prurient interests; (6) political candidates or causes; (7) religious persons or doctrines; (8) escort services; and (9) illegal or questionable products or services. Advertisements for products or services not included in the categories set forth above may also be unacceptable if, in the opinion of the Publisher, they are considered inappropriate for publication in AAA *Hawai'i*.

