

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."

BUSINESS PUBLICATIONS

D 10.3 Digital Versions and Digital Editions

AMENDED RULE

ABC's Board voted unanimously to modify Rule D 10.3 Digital Versions and Digital Editions to eliminate the e-mail requirement for recipient-requested paid subscriptions. (Effective November 3, 2008.)

D 10.3 Digital Versions and Digital Editions

(a) The labels "digital version" or "digital edition" will be used to describe all copies distributed via electronic or paperless means.

(1) Digital version is defined as a publication distributed via electronic / digital means that maintains the basic identify of the host publication by maintaining the same name / logo and wherein the editorial and advertising content is a replica of the core host product. The digital version may contain "hotlinks" to the publisher's web site provided the web site contains updated or expanded editorial content when compared to the print edition.

(2) Digital edition is defined as a product distributed via electronic / digital means that maintains the basic identity of the host publication either by maintaining the same name / logo or by identifying itself as "an edition of _____," but contains different editorial and/or advertising content.

Digital edition circulation must be reported separately in Publisher's Statements and Audit Reports in accord with Bureau Rule D 10.2.

(b) Digital versions and editions may not be comprised of a newsletter / e-newsletter or unrestricted website access.

(c) Both "push" and "pull" methods of distribution are acceptable. ~~Therefore, notification to the subscriber of the product's availability on restricted access Web site qualifies as a delivery.~~

For paid subscriptions served via the pull method, e-mail notification to the subscriber of the product's availability on the restricted access Web site is not required.

For non-paid subscriptions served via the pull method, e-mail notification to the subscriber of the product's availability on the restricted access Web site qualifies as delivery.

(d) Digital version / edition-only subscribers shall be required to provide a land address for reporting purposes in Paragraph 4 Geographic Analysis. Digital version / edition-only subscribers who do not provide a usable land address shall be reported as "e-mail address only" and shall not be subject to the 5 percent limit as articulated in Rule D 5.1(c) Geographic Analysis.

(e) Provided all other qualification criteria are met, ~~copies non-paid copies served via the pull method and paid and non-paid copies served via the push method~~ identified as delivery issue "bounce backs" may be included in qualified circulation for a limited time frame provided the delivery issue associated with the bounce back is rectified, or the subscriber is purged from the subscriber file in accord with the following scale: daily – 10 issues; weekly – four issues; biweekly – two issues; and monthly – one issue.

~~Where the initial delivery of a subscriber's digital version / edition takes place outside of the publisher's normal means of distribution, or subsequent to the delivery of the publication's main file, the above schedule is effective with the next scheduled delivery of the main file (both print and digital versions / editions). Any initial digital version / edition served outside the publisher's normal distribution channel or subsequent to the distribution of the main file is not subject to the "bounce back" schedule, nor is it eligible for inclusion with qualified circulation.~~

(f) Mid-term conversions from print only to digital version / edition only may be completed at the publisher's discretion provided the subscriber has the opportunity to "opt-out" of the conversion and retain the print subscription or terminate the subscription altogether.

(g) Paid bulk sale and license agreements may be reported as qualified circulation in ABC reports provided the purchaser pays a qualifying price for each subscription.

(h) Publications are required to provide a statement of digital delivery methodology in the explanatory paragraph of ABC reports.

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."

NEWSPAPERS

Bylaws & Rules

ABC's Board voted to modify various Bylaws & Rules as part of the numerous changes for U.S. Newspapers, intended to simply ABC rules, reduce certain audit costs and provide greater pricing and marketing flexibility to publishers. (There are various effective dates – so see each rule.)

Bylaw 2.11 Paid Circulation Defined (Effective October 1, 2010.)

A publication with paid circulation is hereby defined to be one of which 70 percent or more of the total distribution during a regular six-month Publisher's Statement period (ended March 31 or September 30 for all newspapers and June 30 or December 31 for all magazines and farm publications publishing outside of Canada) (ended March 31, June 30, September 30 or December 31 for farm publications published in Canada and all business publications) qualifies as paid circulation under the standards of the Bureau. For newspapers, third-party sales to verified circulation will be excluded from paid circulation for membership eligibility purposes but should be included in the calculation as an element of total distribution. For business publications also see Bylaw 2.2(d)(1)(b).

A 1.2 Permissions and Prohibitions [paragraph (f) only] (Effective October 1, 2010.)

(f) When a U.S. newspaper (other than a newspaper published in Canada) compares its circulation to that of other newspapers, the comparison must clearly identify the Individually Paid, Business / Traveler and Verified Other Paid Circulation components, or must only make comparisons of the Total Individually Average Paid Circulation and Average Verified Other Paid Circulation only.

If a comparison is made of total ~~distribution~~ circulation only, it should identify that the figures include individually paid, business / traveler and verified other circulation. Total ~~distribution~~ circulation may not be compared to paid circulation only. ~~Newspapers that opt to analyze other circulation may not compare their total distribution to only the paid circulation of a newspaper that elects not to provide the optional analysis.~~

B 2.1 Member Obligations (Effective October 1, 2010.)

An ABC audit is designed to provide a high degree of assurance that an ABC member-publication's circulation, as well as all other information contained in its ABC Audit Report, is fairly stated in all respects material to average paid, verified and analyzed non-paid circulation.

ABC publisher members are responsible for all information disclosed in their ABC Publisher's Statements and Audit Reports, and are obligated to comply with Bylaws 2.8 "Publisher Duty to Install and Maintain Records" and Bylaw 2.15 "Access to Records." These bylaws state that the publisher is also responsible for the accuracy, completeness and accessibility of records maintained by agents, their sub-agents, distributors and other third-party suppliers.

Publishers must cooperate fully and in a timely fashion with ABC auditors in providing accurate records and information in connection with inquiries that arise during the audit process.

All ABC report services will be suspended when the ABC auditor cannot present final audit findings within six months of the audit period, if the delay is caused by the failure of the publisher (or its agent, their sub-agents, distributor or other third-party supplier) to respond in a timely fashion to requests for records. Report services will be resumed once the necessary documentation has been provided.

B 2.2 Audit Report Contents and Differences (Effective October 1, 2010.)

(a) If, in the judgment of the managing director, there are any significant material differences between the total average paid circulation as shown in the Audit Report and that shown in Publisher's Statements, the differences shall be explained in the Audit Report.

(b) The quarterly averages for the period audited shall be shown in the Audit Report, together with the quarterly averages for the three immediately preceding years. (The provision requiring quarterly averages for the three immediately preceding years does not apply to business publications and consumer magazines.)

(c) Advertising statistics and information shall not be included in Audit Reports.

Nothing in this paragraph shall be interpreted as conflicting with the rule requiring that variations in the advertising content be explained, or any other rule requiring specific explanation.

B 3.5 FAS-FAX Reports (Effective October 1, 2010.)

(a) The Bureau may issue reports summarizing selected data from Publisher's Statements filed with the Bureau. The contents of the reports may include but are not limited to paid, and verified circulation averages, occupied household data, ratio of circulation to occupied households and other data subject to the approval of the Board of Directors.

(b) Average circulation figures filed in semi-annual Publisher's Statements shall be reported in FAS-FAX reports.

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."

C 1.2 Prices

(Effective April 1, 2009... however, see paragraph (d) for different effective date.)

(Also see ABC Policy Regarding the Sale of Carrier Delivery Circulation and Single Copy Sales of Newspapers, Sale of Subscriptions and Single Copy Sales of Magazines and Farm Publications with Other Services.)

~~(a) Basic prices: Types of service for which a basic price shall be recognized and reported in Bureau reports are:~~

~~(1) Single Copy Sales:~~

~~(a) One only basic price for city zone.~~

~~(b) One only basic price for retail trading zone.~~

~~(c) One only basic price for "all other."~~

~~(2) Term subscriptions by mail.~~

~~(a) One only basic price for each regularly established duration in the city zone, one only basic price for each established duration in the retail trading zone and one only basic price for each established duration in "all other."~~

~~(3) Home Delivered Circulation~~

~~(a) One only basic price for each regularly established duration in the city zone, one only basic price for each established duration in the retail trading zone and one only basic price for each established duration in "all other."~~

~~(4) Market Segment Circulation (applicable to mail subscriptions) See also C 7.10.~~

~~(a) One only basic price for each regularly established duration in the city zone, one only basic price for each established duration in the retail trading zone and one only basic price for each established duration in "all other."~~

~~(b) The basic price for each regularly established duration in each of the above zones must be not less than 25 percent of the Home Delivered price for the same duration for the same zone.~~

~~In addition, and regardless of the basic price established, all subscriptions~~

~~must be sold at no less than 25 percent of the Home Delivery price for the same duration for the same zone or 25 percent of the market segment basic price for the same duration for the same zone, whichever is highest.~~

~~(5) Motor route subscriptions outside the city zone in the retail trading zone one only basic price for each regularly established duration.~~

~~Motor route subscriptions in "all other" one only basic price for each regularly established duration.~~

~~(6) In case more than one price (either single copy or subscription) is regularly charged in any zone, the price regularly charged for the majority of the circulation for each type of service in that zone shall be considered the basic price for that type of service in that zone.~~

~~(7) Prices which have been in regular use for certain areas in the retail trading zone or in "all other" and which have been equal to the basic price for the zone involved but which, upon an increase in the basic price for that zone, have remained at the old basic price shall be set up in the price paragraph in Bureau Reports as "Lower Than Basic Prices" and the total number of subscriptions received as such "lower than basic" prices stated.~~

(a) Basic price is defined as the price at which the publication may be purchased by anyone at any time. For ABC reporting purposes, publisher members must establish a single copy basic price and an annual basic price for each frequency of delivery available to consumers. These basic prices must be regularly published within the publication (at least quarterly) and the publisher must be able to demonstrate current and ongoing sales of these prices.

(b) Annual basic prices must be established for home-delivery subscriptions for each offered frequency. Publishers will also have the option to establish a basic price for mail-delivered subscriptions. An example of a basic price declaration might be as follows:

Home Delivery

Daily & Sunday	\$100 / year
Daily Only	\$ 60 / year
Sunday Only	\$ 50 / year

(c) Publishers are only required to establish one set of basic prices as noted in (b) above; however, publishers may optionally establish different annual basic prices for up to three geographic areas (e.g. city zone, retail trading zone, all other; NDM, ONDM, etc.), provided the publisher also reports circulation averages for each geographic area (see C 2.1 Circulation Averages).

Effective November 3, 2008 ...

(d) Newspapers offering electronic editions may establish a separate basic price structure for Single Copy Sales and Home Delivery for the electronic edition or default to the print product's basic price.

(e) National newspapers may establish up to three geographic based pricing zones and establish basic prices by delivery type and frequency for each of these zones. Each pricing area may be established by the newspaper itself, provided the area is comprised of continuous geographic units such as postal code boundaries, census units, counties, towns, etc. In addition, each pricing area must abut one other pricing area.

Basic prices per area may change at the publisher's discretion; however, pricing areas may change only at the beginning of an audit period, and only after notification to the Bureau.

Publisher's Statements for those national newspapers opting to establish prices per this rule shall include a description of each of the geographic pricing units.

~~(b) Basic prices: Types of service for each of which a basic price shall be recognized in Bureau reports for newspapers reporting circulation on newspaper designated market basis instead of zones are:~~

~~(1) Single Copy Sales:~~

~~(a) One only basic price for county of publication.~~

~~(b) One only basic price for remainder of newspaper designated market.~~

~~(c) One only basic price for "all other."~~

~~(2) Term subscriptions by mail.~~

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."

~~(a) One only basic price for each regularly established duration in the county of publication, one only basic price for each established duration in the remainder of newspaper designated market and one only basic price for each established duration in "all other."~~

~~(3) Home Delivered Circulation~~

~~(a) One only basic price for each regularly established duration in county of publication of the city of publication, one only basic price for each established duration in the remainder of newspaper designated market and one only basic price for each established duration in "all other."~~

~~(4) Market Segment Circulation~~

~~See also C 7.11.~~

~~(a) One only basic price for each regularly established duration in county of publication of the city of publication, one only basic price for each established duration in the remainder of newspaper designated market and one only basic price for each established duration in "all other."~~

~~(b) The basic price for each regularly established duration in each of these markets must be not less than 25 percent of the Home Delivered price for the same duration for the same market.~~

~~In addition, and regardless of the basic price established, all subscriptions must be sold at no less than 25 percent of the Home Delivered price for the same duration of the same zone, or 25 percent of the market segment basic price for the same duration for the same zone, whichever is highest.~~

~~(5) Motor route subscriptions outside the county of publication in the remainder of the newspaper designated market one only basic price for each regularly established duration.~~

~~Motor route subscriptions in "all other" one only basic price for each regularly established duration.~~

~~(6) In case more than one price (either single copy or subscription) is regularly charged in any area, the price regularly charged for the majority of the circulation for each type of service in that area shall be considered the basic price for that type of service in that area.~~

~~(7) Prices that have been in regular use for certain areas in the remainder of newspaper designated market or in "all other" and which have been equal to the basic price for the area involved but which, upon an increase in the basic price for that area, have remained at the old basic price shall be reported in the price paragraph in Bureau Reports at "Prices Lower Than Basic" and the total number of subscriptions received at such "lower than basic" prices stated.~~

~~(c) In all rules where the price or subscription price is referred to, the phrase means the basic price as defined in C 1.2.~~

C 2.14 Renewals

(Effective April 1, 2009.)

~~(a) If a newspaper makes any renewal claim either by oral or written communication direct to advertisers or through advertising matter or has made public a comparative statement concerning its renewal percentage, the publication shall in the first Publisher's Statement to the Bureau subsequent to the advertised claim make a formal statement of its renewal claim in the paragraph devoted to explanations. Before releasing the Publisher's Statement, the Bureau shall inspect the publication's records and satisfy itself that the publication has the necessary records to substantiate the claim. If inspection reveals that records are not available to substantiate the claim according to the standard practice of the Bureau, the statement of renewal percentage shall be eliminated from the Publisher's Statement, before release and the following declaration shall be substituted:~~

~~Records required by the ABC are not available to substantiate any claim of percentage of renewals and any such claim which may have been made by or in behalf of this publication is to be disregarded.~~

~~The next subsequent Audit Report shall repeat the same declaration.~~

~~If, subsequently, and before records have been established for a sufficient period of time to meet the requirements of the Bureau's standard practice, the publication should again claim a certain number of renewals or percentage of renewals, either by oral or written communication direct to advertisers or through advertising matter, the managing director shall cite the publisher to appear before the Board of Directors in accordance with the procedure prescribed in 7.4 of the bylaws.~~

~~(b) A subscription shall be considered a renewal if received within six months after its expiration and paid for within six months following receipt.~~

~~(c) To obtain the percentage of renewals the total number of expirations during a 12-month period shall be divided into the total number of renewals of these specific expirations. (By "expirations" is meant the date the subscription expired and not the date it was discontinued or stopped.)~~

~~(d) The renewal percentage of association subscriptions, term subscriptions in bulk and individual subscriptions shall be shown separately. If the total number of term subscriptions in third party is less than 2 percent of the average number of mail subscriptions for the period, a separate renewal percentage for third party shall not be shown.~~

~~(e) Subscriptions sent to international, F.P.O. and A.P.O. addresses may be omitted in compiling renewal percentages in which case the phrase "excluding international, F.P.O. and A.P.O." shall be used in the renewal paragraph.~~

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."

C 3.5 Association Subscriptions

(Effective April 1, 2009.)

(NOTE: C 3.6 and C 3.7 to be renumbered C 3.5 and C 3.6)

~~(a) A member of an association who receives a newspaper because of membership in the association, whether the subscription is paid for as part of the association dues or by assessment or paid by the member in addition to the dues as a requirement of membership, shall be designated as an association subscriber. These subscriptions shall be designated as association subscriptions; provided that the association's records are made available to the Bureau. Subscriptions to a privately owned publication purchased by an association which does not submit its records to audit by the Bureau shall be included in Third Party Sales, provided such subscriptions meet the general qualifications of Third Party Sales subscriptions.~~

~~(b) There are two classifications of association memberships. A full explanation of the type of membership shall be carried in Bureau Reports.~~

~~The first class is association subscriptions "deductible" from dues. In this class shall be included subscriptions of members of an association, which gives its members the option of accepting the paper or rejecting it and of reducing their association dues by a definite sum if they reject the paper. This sum must not be less than 25 percent of the announced basic subscription price of the paper. This option must be made known to the member at the time of his joining the association and be clearly stated on each bill for dues in such a way as to make remittance cover a voluntary subscription to the paper as well as membership dues.~~

~~The second class is association subscriptions "nondeductible" from dues. In this class are subscriptions of members of an association whose association dues remain the same whether they accept or reject the paper.~~

~~Each person on becoming a member of the association must be notified that the dues include a subscription to the paper and the amount of the dues allocated for payment of the subscription. On every bill for dues the amount of the dues allocated for payment of the subscription must be stated.~~

~~(c) These provisions shall not apply to an applicant provided that the bylaws of the association provide that a subscription is part of the association dues of each member and the publisher agrees at the time of making application that the stipulations as set forth will be complied with not later than the beginning of the second membership year following the period covered by the initial audit. If compliance is not accomplished within this established time limit, the publication shall be automatically dropped from membership as provided in 2.13, Paragraph (d) of the bylaws.~~

~~(d) In all paragraphs of Bureau Reports designated to describe subscriptions or sales methods, which are not used by association papers, the fact that it is an association publication shall be noted.~~

~~(e) Association subscriptions shall not be credited as paid circulation unless at least 25 percent of either the annual basic subscription price or newsstand price be paid for same.~~

C 3.6 3.5 Gift Subscriptions

See also C 5.3 Combination Sales.
(Effective October 1, 2010.)

(a) A Gift Subscription shall be considered one, which is given as a normal expression of friendship and which does not promote the business or professional interests of the donor.

(b) To qualify, Gift Subscriptions must be paid for in accordance with C 1.1.

(c) Subscriptions which are given to promote the professional or business interests of the donor shall be judged by the rule governing term subscriptions in third party or mail subscriptions special whichever applies Verified Circulation.

(d) In no case where an order (or orders) from a single donor covers more than fifty subscriptions shall the subscriptions be regarded as Gift Subscriptions but shall instead be classified as term subscriptions in third-party, provided they conform to the rules governing ~~third party sales~~ Verified Circulation.

C 3.7 3.6 Gift Subscriptions Not Recognized as Paid Circulation

(Effective April 1, 2009.)

(a) Gift Subscriptions paid for by subscription salespersons or others who are compensated by merchandise or other rewards in lieu of cash commission.

(b) Gift Subscriptions which have been paid for by someone who has been offered a premium and the amount received is less than the full value of the premium plus 25% of the basic subscription price one cent.

C 5.1 Premium Defined

(Effective October 1, 2010.)

(a) Premiums are anything offered to a subscriber at time of solicitation, in addition to regular issues of the publication itself, and shall be reported in Bureau reports as a premium, regardless of whether or not such extraneous thing is given only to new subscribers or to all subscribers. In addition, any Any presentation to current subscribers, which, in the opinion of the managing director, implies future receipt of such extraneous things in conjunction with, continued (or future) subscriptions will cause renewal subscriptions to be judged as premium induced. ~~The number of subscriptions, whether new or renewal, involving such premiums taken during any period for which Publisher's Statement is filed shall be reported in the paragraph designated for that purpose and the nature of the premium and the provisions of the offer and the distribution thereof shall be described in Publisher's Statements and Audit Reports.~~

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."

Premiums are anything except:

(1) Complete issues of newspapers or periodicals sent to all subscribers for the period included in the offer. Electronic edition issues provided to all print subscribers for the period included in the offer wherein only the print edition subscription is to be reported as paid circulation.

(2) 'Door Openers' defined as anything sent free by mail with subscription offer or provided by solicitor at the time of solicitation that has been reprinted from or is printed material directly related to the publication making the subscription offer and the value of which does not exceed 50 cents as determined by procedure outlined in C 5.2(a).

(3) Offers of sample merchandise to subscribers in connection with subscription offers in which the ordering and receipt of the sample product is not contingent upon ordering subscription(s).

(4) Merchandise offered to current paid subscribers as an inducement to convert payment methodology on future subscriptions. Such offers are to be made separate from subscription renewal efforts and are limited to inducements to subscribers to agree to ongoing (til forbid) continuous service which may include automatic billing process and/or debits to authorize credit card accounts.

(5) Electronic editions of newspapers, regardless of whether they are priced and/or otherwise reported as paid circulation.

(6) Programs providing subscribers exclusive access to functions or activities created by the publisher that are not also available for sale to the general public, but are offered for sale, at an incremental cost, to existing subscribers, subsequent to the purchase of their subscription.

(7) Free or discounted access to archive or back content of the publication included as part of the subscription to the publication.

(8) Free or discounted access to online content or an electronic edition from the same editorial home as the publication included as part of the subscription to the publication.

(9) Subscriber reward programs are designed to promote brand loyalty by demonstrating appreciation to subscribers and Web visitors, and provide added value for a newspaper's advertisers. Subscriber reward programs will not be classified as a subscription premium if the following requirements are met:

(a) Enrollment Process—the subscriber reward program must include an enrollment process initiated by the subscriber or consumer. Automatic enrollment is not permitted. The newspaper may designate who is eligible for program membership and at what membership level.

(b) Rewards may take two forms:

(1) The newspaper may reward subscribers with merchandise or points redeemable for merchandise; however, i) the reward may not be converted to cash and/or accepted as payment for a subscription by the newspaper, and ii) retail value of a new subscriber's merchandise reward may not exceed the new subscriber's subscription price during the first 90 days of the subscription.

(2) Advertisers may participate in the subscriber reward program by offering rewards designed to build reach, good will and increased consumer business for the advertiser.

~~(c) Disclosure and record requirements. The explanatory section of all ABC Publisher's Statements and Audit Reports must include a paragraph describing the subscriber reward program details, including the number of participants in the program (subscribers and non-subscribers).~~

~~(d)(c)~~ The subscriber reward program may contain benefits such as editorial content generated by the newspaper and other publications; community calendars; or access to newspaper-sponsored events and services. [Access to paid print or paid electronic editions of other publications is not considered eligible and would be governed by the combination sales rule.]

(b) If a back copy, either whole or part, is included in a subscription offer, the back copy shall be considered a premium, unless the subscription is taken on a retroactive basis in accord with the Bureau's back copy rule and the date of the back copy is such that it would have been included in the subscription even though not mentioned specifically in the offer.

(c) Periodicals and newspapers offered in combination sales shall not be considered premiums but shall be reported in a special paragraph devoted to combination sales prices.

(d) Any publication, the contents of which consist chiefly of data for reference rather than for general reading, shall not be considered a "periodical" for the purpose of the exception noted in Paragraph (a) of this section but shall, when sold with another publication, be considered as a premium. Any publication, regardless of character of content, whose frequency of issue is less than once in three months shall not be considered a "periodical" for the purpose of the exception noted in Paragraph (a) of this section but shall, when sold with another publication, be considered as a premium.

C 5.3 Combination Sales (Effective April 1, 2009.)

When two or more different publications (newspapers, magazines, business publications, farm publications) are offered for an amount less than the total of the basic prices of all the publications, these sales are defined as "forced" combinations and are subject to the following conditions.

(a) Single Copy Sales

When each of the publications offered in the combination sale intends to qualify the distribution as "paid circulation" it must be made known clearly to the purchaser that each of the publications can be purchased individually at the same price as if purchased as part of the group.

(4) The combination package must be priced so that both of the following guidelines are observed:

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."

~~(a)(1)~~ Newspapers sold in combination may be included in paid circulation provided that the minimum qualifying price of each publication is collected.

~~(b)(2)~~ When a combination package is offered on a single-copy basis, three purchase options ("stacks" of publications) must be made available at all retail locations, including vending machines: the combination package itself plus each publication included in the combination package separately. The individual prices must add to the combined price. A qualifying purchase price for the combination would be at least the selling price of the highest priced publication plus one cent for the second publication.

Example: The basic price selling price for Publication A is \$1.00 and for Publication B is \$1.00, ~~and~~ the combination price is must be at least \$1.01 \$1.80. Thus, A and B must be sold for 90¢ each.

(b) Subscriptions

The amount paid for all publications involved must be at least ~~a qualifying amount as defined by the publication's Paid Circulation Defined rules~~ one cent for each publication involved in the offer.

~~(1)~~ Newspapers with Newspapers

~~When subscriptions for two or more different newspapers are ordered or sold in combination, the subscriber must pay at least 25 percent of the cumulative basic prices for the term offered of all the subscriptions included in the package.~~

~~(2)~~ Newspapers with Periodicals

~~When subscriptions for two or more publications, one of which is a newspaper and the other a periodical, are ordered or sold in combination, the subscriber must pay at least 25 percent of the basic price of the newspaper for the term ordered, plus at least the qualifying amount as defined by the periodicals' Paid Circulation Defined rules.~~

~~(3)(1)~~ Add-On Subscriptions

"Add-on" subscriptions are defined as the addition of a new publication served in conjunction with the consumer's existing subscription. Both subscriptions offered as a combination package may qualify as paid circulation under the following conditions:

(a) The subscriber must be notified of the new or renewal subscription offer.

(b) The amount of incremental payment or reduction of rate must be clearly disclosed and be at least a qualifying amount as defined by the publication's Paid Circulation defined rules.

(c) An affirmative act on the part of the subscriber is required and an option must exist to pay an incremental amount for the additional subscription or to take a reduction in the amount paid if the additional subscription offer is declined.

When an option to opt-in/opt-out does not exist, any promotional materials cannot imply or suggest that the "add on" publication is "free", "at no additional cost," or use of similar language.

To view examples of frequently used offers, consult ABC's Web site.

The amount paid for all publications involved must be at least a qualifying amount as defined by the publication's Paid Circulation Defined rules.

~~(4)(2)~~ Multiple Subscriptions to One Newspaper

When two or more subscriptions to the same newspaper are offered or sold in one sale, the amount paid by the subscriber must not be less than ~~the basic price of the longest subscription term plus a minimum of 25 percent of the basic price of the additional subscription(s) for the term offered~~ two cents. In addition, any offer of two or more subscriptions to the same newspaper must include an option to receive only one subscription at a price no greater than an equal pro-rata of the combination offer price. For example, an offer of two subscriptions for 10 cents must also make one subscription available for five cents.

~~The amount collected must be equivalent to the basic price for the highest priced subscription (based on the pro-rata of the basic annual price) plus a minimum of 25 percent of the basic price for the additional subscriptions.~~

~~If there is no basic price for the term offered, the amount paid by the subscriber must be 100 percent of the pro-rata of the highest basic price plus 25 percent of the pro-rata of the basic annual price(s) of the additional subscriptions. If there is no shorter term available, calculate the pro-rata of the next longer term.~~

The rule is not applicable to situations where electronic edition issues are provided to print subscribers and only the print edition subscription is to be reported as paid circulation.

(c) Newspapers Distributed Together

~~(1) When two or more daily, Sunday or weekly newspapers are distributed together, the price charged for the combination must be a minimum of 25 percent of the basic price of each newspaper for the circulation of either to qualify as Paid Circulation.~~

~~For carrier delivery and mail subscriptions, the total amount paid by the purchaser must pay a minimum of 25 percent of the aggregate basic subscription prices of the newspapers included in the combination.~~

~~(2) A newspaper with less than seven-day frequency can distribute copies of another newspaper on no more than two days per week when the host paper does not publish by establishing a basic price for this service, provided it is the only service option within the reporting market and provided copies are paid for in accord with C 1.1 and subscribers are given the opportunity to opt-out.~~

The average copies of the other newspaper served to subscribers under these arrangements will be reported as "Home Delivery - Joint Distribution Agreement." A full explanation will be provided in Bureau reports.

~~If the newspaper offers this service as an option to their subscribers within the reporting market, this translates into two service options and each must be priced in accordance with paragraph (c)(1).~~

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."

(d) Newspaper Distribution with Other Publications

A host publication is defined as the highest priced publication in the combined offer as determined by comparing basic prices of all publications for the terms involved.

When a newspaper acts as a host to one or more other publications by permitting distribution of the other publication(s) to some or all of its subscribers or single copy purchasers, the sales of the host publication will qualify for inclusion in paid circulation if the amount paid by the purchaser is:

(1) At least the amount required by C 1.1 when the value of the other distributed publication(s) is not greater than 25 percent of the value of the host publication.

(2) At least the amount required by C 1.1 plus a minimum of 25 percent of the basic price of the other distributed publication(s) for the terms involved and when the value of the other distribution publication(s) exceeds 25 percent of the value of the host publication.

No publicity of the joint distribution can be made by or on behalf of the host or other distributed publication(s) beyond a one-time informational announcement unless the amounts paid by the purchasers are at least the amounts required above.

Distribution of the non-host publication(s) is not eligible for inclusion in paid circulation but can be reported as analyzed non-paid circulation in Bureau reports, provided this reporting is permitted for that publisher division.

The average number of copies the host can report as paid circulation that involve the distribution of other publications must be stated in the paragraphs of Bureau reports devoted to general explanations.

The explanation must identify the other publication(s) distributed and their basic price.

(e) With Premiums

These provisions apply to carrier-delivered as well as mail subscriptions.

(1) Newspapers with Newspapers

When a premium is used with a combination offer, the amount paid by the purchaser must not be less than the value of the premium as defined in Rule C 5.2 plus the amount required in this rule.

(2) Newspapers with Periodicals

When a premium is used with a combination offer, the subscriber must pay a minimum of 25 percent of the basic price of the newspaper for the term ordered, plus at least one cent each the qualifying amount as defined by the ~~periodical's Paid Circulation Defined rule~~, plus the value of the premium, whether stated or not.

~~If the newspaper subscription has a term of less than one year included in the offer, the subscriber must pay a minimum of 25 percent of the basic price for the term offered.~~

~~If there is no basic price for the term offered, the subscriber must pay a minimum of 25 percent of a pro rata of the basic price for the next shorter term.~~

~~If there is no shorter term available, calculate the pro rata of the next longer term.~~

~~Percentages will be calculated on either subscription prices or newsstand prices, according to the prices quoted in the offer or used in formulating the claimed total value of the offer.~~

Newspapers may reprint and sell their own editorial content on a stand-alone basis, without invoking the Combination Sales rule, provided that (1) the stand-alone editorial content is not offered for sale until after the publication date of the newspaper that carried the editorial content, and (2) the cover price of the stand-alone product is less than 75 percent of the basic price of the relevant newspaper.

For further information, consult ABC's Web site: www.accessabc.com or contact an ABC Publisher Relations manager.

C 5.18 Installment Subscriptions

(Effective April 1, 2009.)

(NOTE: C 5.19 and C 5.20 to be renumbered C 5.18 and C 5.19)

~~On a subscription payable in installments, or payable on delivery, only those copies shall be shown in paid circulation that are actually paid for (until at least 25 percent of the basic annual subscription price has been paid, when the subscription automatically qualifies as paid for one year).~~

C 7.1 Reporting Options Optional Geographic Reporting

(Effective October 1, 2010.)

(NOTE: C 7.1 through C 7.8 are merging into one Rule – C 7.1)

~~(a) Newspapers may, at their option, show in Publisher's Statements and Audit Reports the average paid circulation, within an area defined as the "Newspaper Designated Market."~~

~~(b) A newspaper may petition the managing director for permission to eliminate reporting circulation averages by zones and substitute the reporting of circulation averages by a "Newspaper Designated Market" in accord with criteria in C 7.6.~~

~~The petition must be filed in writing and the facts in support of the request must be included in the communication.~~

~~(c) Newspapers electing to report average paid circulation data according to a newspaper designated market in lieu of city and retail trading zones may, at their option, continue to report paid averages for the city zone or for the retail trading zone.~~

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."

C-7.2 Circulation in City of Another Member

~~(a) When a newspaper claims circulation in any other independent corporate municipality, in which there is another newspaper member, and such circulation claim amounts to 15 percent or more of the paid circulation of the local member, the Audit Bureau shall analyze this circulation on a paid basis, provided that a specific request is made to the Bureau by the member newspaper located in the municipality for which this breakdown is required. The request must be made before the close of the next annual audit period.~~

~~The analysis shall be made by the Bureau's auditor and shown in Paragraph 3 of the Audit Report immediately following the listing of the gross distribution for the city requested. Explanatory comment concerning the basis for the listing shall appear as a footnote.~~

~~The paid circulation figures shown in the listing in Paragraph 3, as a result of the request, shall include the circulation distributed within the corporate city or the city zone established for the city making the request with proper allocation of the remainder of the paid circulation.~~

~~(b) If the circulation of one newspaper is broken down as provided for in Paragraph (a) a similar analysis shall be made at the same time for each other member newspaper in the same city.~~

~~(c) If the member requesting the analysis questions the accuracy of the analysis as shown by the Audit Bureau of Circulations' data and published in the Audit Report the rules governing outside investigations shall apply.~~

~~(d) The member making the request will also show an analysis of paid circulation in Paragraph 3 of its Audit Report.~~

~~(e) When only a postal code analysis is made, the newspaper making the request shall identify the specific postal codes within its corporate municipality wherein distribution claims amount to 15 percent or more of its paid circulation.~~

C-7.3 City Zone

Newspaper members may elect to include an optional analysis of paid and verified circulation by geographic areas in Publisher's Statements and Audit Reports. In addition, publishers electing to establish up to three basic annual prices must include an analysis of paid and verified circulation by the geographies for which the basic prices are established.

Examples of more common reporting combinations include:

- City Zone, Retail Trading Zone, All Other
- Newspaper Designated Market, Outside Newspaper Designated Market
- City Zone, Balance of Newspaper Designated Market, Outside Newspaper Designated Market

If the optional reporting analysis is invoked, or if the analysis is required based on a desire to have more than one annual basic price, the reporting geographies must be in accord with the following criteria: The managing director from time to time, and after consultation with the publishers involved, may revise boundaries in accordance with the principles of procedure approved by the Board of Directors.

Any change in a reporting zone shall become effective at the beginning of the Publisher's Statement period within which the new alignment has been approved, provided such statement period is the first statement period of the audit period. If the new alignment is not approved in the first Publisher's Statement period of the audit period, it shall go into effect with the first day of the next audit period.

City Zone

(a) A city zone shall be established by the managing director, after consultation with the publishers in the city of publication in accordance with the principles of procedure approved by the Board of Directors.

(b) The managing director from time to time, and after consultation with the publishers involved, may revise boundaries in accordance with the principles of procedure approved by the Board of Directors.

~~(c) Any change in a city zone shall become effective at the beginning of the Publisher's Statement period within which the new alignment has been approved, provided such statement period is the first statement period of the audit period. If the new alignment is not approved in the first Publisher's Statement period of the audit period, it shall go into effect with the first day of the next audit period.~~

C-7.4 Retail Trading Zone

Retail Trading Zone

(a) A Retail Trading Zone shall be established by the managing director, after consultation with the publishers in the city of publication in accordance with the principles of procedure approved by the Board of Directors.

~~(b) The managing director from time to time, and after consultation with the publishers involved, may revise boundaries in accordance with the principles of procedure approved by the Board of Directors.~~

~~(e)(b) Boundaries of Retail Trading Zone shall be established according to census units, and population figures shown shall be from census reports, and it shall be within the discretion of the managing director to determine whether areas may be included in the retail trading zone for which there are no established census unit boundaries, and to determine and provide the source for population figures.~~

~~(d)(c) The circulation of all newspapers published in the same city shall be given uniformly within the prescribed zone.~~

~~(e)(d) Publisher members may at any time petition with the Bureau for a revision in an existing retail trading zone. Upon such petition, the Bureau shall undertake a study of the proposed revision in the retail trading zone. If such change affects or involves the city and/or retail trading zone of another publisher member, the managing director shall advise the affected publisher member or members of the proposed change.~~

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."

~~(f)~~ (e) Any change in a retail trading zone shall become effective at the beginning of the Publisher's Statement period within which the new alignment has been approved, provided such statement period is the first statement period of the audit period. If the new alignment is not approved in the first Publisher's Statement period of the audit period, it shall go into effect with the first day of the next audit period.

~~(g)~~ (f) In establishing or revising a retail trading zone, the managing director shall use the services of such staff members or such outside recognized fact-finding agencies as may be needed to establish the facts required for determining the boundaries of the retail trading zone in question within the principles of procedure. The expenses of such studies shall generally be borne by the petitioning member (or members) of the Bureau.

C.7.5 Newspaper Designated Market

Newspaper Designated Market

(a) The Newspaper Designated Market shall be designated by the newspaper subject to approval of the managing director.

~~The establishment of, or any change in, a newspaper designated market shall become effective at the beginning of the Publisher's Statement period within which the new alignment has been approved, provided such statement period is the first statement period of the audit period. If the new alignment is not approved in the first Publisher's Statement period of the audit period, it shall go into effect with the first day of the next subsequent audit period.~~

The newspaper designated market of a newspaper member is considered to be that geographical area which is considered to be the market served by the newspaper.

(b) Factors which are to be given consideration in determining whether an area qualifies for inclusion in a newspaper designated market shall include, but not be limited to, the following:

(1) Evidence that the area included is that geographical area in which the newspaper is marketed.

(2) Area included shall consist of abutting census units.

~~(3) The ratio between the average paid circulation and ABC's current estimate of occupied households within each county or portion thereof shall be considered.~~

(c) Newspapers reporting average paid circulation for a newspaper designated market shall meet the following requirements:

(1) Newspapers with a newspaper designated market shall report in Publisher's Statements filed with the Bureau the average paid circulation for the area and may report average paid circulation data for each county or portion thereof within the area.

~~(2) Any newspaper exercising the option of reporting circulation for a newspaper designated market shall include in Audit Reports issued for the publication a map prepared by ABC in accord with applicable criteria set forth in C.2.12, of the rules and include the boundaries of the newspaper designated market.~~

~~(3)~~ (2) Newspapers reporting average paid circulation for a newspaper designated market shall include ABC-compiled occupied household data and may also include the ratio between circulation and occupied households, by county or parts thereof expressed as a percent.

~~(d) A newspaper that exercises the option of reporting circulation for a newspaper designated market instead of zones shall be required to report in Paragraph 3 of the Audit Report a complete breakdown of distribution for each town, city or recognized community within the newspaper designated market receiving 25 or more copies according to their county of location.~~

C.7.6 MSA/CMA

MSA

Areas comprising Metropolitan Statistical Areas as established by the U.S. Office of Management and Budget and ~~Census Metropolitan Areas by Statistics Canada~~ shall be so designated in the county listing in Paragraph 3 of Audit Reports, and totals for these areas may, at the option of the publisher, be shown in Paragraph 3 of Audit Reports. The figures or tabulation shall carry the appropriate heading "Metropolitan Statistical Area/~~Census Metropolitan Area~~, County (Counties) of _____ only." Where only a part of a

county is included in the area, the listed name of the county shall be followed by "(part MSA) or (part CMA)." ~~Where the area total is shown in an Audit Report, the total retail trading zone circulation, and/or total "all other" circulation, and/or total paid circulation, and/or newspaper designated market circulation, may at the option of the publisher, also be shown following the area total.~~

If MSA or CMA totals are shown in an Audit Report, the same figures may be repeated in the explanatory paragraph of subsequent Publisher's Statements at the option of the publisher. The totals shown in Publisher's Statements must be identical to the figures shown in latest released Audit Reports and so identified in the Publisher's Statements.

C.7.7 Other Reporting Areas

Other Reporting Areas

(a) Metropolitan Statistical Area, Consolidated Metropolitan Statistical Area or ~~Census Metropolitan Area~~ or county of publication.

Publishers may, at their option, show in the explanatory paragraph of newspaper Audit Reports and Publisher's Statements the average paid circulation either for the county of publication, for those newspapers not published in the central city of a metropolitan area; or if published in the central city of a metropolitan area, the average paid circulation for the Metropolitan Statistical Area and/or Consolidated Metropolitan Statistical Area or ~~Census Metropolitan Area~~. Separate figures for circulation outside MSA and/or CMA and/or ~~CMA~~ may, at the publisher's option, may be included in Paragraph 1D reported. In addition, population and occupied household data will be shown.

If the Metropolitan Statistical Area and/or Consolidated Metropolitan Statistical Area and/or ~~Census Metropolitan Area~~ for the city of publication is comprised of more than one county or portion of more than one county, circulation and occupied household data may be shown for each of one or more counties, provided the circulation and occupied household data is also shown for the complete MSA and/or CMA and/or ~~CMA~~.

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."

(b) Designated Market Area.

Publishers may at their option also show in the explanatory paragraph of newspaper Audit Reports and Publisher's Statements the average paid circulation in the DMA (Designated Market Area) as established by the A. C. Nielsen Company. In addition, population and occupied household data will be shown for the area defined.

~~C 7.8 All Other~~

All Other

Circulation outside of the limits described in the newspaper form as "City Zone" and "Retail Trading Zone" shall be designated as "All Other."

Circulation outside area described as newspaper designated market shall be designated as "circulation outside newspaper designated market."

C 7.9-7.2 List of Zip Codes and Towns Receiving 25 or More Copies

(Effective October 1, 2010.)

(NOTE: C 7.10 and C 7.11 will be renumbered C 7.3 and C 7.4)

(a) All publishers of newspapers shall furnish a complete analysis of distribution either by towns receiving 25 or more copies per day, arranged alphabetically by counties or an analysis of circulation by County and by U.S. ZIP Codes or Canadian Postal Codes receiving 25 or more copies in numerical order, to be included as Paragraph 3 of in Audit Reports. Newspapers may also at their option provide an analysis of towns receiving 25 copies or more per day in Audit Reports.

This data must be submitted to ABC within 30 days of the member's assigned audit period end date. Failure to submit the data on time may result in exclusion from the applicable ABC FAS-FAX report.

Publishers may at their option also furnish an analysis of distribution to be filed with regular Publisher's Statements for release as a Supplemental Report. The breakdown will be subject to audit at the time of the regularly scheduled audit. "Average Projected Paid Circulation" referred to in sub-sections (c)(4) and ~~(d)(2)~~ will not be included in the Supplemental Report.

~~These newspapers opting to reporting by towns may also include an analysis by ZIP/postal code. Those newspapers electing to report by ZIP/postal code only shall also include total distribution statistics by counties. Canadian newspapers electing to report by postal code only must do so by providing an analysis by three digit postal codes.~~

(1) The list shall include a breakdown of the total distribution for one Monday to Friday day for each "All Day," "Morning," "Evening" and/or "Sunday" issue published. The date or dates selected for the listing in Paragraph 3 of Audit Reports shall show circulation, which is representative, subject to approval of the Bureau.

(2) The Audit Reports of newspapers published in the same city shall use the same date or dates for the listing. If the newspapers cannot agree on the date(s) to be used, the Bureau shall select the date(s).

~~In order for any newspaper to report by postal code only, all newspapers in the same city must agree to report likewise. If agreement cannot be reached, the default reporting format shall be by towns, with the option of including the postal code analysis.~~

(3) All publishers shall have the option of reporting distribution for each town receiving 25 or more copies by the following subdivisions:

(a) Paid, Verified, Electronic Editions, Unique Editions, Total.

(b) Individually Paid, Business / Traveler, Verified, Electronic Editions, Unique Editions, Total.

(c) Home Delivery, Single Copy, Business / Traveler, Verified, Electronic Editions, Unique Editions, Total.

(4) All Single Copy circulation will be reported by point-of-sale.

~~(b) Subscriptions and/or copies distributed by dealers or agents for which payment is more than three months in arrears shall be eliminated from the above analysis.~~

~~(c) The list by town shall include the following:~~

~~(1) Circulation shall be shown for each town, city or recognized community receiving 25 or more copies, including, at publisher's option, those places outside the corporate city of publication, but within the established city zone.~~

~~Towns, cities, or recognized communities receiving 25 or more copies but with a population of less than 500 may, at the option of the publisher, have the distribution reported in the "Balance in County" of the county in which the copies are served or shown, by county, under the rural route for the town from which mail is distributed.~~

~~(2) In addition, circulation figures shall be shown as a total for the City Zone and shall include separate sub-totals for each county wholly or partially within the city zone.~~

~~(3) Circulation for towns (townships) shall not be shown in lieu of cities, communities or other recognized places receiving 25 or more copies, but may be listed as sub-headings for cities, communities or other recognized places located within the town (township) that each received 25 or more copies.~~

~~(4) Circulation totals for each county shall be shown and counties shall be listed in alphabetical order by states. "Average Projected Paid Circulation" shall be shown for each county in the column adjacent to the total circulation figure for each county. The "Average Projected Paid Circulation" will be computed by the Bureau.~~

(b) Circulation totals for each county shall be shown and counties shall be listed in alphabetical order by states. "Average Projected Circulation" shall be shown for each county in the column adjacent to the total circulation figure for each county. The Bureau will compute the "Average Projected Circulation."

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."

~~(5) All publishers of newspapers published outside of Canada shall have the option of reporting distribution for each town receiving 25 or more copies by the following subdivisions: (1) Individually Paid, Other Paid, Total, or (2) Home Delivery, Single Copy, Other Paid, Total. Canadian publishers shall have the option of reporting distribution by total only for each town receiving 25 or more copies, or by the following subdivisions: Single Copy Sales, Home Delivery, and Motor Route; or Home Delivery (carriers including Motor Route) and Single Copy Sales. Those newspapers that elect to create and report by market segments may use the following subdivisions: Home Delivery; Market Segment (specific to each of the Paragraph 1 categories); and Single Copy Sales.~~

~~(6) The Bureau will add occupied household figures based on data established by the Bureau of the Census and/or Statistics Canada for all counties, established city zones and for all towns, cities or communities with 2,500 or more occupied households within the City Zone, Retail Trading Zone and/or Newspaper Designated Market or Designated Market Area.~~

~~(7) A total of the distribution in each state or province shall be included in the list showing distribution in towns receiving 25 copies or more. If any state or province does not have distribution in cities of 25 or more copies, there shall be two options:~~

~~(a) Show the total distribution in each such state.~~

~~(b) Show the distribution in all such states in one total, using the words "Total all other states."~~

~~(8) Publishers may supply a separate analysis of newspaper circulation by the City Zone, Retail Trading Zone and/or Newspaper Designated Market by U.S. ZIP Codes receiving 25 or more copies in numerical ZIP Code order. Towns in each ZIP Code will be identified. Publishers may also make an analysis of circulation in All Other by U.S. ZIP Codes. Publishers of newspapers published outside of Canada shall have the option of reporting distribution for each ZIP Code receiving 25 or more copies by the following subdivisions: (1) Individually Paid,~~

~~Other Paid, Total, or (2) Home Delivery, Single Copy, Other Paid, Total. Canadian publishers shall have the option of reporting distribution by total only for each ZIP Code receiving 25 or more copies, or by the following subdivisions: Single Copy Sales, Home Delivery, and Motor Route; or Home Delivery (carriers including Motor Route) and Single Copy Sales. Those newspapers that elect to create and report by market segments may use the following subdivisions: Home Delivery, Market Segment (specific to each of the Paragraph 1 categories), and Single Copy Sales.~~

~~All Single Copy circulation will be reported by point of sale. Distribution of the audited ZIP Code analysis will be made by ABC with the Audit Report or by the publisher at the publisher's option. The Audit Report will contain a statement that the separate audit analysis is available from the publisher. This analysis is also optional, based on the above criteria, by postal code area for Canadian newspapers. Such reporting will be by Forward Sortation Areas and may be by the full postal code in rural areas without letter carrier delivery.~~

~~"Average Projected Paid Circulation" shall be shown for each ZIP/Postal Code in the column adjacent to the gross distribution total for each ZIP/Postal Code. The "Average Projected Paid Circulation" will be computed by the Bureau.~~

~~(d)(c) The list by postal code ZIP Code shall include the following:~~

~~(1) Circulation shall be shown for each postal code ZIP Code receiving 25 or more copies. Towns included in each postal ZIP Code will be identified. When an analysis of distribution by towns is also reported, the newspaper may omit postal code analysis in All Other (or Outside Newspaper Designated Market). When a by town analysis is not included, analysis by postal code for distribution in All Other (or Outside Newspaper Designated Market) shall be made.~~

~~(2) Circulation totals for each county shall be shown and counties shall be listed in alphabetical order by states. "Average Projected Paid Circulation" shall be shown for each county in the column adjacent to the total circulation figure for each county. The~~

~~"Average Projected Paid Circulation" will be computed by the Bureau.~~

~~(3) Publishers shall have the option of reporting distribution by total only for each town receiving 25 or more copies, or by the following subdivisions: Single Copy Sales and Carriers, Motor Route; or Home Delivery (carriers including Motor Route) and Single Copy Sales.~~

~~(4) For newspapers published outside of Canada, when the number of copies to be reported between 25 percent and 50 percent of basic price exceeds 20 percent of Individually Paid Circulation within a given ZIP Code, a breakout of the copies sold at prices between 25 percent and 50 percent of basic prices will be required for that ZIP Code.~~

~~(5) For newspapers published outside of Canada, when the average number of copies sold between 25 percent and 50 percent of basic price exceeds 20 percent of Individually Paid Circulation, a breakout of the copies sold at prices between 25 percent and 50 percent of basic prices will be required for all ZIP Codes.~~

~~All Single Copy circulation will be reported by point of sale.~~

~~(6)(2) The Bureau will add occupied household figures based on data established by the Bureau of the Census and/or Statistics Canada for all counties, established city zones and for all postal code ZIP Codes with 2,500 or more occupied households within the city zone, retail trading zone and/or newspaper designated market or Designated Market Area.~~

~~(7) Where by town analysis is included, distribution of the audited postal code analysis will be made by ABC with the Audit Report or by the publisher at the publisher's option. If the publisher exercises the latter option of distribution, the Audit Report will contain a statement that the separate audited analysis is available from the publisher.~~

~~(e) In addition to the list described above, each publisher may, at his option, prepare separate lists from the information prepared for Paragraph 3 as follows:~~

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."

~~(1) The total distribution of the newspaper shall be broken down as follows:~~

- ~~(a) States and Provinces~~
- ~~(b) City Zone~~
- ~~(c) Retail Trading Zone~~
- ~~(d) Newspaper Designated~~

Market

~~(e) U.S. Metropolitan Statistical Area (MSA) and/or Consolidated Metropolitan Statistical Area (CMSA) and/or Canadian Census Metropolitan Area (CMA) (optional)~~

~~(f) Counties~~
~~(g) Cities, Towns or~~
Communities

~~(h) Townships (optional as~~
sub divisions only)

~~(i) Total Distribution~~
~~Occupied household and~~
~~average projected paid circulation shall be~~
~~shown for each of the above subtotals.~~

~~(2) A list for each state of total~~
~~circulation for each county arranged in~~
~~alphabetical order and showing occupied~~
~~household and "Average Projected Paid~~
~~Circulation" figures for each county.~~

~~(3) A list for each state of all cities,~~
~~towns or communities receiving 25 or more~~
~~copies arranged alphabetically without~~
~~grouping by counties. Each place listed shall~~
~~be further identified as to the county in which it~~
~~is located. Occupied household figures shall~~
~~be shown for each place or city zone having~~
~~2,500 or more.~~

~~(4) U.S. Metropolitan Statistical Area~~
~~(MSA) and/or Consolidated Metropolitan~~
~~Statistical Area (CMSA) and/or Canadian~~
~~Census Metropolitan Area (CMA) (optional).~~

~~(5) A separate analysis of~~
~~newspaper circulation by the City Zone, Retail~~
~~Trading Zone and/or Newspaper Designated~~
~~Market by U.S. ZIP Codes or Canadian Postal~~
~~Code boundaries receiving 25 or more copies~~
~~in numerical ZIP Code or Canadian Postal~~
~~Code order. Towns included in each ZIP Code~~
~~or Canadian Postal Code boundary will be~~
~~identified. Publishers may also make an~~
~~analysis of circulation in All Other by U.S. ZIP~~
~~Codes or Canadian Postal Code boundaries.~~
~~Publishers for newspapers published outside~~
~~of Canada shall have the option of reporting~~
~~distribution for each ZIP Code receiving 25 or~~

more copies by the following subdivisions: (1)
Individually Paid, Other Paid, Total, or (2)
Home Delivery, Single Copy, Other Paid, Total.
Canadian publishers shall have the option of
reporting distribution by total only for each ZIP
Code or Canadian Postal Code boundary
receiving 25 or more copies, or by the following
subdivisions: Single Copy Sales, Home
Delivery, and Motor Route; or Home Delivery
(carriers including Motor Route) and Single
Copy Sales. Those newspapers that elect to
create and report by market segments may use
the following subdivisions: Home Delivery,
Market Segment (specific to each of the
Paragraph 1 categories), and Single Copy
Sales.

(d) The optional list by town shall include
the following:

(1) Circulation shall be shown for
each town, city or recognized community
receiving 25 or more copies, including, at
publisher's option, those places outside the
corporate city of publication, but within the
established city zone.

Towns, cities, or recognized
communities receiving 25 or more copies but
with a population of less than 500 may, at the
option of the publisher, have the distribution
reported in the "Balance in County" of the
county in which the copies are served or
shown, by county, under the rural route for the
town from which mail is distributed.

(2) In addition, circulation figures
shall be shown as a total for the City Zone or
Newspaper Designated Market and shall
include separate sub-totals for each county
wholly or partially within the city zone.

(3) The Bureau will add occupied
household figures based on data established
by the Bureau of the Census for all counties,
established city zones and for all towns, cities
or communities with 2,500 or more occupied
households.

(4) A total of the distribution in each
state shall be included in the list showing
distribution in towns receiving 25 copies or
more. If any state or province does not have
distribution in cities of 25 or more copies, there
shall be two options:

(a) Show the total distribution in
each such state.

(b) Show the distribution in all
such states in one total, using the words "Total
all other states."

(e) In addition to the list described above,
each publisher may, at his option, prepare
separate lists from the information prepared for
Paragraph 3 as follows:

(1) The total distribution of the
newspaper shall be broken down as follows:

(a) Retail Trading Zone

(b) U.S. Metropolitan Statistical
Area (MSA) and/or Consolidated Metropolitan
Statistical Area (CMSA)

(c) Cities, Towns or
Communities - A list for each state of all cities,
towns or communities receiving 25 or more
copies arranged alphabetically without grouping
by counties. Each place listed shall be further
identified as to the county in which it is located.
Occupied household figures shall be shown for
each place or city zone having 2,500 or more.

(d) Townships (optional - as
sub-divisions only)

(e) Total Distribution

Occupied household and average
projected circulation shall be shown for each of
the above subtotals.

C 11.1 Optional Analysis

(Effective October 1, 2010.)

Newspapers wishing to provide an analysis of distribution, which does not qualify as paid or verified circulation may, do so on a format approved by the ABC Board of Directors. Elements of circulation which are eligible for such an analysis include: Other Sales and Third Party Sales (not eligible for inclusion in paid circulation); and Non Paid Distribution. The analysis may be of any or all of these circulation elements.

If this optional analysis is not made, these circulation elements shall be reported as "Average Unpaid Distribution" or "Third Party Sales," whichever is applicable.

With the exception of Third Party Sales, these "Other Circulation Elements" shall be limited to thirty percent of total (net) distribution within a postal code ZIP Code.

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."

C 11.2 Other Analyzed Distribution

(Effective October 1, 2010.)

(NOTE: C 11.4 through C 11.6 will be renumbered C 11.2 through C 11.4)

~~(a) Distribution classified as "Other Sales" shall include only copies distributed to individuals for which the recipient has ordered and made payment for a specific term and frequency.~~

~~(b) To qualify as "Other Sales," the recipient must pay a positive amount, net of the value of all other inducements or considerations.~~

~~(c) The publication must include as an analysis of "Other Sales" information regarding the price at which the subscription/single copy purchase was made, a calculation of the price relative to the publication's "basic price" for the same term and frequency, and the amount of sales generated in the reporting period at the price. The analysis shall be of all prices offered during the period.~~

~~(d) The publication shall also include an analysis of all inducements such as premiums, combination sales, etc. which were offered during the period. This analysis shall include the price paid by the purchaser, the value of the "inducement" offered, and the net amount paid (total price minus inducement value). In addition, the volume of sales associated with each inducement and price must be provided.~~

~~(e) In situations where two or more publications are offered or sold in combination, and where all publications wish to make an analysis of such sales as "Other Sales," the amount paid by the purchaser must be a "positive" amount and none of the publications involved in the offer shall be identified as "free."~~

~~(f) Copies served beyond the expiration date of the term of the "Other Sales" shall be included in Non Paid Distribution.~~

C 11.3 Third Party Sales

(Effective October 1, 2010.)

~~(a) Third Party Sales (which are not eligible for inclusion in paid circulation) may be reported with other circulation elements on the form approved by the ABC Board of Directors,~~

~~or may be reported on traditional Publisher's Statements and Audit Reports for those newspapers not electing to make any optional analysis.~~

~~(b) The publication must include as an analysis of Third Party Sales information regarding the prices at which the subscription/single copy purchases were made. Such an analysis shall be of average Third Party Sales for the period by variable price ranges.~~

~~(c) To qualify as Third Party Sales, the purchaser must pay a positive amount, net of the value of all other inducements or considerations.~~

~~(d) Other non paid may include copies made available for pick up in public locations. If such are to be included, the explanatory paragraph shall include a reference to the number of such locations and the range of newspapers available at the locations. The publisher must maintain documentation to indicate the number of newspapers placed at each location, and the time of day each location is serviced with newspapers.~~

C 11.4 11.2 Analyzed Non-Paid Distribution

(Effective October 1, 2010.)

~~(a) Copies classified as "requested delivery" shall represent distribution to individuals who have made a specific request for such delivery. The publications shall maintain documentation to substantiate the request and the dates of delivery.~~

~~(b) "Sampled Copies" shall be supported with documentation to indicate households that received the distribution, and dates of delivery.~~

~~(c) Arrears (post expire) copies shall include distribution not eligible for inclusion in paid circulation in accord with either C 1.1 or the Policy Relating to Carrier Delivery Office Collect Subscriptions and Pay In Office Subscriptions on Independent Carrier Routes. Documentation must be maintained to indicate recipients and dates of delivery.~~

~~(d) Other non-paid may include copies made available for pick-up in public locations. If such are to be included, the explanatory paragraph shall include a reference to the~~

number of such locations and the range of newspapers available at the locations. The publisher must maintain documentation to indicate the number of newspapers placed at each location, and the time of day each location is serviced with newspapers.

C 11.5 11.3 List of Towns (and Postal ZIP Codes) Receiving 25 or More Copies

(Effective October 1, 2010.)

Publishers opting to report other circulation elements must provide separate analysis of same for the issue analyzed for Paragraph 3 of Audit Reports. Such analysis shall list "Other Analyzed Distribution," and Non-Paid Distribution in separate columns for each town and postal code ZIP Code. In addition, those newspapers electing to provide the optional analysis must also publish a postal code ZIP Code analysis within the body of the ABC Audit Report.

C 11.6 11.4 National Newspaper Reporting

(Effective October 1, 2010.)

National newspapers will not be required to provide an analysis by postal code ZIP Code if the option to provide an analysis of distribution which does not qualify as paid circulation is invoked. In addition, national newspapers shall be limited to reporting "Third Party Sales" which does not qualify in accord with Rule C 3.3 to 30 percent of total (net) distribution within the state in which the transactions occur.

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."

POLICIES

Policy Relating to NIE Copies Served to College Students (Effective October 1, 2010.)

Copies provided to registered college students in a campus-setting in lieu of a classroom-setting may be included in paid circulation as NIE Registered College Student Copies classified as Educational Copies, a sub-category of Verified Circulation, under the following conditions:

a. Only copies provided to registered students will be eligible under this policy.

b. All copies claimed as paid circulation must be paid for in accord with Rule C 1.1. Payment may be made by the college/university or through sponsorship funds.

c. All copies made available to registered college students must be placed in limited access areas where only registered students are permitted, such as dormitories or resident halls, cafeterias restricted for use by registered students, etc. or by 'smart vending machines' operated by student identification. Copies are to be available for individual pickup, and should not be delivered to individual rooms/mailboxes.

d. Only copies actually picked up by registered students may be claimed as paid verified circulation.

e. The publisher must maintain daily records to show the number of copies placed at each individual pickup location, the copies actually picked up, and the number of copies remaining at the end of the day. Such records are subject to field auditor verification.

f. Whenever Registered College Student copies are claimed as paid circulation in ABC reports, the explanatory paragraph shall include a complete description of the program to include the name of the college/university involved, the semester dates and the total number of registered students.

~~Policy regarding Event Sales (Where sales of a newspaper are directly tied to event admission at activities such as sporting events, concerts, fairs, trade shows, swap meets, parking lots, etc.)
(Effective October 1, 2010.)~~

Definition of Event Sales:

Newspapers offered for sale in combination with admission fees to any activities of a social or communal nature. Sales bundled with parking fees may also qualify as "event sales" provided the parking fee is the only admission fee associated with the event. In those situations where there are separate parking fees and admission fees, the parking facility will not qualify as an "event." Newspapers included with goods or services will not qualify as event sales, but rather will be subjected to the policy governing such sales.

Examples of activities that may qualify as events:

~~(eliminated parking facilities)
Sporting events
Concerts
Fairs
Consumer and trade shows (car show, boat show, etc.)
Flea markets~~

Examples of activities that will not qualify as events:

~~Public parking
Public transportation (commuter trains, buses, planes, boats, etc.)
Toll roads~~

~~Events must be of a specific duration, no greater than 24 hours, and must require attendee passage through a limited access entrance(s). For events longer than 24 hour duration, such as a county fair, each day's admission constitutes a different event for audit purposes.~~

Pre Qualification Procedures:

1. ABC must approve the event as a qualifying activity in advance.

2. ABC is to be notified 60 days prior to the commencement of any event as to the specific event sale programs the publisher intends to include in the ensuing Publisher's Statement.

Any event not identified in advance will be ineligible for inclusion in paid circulation. Notification to include:

- Date and hours of the event(s)
- Event admission price
- Newspaper selling price
- Examples of notification signs
- General "floor plan" of event, to include identification of admission selling points and event entry points.
- Event management personnel to contact in order to gain access to event records, should the auditor deem it appropriate.

Newspapers may petition ABC staff for exception to the notification period for events that are organized on a "last minute basis," such as sporting playoff series (where the location is not determined until immediately before the series begins) or other similar situations.

For pre qualification purposes, repetitive events, such as weekly flea markets, need only one pre qualification for all that will occur within a statement period (although notification is to identify each week individually). All other events must be individually pre-qualified.

Qualification Standards:

1. All newspaper transactions must take place at the event no advance sales.

2. Delivery of the newspaper must occur upon entrance to the event.

3. Newspaper "check rooms" shall not be permitted.

4. All admission signs at the event venue must make disclosure of the components of the sale, to include reference that the newspaper cost is optional to the combined total cost. In addition, all signs at the ticket selling location must comply with the following guidelines.

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."

a) ~~Signs must be posted at each ticket booth or ticket-selling location.~~

b) ~~Signs must be placed at eye level and directly visible to the purchaser.~~

c) ~~Signs must be at least 11" x 17" (27.9cm x 43.2cm) in size.~~

d) ~~Admission price, newspaper costs, and "optional combined price" amount must be of equal prominence and in juxtaposition.~~

e) ~~Lettering must be at least 1" (2.54cm) high and comply to the following format:~~

Example:

Admission price _____ \$9.75
Newspaper cost _____ \$0.25
Optional combined price \$10.00

5. ~~If newspapers are not available during any part of the event's duration, admission must automatically revert to event only admission price.~~

6. ~~The newspaper sold at an event must be consistent in content with newspapers sold in the same advertising sales zone as the event location (no modified newspapers).~~

7. ~~All ABC rules governing paid circulation qualification must be followed.~~

Audit Process:

All events will be subject to unannounced audit. The audit process will test the following:

1. ~~Notification Do all event admission signs provide required notification (prominence/juxtaposition)?~~

2. ~~Transactions Is the auditor advised of the inclusion of the newspaper price whenever the amount tendered is greater than event admission price only and can the auditor readily receive a refund, if the newspaper is declined?~~

3. ~~Distribution Is the newspaper distributed within a reasonable proximity to the admission point?~~

4. ~~ABC Qualification Are all rules followed (and is the newspaper content consistent to those sold in the same area)?~~

For audit purposes, each event duration constitutes a separate event. (Thus, a weekly flea market would be 26 events in a Publisher's Statement period.)

Audit Results:

1. ~~Notification Any sign at an event which does not qualify will "disqualify" the event.~~

2. ~~Transactions The auditor will attempt all reasonable and appropriate number of transactions as feasible under the conditions in existence at the event venue. The auditor's findings as to compliance with the policy will be based on the tests executed, or observed by the auditor. If the auditor's findings suggest non-compliance to the requirements of this policy, the event will be "disqualified."~~

3. ~~Distribution Any observation found which is not in accord with the standard will "disqualify" the event.~~

4. ~~ABC Qualification Any observation found which is not in accord with the standard will "disqualify" the event.~~

Application of Audit Results:

~~Disqualification of any event (for any reason) will cause sales at that event to be eliminated from Publisher's Statement claims and will automatically result in the scheduling of audit tests for a future event.~~

~~If two successive events tested are found to "disqualify" for any reason, the publication shall not be permitted to claim event sales in the Publisher's Statement period in which the second disqualifying event took place.~~

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."

CANADIAN NEWSPAPERS

B 2.4 Time of Making Audits C 24.1 Timing of Audit

AMENDED RULE

ABC's Board voted to modify Rules B 2.4 Time of Making Audits and C 24.1 Timing of Audit to allow Canadian newspapers with total average paid circulation between 50,000 and 75,000 to be audited every-other-year provided certain conditions are met. (Effective April 1, 2009.)

B 2.4 Time of Making Audits

See also C 4.1 and C 24.1 for newspapers.

(a) Publisher's Statements shall be subject to audit once a year, except in such cases as otherwise specified under the rules.

(b) On all audits covering a period longer than a year the Audit Report shall show the averages for the last 12 months of the period and separate averages for the additional period (except for daily newspapers with average weekday paid circulation of 50,000 copies per issue or less audited every two years, weekly newspapers audited for a 2-year period and weekly newspapers under the Group Audit Plan).

(c) Canadian daily newspapers with average weekday paid circulation between 50,001 and 75,000 copies per issue may be audited every two years subject to the requirements of Rule C 24.1 in Canada.

C 24.1 Timing of Audit

(Effective April 1, 2009.)

(a) All audits for newspapers in the same city shall be for periods ending at the same date. If an audit is made for a shorter period on one of the newspapers in the city, the averages for the shorter period shall be the first of averages shown in Paragraphs 1 and 2 of reports issued for all newspapers in the city.

The regular audit of a daily newspaper shall cover a 12-month period ending with a calendar quarter. A daily newspaper with average paid circulation of 50,000 copies per

issue or less may request an audit covering a 2-year period ending with a calendar quarter. Audit Reports and Publisher's Statements for newspapers using the 2-year audit plan will be issued on a simplified reporting form with Paragraph 2 reporting on the basis of either zones, "City of Publication" or Newspaper Designated Market.

A daily newspaper with average weekday paid circulation between 50,001 and 75,000 copies per issue may request an audit covering a 2-year period ending with a calendar quarter provided the following conditions are met:

(1) Third party sales are less than 5% of paid circulation.

(2) The newspaper must participate monthly in the Preprint Projection Center.

(3) The last released audit may not have an adjustment that exceeds 2%.

(b) If, for any reason, the regular audit has not been made until after three months have elapsed since the end of the audit period, the Bureau may include in its audit such additional three months in order to give the latest information. In cases where the audit period ends with any date other than a regular semi-annual period, the publisher shall file a six-month Publisher's Statement covering the months intervening between the end of said statement period and the three months following the close of the audit period.

(c) In cities near one another or in such geographical relation that it is economical to audit the publications therein for identical periods, the audit periods in those cities shall be made to coincide.

CANADIAN NEWSPAPERS

C 22.7 Days Omitted from Averages

AMENDED RULE

ABC's Board voted to modify Rule C 22.7 Days Omitted from Averages to allow Canadian newspapers to eliminate the reciprocity element. Same-city newspapers in overlapping markets will no longer have the option of eliminating a day solely because another newspaper eliminated that day. Newspapers are still allowed a maximum of 10 omitted days per 12-month period. (Effective April 1, 2009.)

C 22.7 Days Omitted from Averages

(Effective April 1, 2009.)

(a) Newspapers may omit certain days from the calculation of their average net paid circulation when circulation on those days differs from the previous corresponding day by at least five percent.

Example: A newspaper wants to eliminate Thursday, August 11. The net paid circulation for that day was 100,000. The net paid circulation for the previous corresponding day (Thursday, Aug. 4) was 107,000. Because the difference between the two-day's circulation exceeds five percent (7,000/107,000 = 6.54%), Aug. 11 is eligible for omission from ABC's circulation averages.

(b) Requirements

(1) A maximum of 10 omitted days is allowed within a 12-month audit period.

~~(2) Option Days~~

~~(a) In competitive markets, when one newspaper elects to omit a day, ABC's managing director will notify the other publisher members in the same city. These publishers have the option to omit this day even though they do not qualify under the five percent requirement. If a newspaper exercises this option, it must count this day as one of the 10 maximum permitted under ABC rules.~~

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."

~~(b) Newspaper members not published in the same city as another member may petition the managing director to omit the same day(s) as another member published in a different city if the City and Retail Trading Zones or Newspaper Designated Market of the petitioning member is completely contained within the City and Retail Trading Zone or NDM of the other newspaper mentioned in the petition. If approved, the petition will not be retroactive and will be in effect upon receipt of the petition by the Bureau.~~

~~(3) Notification~~

~~The member newspaper must notify ABC of their intent to omit a day or days no later than 15 calendar days after the day requested to be omitted.~~

~~Total net paid circulation figures for the omitted day and previous corresponding day must be provided within 30 calendar days of the requested omitted day.~~

~~Failure to follow these notification requirements will result in the request for the omitted day being denied.~~

~~(4)(2)~~

~~When a publisher member changes distribution, such as distributing a Morning issue to Evening subscribers or copies of an Evening issue to Morning subscribers, the circulation for those days may be included in paid circulation, provided the publisher maintains records to substantiate that those distributed copies qualify as paid circulation.~~

~~The total paid circulation for each such day and the average total paid circulation, exclusive of those days during the period covered by the reports, will be shown in the Explanatory Paragraph.~~

~~(c) Bureau Reports~~

~~When there are days that are omitted from the average reported, the circulation and the reasons for omission will be reported separately for each day in the Explanatory Paragraph. The number of omitted days will also be reported on the front page.~~

CANADIAN NEWSPAPERS

C 21.2 Prices

C 22.14 Renewals

C 25.12 Insurance Policies

C 25.19 Installment Subscriptions

C 27.9 Market Segments

AMENDED RULE

ABC's Board voted unanimously to eliminate and/or modify Rules C 21.2 Prices, C 22.14 Renewals, C 25.12 Insurance Policies, C 25.19 Installment Subscriptions, and C 27.9 Market Segments, as they were deemed not relevant to the Canadian market. (Effective November 3, 2008.)

C 21.2 Prices

(Also see ABC Policy Regarding the Sale of Carrier Delivery Circulation and Single Copy Sales of Newspapers, Sale of Subscriptions and Single Copy Sales of Magazines and Farm Publications with Other Services.)

(a) Basic prices: Types of service for which a basic price shall be recognized and reported in Bureau reports are:

(1) Single Copy Sales.

(a) One only basic price for city zone.

(b) One only basic price for retail trading zone.

(c) One only basic price for "all other."

(2) Term subscriptions by mail.

(a) One only basic price for each regularly established duration in the city zone, one only basic price for each established duration in the retail trading zone and one only basic price for each established duration in "all other."

(3) Home Delivered Circulation.

(a) One only basic price for each regularly established duration in the city zone, one only basic price for each

established duration in the retail trading zone and one only basic price for each established duration in "all other."

~~(4) Market Segment Circulation~~

~~(a) One only basic price for each regularly established duration in the city zone, one only basic price for each established duration in the retail trading zone and one only basic price for each established duration in "all other."~~

~~(b) The basic price for each regularly established duration in each of the above zones must be not less than one cent of the Home Delivered price for the same duration for the same zone.~~

~~In addition, and regardless of the basic price established, all subscriptions must be sold at no less than one cent of the Home Delivery price for the same duration for the same zone of the market segment basic price for the same duration for the same zone, whichever is highest.~~

~~(5)(4) Motor route subscriptions outside the city zone in the retail trading zone - one only basic price for each regularly established duration.~~

~~Motor route subscriptions in "all other" - one only basic price for each regularly established duration.~~

~~(6)(5) In case more than one price (either single copy or subscription) is regularly charged in any zone, the price regularly charged for the majority of the circulation for each type of service in that zone shall be considered the basic price for that type of service in that zone.~~

~~(7)(6) Prices which have been in regular use for certain areas in the retail trading zone or in "all other" and which have been equal to the basic price for the zone involved but which, upon an increase in the basic price for that zone, have remained at the old basic price shall be set up in the price paragraph in Bureau Reports as "Lower Than Basic Prices" and the total number of subscriptions received as such "lower-than-basic" prices stated.~~

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."

~~(8)~~(7) National newspapers may establish up to three geographic based pricing zones and establish basic prices by delivery type and frequency for each of these zones. Each pricing area may be established by the newspaper itself, provided the area is comprised of continuous geographic units such as postal code boundaries, census units, counties, towns, etc. In addition, each pricing area must about one other pricing area.

Basic prices per area may change at the publisher's discretion; however, pricing areas may change only at the beginning of an audit period, and only after notification to the Bureau.

Publisher's Statements for those national newspapers opting to establish prices per this rule shall include a description of each of the geographic pricing units.

(b) Basic prices: Types of service for each of which a basic price shall be recognized in Bureau reports for newspapers reporting circulation on newspaper designated market basis instead of zones are:

(1) Single Copy Sales.

(a) One only basic price for county of publication.

(b) One only basic price for remainder of newspaper designated market.

(c) One only basic price for "all other."

(2) Term subscriptions by mail.

(a) One only basic price for each regularly established duration in the county of publication, one only basic price for each established duration in the remainder of newspaper designated market and one only basic price for each established duration in "all other."

(3) Home Delivered Circulation.

(a) One only basic price for each regularly established duration in county of publication of the city of publication, one only basic price for each established duration in the remainder of newspaper

designated market and one only basic price for each established duration in "all other."

~~(4)~~ Market Segment Circulation

~~(a) One only basic price for each regularly established duration in county of publication of the city of publication, one only basic price for each established duration in the remainder of newspaper designated market and one only basic price for each established duration in "all other."~~

~~(b) The basic price for each regularly established duration in each of these markets must be not less than one cent of the Home Delivered price for the same duration for the same market.~~

~~In addition, and regardless of the basic price established, all subscriptions must be sold at no less than one cent of the Home Delivered price for the same duration of the same zone.~~

~~(5)~~ (4) Motor route subscriptions outside the county of publication in the remainder of the newspaper designated market - one only basic price for each regularly established duration.

Motor route subscriptions in "all other" - one only basic price for each regularly established duration.

~~(6)~~ (5) In case more than one price (either single copy or subscription) is regularly charged in any area, the price regularly charged for the majority of the circulation for each type of service in that area shall be considered the basic price for that type of service in that area.

~~(7)~~ (6) Prices that have been in regular use for certain areas in the remainder of newspaper designated market or in "all other" and which have been equal to the basic price for the area involved but which, upon an increase in the basic price for that area, have remained at the old basic price shall be reported in the price paragraph in Bureau Reports at "Prices Lower Than Basic" and the total number of subscriptions received at such "lower than basic" prices stated.

(c) In all rules where the price or subscription price is referred to, the phrase means the basic price.

(d) Newspapers offering electronic editions may establish a separate basic price structure for Single Copy Sales and Home Delivered by reporting zone for the electronic edition or default to the print product's basic prices.

C-22-14 Renewals

~~(a) If a newspaper makes any renewal claim either by oral or written communication direct to advertisers or through advertising matter or has made public a comparative statement concerning its renewal percentage, the publication shall in the first Publisher's Statement to the Bureau subsequent to the advertised claim make a formal statement of its renewal claim in the paragraph devoted to explanations. Before releasing the Publisher's Statement, the Bureau shall inspect the publication's records and satisfy itself that the publication has the necessary records to substantiate the claim. If inspection reveals that records are not available to substantiate the claim according to the standard practice of the Bureau, the statement of renewal percentage shall be eliminated from the Publisher's Statement, before release and the following declaration shall be substituted:~~

~~Records required by the ABC are not available to substantiate any claim of percentage of renewals and any such claim which may have been made by or in behalf of this publication is to be disregarded.~~

~~The next subsequent Audit Report shall repeat the same declaration.~~

If, subsequently, and before records have been established for a sufficient period of time to meet the requirements of the Bureau's standard practice, the publication should again claim a certain number of renewals or percentage of renewals, either by oral or written communication direct to advertisers or through advertising matter, the

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."

managing director shall cite the publisher to appear before the Board of Directors in accordance with the procedure prescribed in 7.4 of the bylaws.

(b) A subscription shall be considered a renewal if received within six months after its expiration and paid for within six months following receipt.

(c) To obtain the percentage of renewals the total number of expirations during a 12 month period shall be divided into the total number of renewals of these specific expirations. (By "expirations" is meant the date the subscription expired and not the date it was discontinued or stopped.)

(d) The renewal percentage of association subscriptions, term subscriptions in bulk and individual subscriptions shall be shown separately. If the total number of term subscriptions in third party is less than 2 percent of the average number of mail subscriptions for the period, a separate renewal percentage for third party shall not be shown.

(e) Subscriptions sent to international, F.P.O. and A.P.O. addresses may be omitted in compiling renewal percentages in which case the phrase "excluding international, F.P.O. and A.P.O." shall be used in the renewal paragraph.

C 25.12 Insurance Policies

When insurance policies are given free to subscribers or are sold to subscribers the number of subscriptions shall be reported in the "Insurance" paragraph in Publisher's Statements and Audit Reports. The number of subscriptions shall be reported under the four following headings:

Type 1 (a) New subscriptions with which the publisher gave free insurance policies.

(b) Renewal subscriptions with which the publisher gave free insurance policies.

Type 2 (a) New subscriptions with which insurance policies were purchased by subscriber.

(b) Renewal subscriptions with which insurance policies were purchased by subscriber.

Only those subscriptions connected with insurance policies, both having their inception in the period covered by the report shall be reported.

Policies issued to the same subscriber for successive periods or years shall be considered as a continuing policy whether the insurance coverage is evidenced by an extension of an existing numbered policy or by a new policy for an additional period. Such policies shall not be reported in the "Insurance" paragraph.

C 25.19 Installment Subscriptions

On a subscription payable in installments, or payable on delivery, only those copies shall be shown in paid circulation that are actually paid for (until at least one cent has been paid, when the subscription automatically qualifies as paid for one year).

C 27.9 Market Segments

A market segment shall be considered those copies of a publication, which are directed to a group of subscribers with similar non geographic characteristics for whom the publisher has obtained individual information and for which the publisher has elected to establish a basic price.

(a) Average circulation distributed to each defined market segment shall be reported in the explanatory paragraph, and reported in such a manner as to show the type and character of the market segment(s) (such as "senior citizens," "students," etc.). In addition, Bureau reports shall contain a definition of each market segment to include the criteria used to determine eligibility of subscribers to be included in the market segment.

(b) The eligibility of subscribers to be included in any market segment must be based upon information obtained from questionnaires completed by the subscribers, directories or other acceptable documentation.

All such data must be preserved for the auditor's examination.

No information may be used to classify eligibility which was obtained more than two years prior to the ending period in which the audit is being made.

If documentation is not available to confirm subscriber eligibility for a particular market segment all copies served to subscribers so classified will be transferred to "Home Delivery," assuming they meet the criteria of that category as defined by C 21.2. If such copies do not meet the "Home Delivery" criteria, they shall be excluded from paid circulation and reported as unpaid distribution.

(c) Newspapers electing to establish and report circulation by market segments must also publish an analysis of distribution by postal code.

(d) Newspapers may establish no more than 10 market segments.