SERVICE AGREEMENT

This service agreement (the "Agreement") is between Solana Point Partners, Inc. dba The AD2AD Network, 1051 San Dieguito Drive, Encintias CA 92024, 888 696 2388, email: jschauer@ad2ad.com, ("AD2AD") and the Publisher.

("Publisher"). The Agreement includes and incorporates by reference **Exhibits A, B, C.**

AD2AD provides web-based newspaper classified advertising application services and database management and billing services (the "Services") as described herein;

Publisher desires to use the Services, to set up an on-line classified advertisement management system for it and its customers (the "Customers");

NOW, THEREFORE, for good and valuable consideration the receipt of which is hereby acknowledged, the Parties agree as follows:

1.1   Application Service for Publisher Classified Advertising Ad Pages. AD2AD operates a web-based application service that allows publication administrators to create and manage their classified advertising through the AD2AD website (the "AD2AD Site"). As part of the Services described herein and in **Exhibit B,** AD2AD will provide to Publisher access to the AD2AD Site to permit Publisher to set up web pages that have Publisher's look and feel and will allow Customers of Publisher to take out classified ads in Publisher's newspaper(s) and on Publisher's website(s) (the "Publisher Ad Pages").   Although the Publisher Ad Pages will be resident on the AD2AD site, Customers of Publisher may access such pages through the Publisher site(s), at a URL address to be determined (the "Publisher's Site") through framing as described below.

1.2 Administration of the Publisher Ad Pages. AD2AD will administer the Publisher Ad Pages, including (a) processing Customer advertisements (the "Customer Content") to create classified ad Insertions (as defined below) for Publisher's print paper(s) and Publisher's website(s), (b) processing Customer credit card payments and (c) providing those other services and features described on **Exhibit A.** As used herein, Insertion is defined as the display of a classified ad in Publisher's printed edition (or website edition as applicable) for a determined production run as is normal and customary for Publisher's

newspaper. Customers may pay for multiple Insertions. AD2AD supports Publisher's payment methods as follows: tracking cash and checks, creating bills, or utilizing AD2AD's credit card processing. AD2AD's credit card processing policies are as described on **Exhibit A**.

1.3   **Implementation of Publisher Ad Pages**. AD2AD will provide to Publisher a file that will include framing information, administration information and password protected log-in information, to permit Publisher's administrator to access the AD2AD administrator functions. Publisher may customize its Ad Pages, to include, ad schedules, rates, ad criteria and other personalized information (the "Advertising Content"). AD2AD will provide Publisher reasonable support, including telephone support, to assist Publisher in setting up the Publisher Ad Pages and Advertising Content. Additional support may be purchased separately. Publisher is solely responsible for establishing the rates at which Publisher's ads will be sold on the Publisher Ad Pages. Publisher is also solely responsible for the operation of the Publisher Site.   Publisher will include on the Publisher Ad Page, in the form provided by AD2AD to Publisher, recognition of AD2AD's services, such as the following: "*Ad services powered by AD2AD™*" .

1.4   **Customer Content**. Publisher is responsible for policing and reviewing Customer Content to ensure such Content is not defamatory, libelous, slanderous, obscene, or pornographic, and otherwise does not violate any privacy, publicity or other rights of any third party, and is otherwise not in violation of any law.   PUBLISHER UNDERSTANDS AND AGREES THAT AD2AD WILL UNDERTAKE NO INDEPENDENT REVIEW OF CUSTOMER CONTENT AND SUCH REVIEW IS SOLELY PUBLISHER'S OBLIGATION.

1.5   **Fees.** In consideration for the Services, Publisher agrees that AD2AD will receive the fees set forth in **Exhibit A** (the "Fees")**.**   In addition, AD2AD will pay to Publisher the Publisher Payment (as defined on **Exhibit A)** in accordance with the payment terms set forth below.   AD2AD may from time to time change the features of its newspaper classified advertising system and the

Fees AD2AD collects for such services, and such changes shall apply to the Services and Fees described above, upon notice from AD2AD to Publisher of such changes.

1.6   Payments. Settlements will be calculated within 10 days following the last day of the cycle. AD2AD will pay to Publisher the Publisher Payment earned by Publisher during any revenue within 60 days following settlement. At such time, AD2AD will also provide to Publisher, or make accessible to Publisher on the AD2AD Site, a report regarding how such payment was calculated, including the number of Customer ads placed and extras ordered during the period.

Publisher shall pay to AD2AD the Set-Up Fee on the Effective Date of this Agreement. AD2AD shall not commence providing the Services until such time as AD2AD has received the Set-Up-Fee from Publisher.

. In the event Publisher Insertion Revenue collected does not exceed applicable service charges and fees for any Revenue Period, Publisher shall pay to AD2AD the Balance Due of uncovered service charges and fees within 10 days of billing. Failure to pay the Balance Due may result in Termination.

1.7   Taxes. Publisher is responsible for the collection and payment of any state, federal or local taxes that may apply to products or services it markets and sells on the AD2AD Network.

1.8   Ownership and Licenses of Content and Software. Publisher shall own all rights to the Advertising Content provided by Publisher to AD2AD for purposes of setting up the Publisher Ad Pages (both HTML and image files utilized on the Publisher Ad Pages), and Publisher hereby licenses to AD2AD such Advertising Content for the sole purpose of allowing AD2AD to provide application services and publicly display such content on the Publisher AD Pages.   AD2AD shall own all backend pages, AD2AD content and software used to manage the Publisher Ad Pages on AD2AD's Site. AD2AD grants to publisher a limited license for the term of this Agreement to use AD2AD's name and logo on the Publisher Ad Pages for the sole purpose of identifying AD2AD as the host of the Publisher Ad Pages, per the terms of Section 1.3 above.

1.9   Claims. AD2AD shall not be liable for any claims, demands, actions, damages, liability, judgments, expenses and/or costs (including reasonably attorneys fees) (collectively, "Damages") arising from any information, content or materials provided to AD2AD by Publisher, Publisher's Customers (including but not limited to the Customer Content) or by an party seeking to place an ad in Publisher's papers, whether posted by AD2AD on its or on Publisher's website or in Publisher's newspapers (the "Publisher Content"). Publisher shall indemnify, defend, and hold harmless AD2AD from any Damages incurred by or against AD2AD arising out of the Publisher Content.   The provisions of this Section shall survive termination.

1.10   Warranties and Disclaimers. THE SERVICES ARE PROVIDED AS IS AND AD2AD DISCLAIMS ANY AND ALL EXPRESS AND/OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILTY, FITNESS FOR A PARTICULAR PURPOSE, NONINFRINGEMENT AND TITLE AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE.

1.11   Limitation of Liability. IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY CLAIMS OR ACTIONS INVOLVING INDIRECT, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER UNDER THEORY OF CONTRACT TORT (INCLUDING NEGLIGENCE) STRICT LIABILITY OR OTHERWISE. AD2AD'S MAXIMUM AGGREGATE LIABILITY TO PUBLISHER RELATED TO OR ARISING UNDER THIS AGREEMENT WILL BE LIMITED TO THE TOTAL AMOUNT PAID BY PUBLISHER TO AD2AD UNDER THIS AGREEMENT FOR THE TWELVE (12) MONTH PERIOD PRECEDING THE CLAIM.

1.12   Relationship of the Parties. AD2AD and Publisher are and shall remain independent contractors. Neither party will have the authority to make any representations, claims or warranties of any kind on behalf of the other party or on behalf of such party's licensors or suppliers.

1.13   Termination. Either party may terminate this agreement upon 30 days written notice to the other party.

1.14   Effects of Termination. Within ten (10) days of notice from Publisher of termination of this Agreement, as set forth above, AD2AD will remove public access to Publisher Advertising Content from its site. AD2AD will continue to make available to Publisher's administrator all current classified ad records and reports, and standard downloadable files for the duration of the termination period. Publisher is responsible for transferring its information during this period. Publisher's information will not be accessible after the 30 day termination period.

1.15   Notices. All legal notices hereunder will be delivered personally, by certified or registered mail, return receipt requested, by email, telecopy or facsimile transmission or by first class mail, postage pre-paid, to the addresses set forth above and in Exhibit C, (or such other address for a party as shall be specified by like notice), or by posting the modifications on the AD2AD website. Notices shall be effective as of the date of posting or by date sent, except for first class mail, which shall be effective five (5) days after posting, and personal delivery, which shall be as of the date delivered.

1.16   Assignment. This Agreement may not be assigned or otherwise transferred by either party without the prior written consent of the other party, except in the event of a transfer or assignment that shall include a sale of all or substantially all of the assets of the party or a change in control of such party. This Agreement will inure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.

1.17   Waiver. Any waiver of any right or default hereunder shall be effective only if given in writing and shall not operate as or imply a waiver of any similar right or default on any subsequent occasion.

1.18   Governing Law. This agreement will be governed by the laws of the state of California, without regard to its conflicts provisions. Any action brought to interpret or enforce this Agreement shall be brought in the applicable court located in the County of San Diego, and each Party submits to the exclusive jurisdiction of such court.

1.19   Entire Agreement. This Agreement, including the exhibits hereto, constitute the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior or contemporaneous, written or oral negotiations, agreements, correspondence and understandings between the parties respecting the subject matter of this Agreement. This Agreement may be modified only by an instrument in writing duly executed by both parties. The Section headings in this Agreement are inserted for convenience of reference only and shall not be used in interpreting this Agreement. Execution of the signature page found in **Exhibit C,** or by Publisher's use of the system to process data, shall constitute acceptance of the entire Agreement. In the case of system use absent a signed copy of Exhibit C, terms and conditions will be based on AD2AD's unsigned copy of Exhibit C.

PAYMENTS TO PUBLISHER,
DESCRIPTIONS OF OPERATING FEES
AND PAYMENTS TO AD2AD

This section describes how AD2AD will remit payments to Publisher, and descriptions of the fees and charges associated with the use of the system.

Publisher agrees to pay to AD2AD the Fees for the Services set forth in this Exhibit, and AD2AD will remit to Publisher the Publisher Remittance described below.

DESCRIPTION OF PAYMENTS TO PUBLISHER:

AD2AD will remit to Publisher Insertion Revenue collected, less applicable service charges and fees. Remittance is calculated based on Revenue Period;

Weekly Revenue Period is calculated from Sunday through Saturday.

Monthly Revenue Period is calculated from first to final day of month.

AD2AD and Publisher will agree to utilize a Weekly or a Monthly Revenue Period

Remittance occurs within ten days of revenue period end.

Payment Calculation: Collected Insertion Revenue, less Ad Service Charges, Plus any Web-Only Features Revenue Share, Less any Credit Card Processing Charges. These elements are described below.

INSERTION REVENUE

Revenue collected by AD2AD on Publisher's behalf by any user of the system shall be deemed Insertion Revenue. Typically AD2AD will AD2AD will collect Credit Card Payments for ad purchases from Credit Card Customers based on Publisher's published ad rates.

AD2AD will remit to Publisher all Insertion Revenue, less fees, charges, and revenue share splits described below, in accordance with the payment provisions set forth in this Agreement.

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OPERATING FEES, WEB-ONLY SHARE, CREDIT CARD FEES, AND OTHER CHARGES

AD2AD service charges, fees, and other charges apply to all ads and system activity regardless of Publisher's Ad Price or payment methods.

Ad Insertion Service Charge

AD2AD shall charge Publisher for the first ad Insertion by a Customer of Publisher made through the Services (the "Service Charge, First Ad Insertion"), and for subsequent insertions of the ad (the "Service Charge, Subsequent Ad Insertion").

Publisher may optionally provide its customers "Web-only Ads" that do not appear in print. Service charges for Web-only Ads will be a percentage of standard ad service charges, based on the "Web-only Ad Service Charge Percentage".

AD2AD will deduct the Service Charge from the Insertion Revenue collected by AD2AD.

Credit Card Processing Fees and Other Credit-Card Related Charges

AD2AD will process Customer's credit card payments through AD2AD's third party credit card facility, currently with Wells Fargo Bank (the "Bank"). Publisher shall be financially responsible for any Customer credit card charge-backs, fees, levies or other charges (the "Credit Card Charges") not absorbed by the Bank or Publisher's Customers, all as further set forth on Bank's credit card services agreement, a copy of which AD2AD can provide to Publisher upon request, or which may be found on the Bank's website www.wellsfargo.com/merchant.

Web-only Feature Percentatge

Web-only features (e.g. photo upload, blind email, etc.) are features provided by AD2AD that only involve web processing and do not appear iin print. AD2AD will add or remove such features at its discretion. Publisher shall determine the customer's price for web-only features. All Revenue collected by AD2AD for web-only features will be split between AD2AD and Publisher based on the Web-only Feature Percentage, such that the Publisher's percentage will be applied to Publisher's Revenue Share and the remainder will be retained by AD2AD for Services rendered. For example if the percentages were 50% each, if an advertiser chooses to include photo upload and email features

in his/her ad, and these features were collectively priced at $5.00, then AD2AD would earn a $2.50 and publisher would earn $2.50 in Revenue.

GENERAL FEES

One-Time Set-Up Fee

Publisher shall pay to AD2AD a one-time for installation and set-up per newspaper classified ad database.

Membership Fee

Beginning as of the second year of service, Publisher agrees to pay AD2AD an annual maintenance fee per newspaper classified ad database operated by Publisher through AD2AD's Services if Insertion Revenue and Revenue share (as described below) are less than $250. The Membership Fee shall be paid by Publisher to AD2AD within 30 days of receipt of AD2AD's invoice therefore.

Upgrade Fee

Publisher shall pay to AD2AD a fee for feature upgrades.

Technical Support Fee

Publisher shall pay to AD2AD a fee for feature providing Technical Support. Fee may be based on a flat fee per period, or on an hourly basis.

PAYMENT OF BALANCE DUE TO AD2AD:

In the event Publisher Insertion Revenue collected does not exceed applicable service charges and fees for the Revenue Period, Publisher shall pay to AD2AD the balance of uncovered service charges and fees. Payment will be due within 10 days of notification. AD2AD will provide a means for Publisher to pay these fees via credit card.

OPTIONAL: Affilliation with other publications:

Affiliate Fee And Commission Payments

NOTE: This section ONLY APPLIES if the publisher sets up an optional AFFILIATION AGREEMENT with another publisher. This section DOES NOT APPLY to independent publishers This section is here only to set out terms for affiliation when and if such an affiliation is engaged.

IN THE EVENT that Publisher sets up a voluntary affiliation with another AD2AD Publisher, AD2AD shall charge Publisher an Affiliate Fee when Publisher receives a customer ad entered using the Affiliate Publisher's

database. . AD2AD will deduct the Affiliate Fee from the Insertion Revenue collected by AD2AD. In addition, in the event that Publisher sets up a voluntary affiliation with another AD2AD Publisher, Publisher and Affiliate Publisher may agree to pay each other for a commission payment for customer ads placed with through the Affiliate Website. Commissions, if any, are set by voluntary agreement. AD2AD will add the agreed commission to the generating Publisher's Insertion Revenue, and deduct the agreed commission from the receiving Publisher's Insertion Revenue. In addition, AD2AD shall charge both affiliates a one-time affiliation setup fee.

CHANGES REQUIRE AGREEMENT

From time to time, AD2AD may desire to Change specific service charges, percentages, settlement period, and fees. Changes may be for a specific period, for example for a special discount period, ad campaign, etc., or on an ongoing basis. AD2AD will notify Publisher of such desire in advance of any Change, and include a proposed effective date for the Change. Notification may be by email. Publisher will have the right to reject any proposed fee Changes in advance of the proposed effective date; otherwise the Change will be effected.

PRODUCT FEATURES

Architecture

Application Service -- no hardware to maintain
"Private Label" -- works inside your website
Integrate in your website
Access system from anywhere, 24/7
Automatic offsite backups
Backup servers
Triple redundancy
Works without expensive networking
Cross platform: PC, Mac
Secure transactions (SSL)
Credit card encryption
Follows VISA credit card security rules (CISP)
Easy to use wizards -- easy to control and modify
Highly scalable LAMP architecture
Simple, no-fail interface

System Scope

Complete classified management system
Integrates web and print classifieds
Formats ads for printing
Web and print formatting look the same
Formatted ad files for most layout programs (Quark, InDesign, etc)
Creates receipts, bills
Handles receivables
Automatic renewal emails -- highly effective
Lets "Bill me" customers pay bills online
Complete account management
Handles any publication dates -- daily, weekly, biweekly, monthly, etc.
Staff notes and reminders for ads, customers

Multiple user types -- admin, sales rep, production, etc

Usage Options

Web and print
Print only
Web only
Web with print option
Ad capture only -- integrates with legacy system
Upload ads from legacy system

Web Display

Approved ads display online automatically
No need to convert or upload ads
Show all ads or hide some classifications
Easy to modify interface -- colors, menus, etc
Decide length of time ads display on web
No-fail interface: only show classifications containing ads

Ad Search

Customer can search words, phrases
Customer search phone numbers
Zip Code / distance search
Highlighted results
Search all ads in network

Customer ad entry

Easy 2 step process
Customer enters, formats, schedules, pays for ad
"Can't break it" interface -- customer can't fail.
Automatic pricing
Check price anytime
Pay by credit card online
Customer does everything! You just approve ads
Calendar date entry option
Template based formatting

See ad formatted as you type
Auto-include phone number
Easy print upsells
Auto space -- fixes customer spacing errors
Choose from gallery of ad formats -- charge extra
Multiple web upsells
Photo uploads (web only or print option)
Auto-renew option: pay in advance for renewals
System 'remembers' customer credit card for reuse
"Bill me" option for your trusted customers
Customer can print own receipt
Customer can submit ad modifications for approval
Customer can extend ad
Customer can cancel ad (refund is admin controlled)
1 click renewals
Automatic email acknowledgements

Customer ad entry options

Assign rates to different classifications
Assign templates to different classifications
Customer-specific templates (for realtors, car dealers etc)
Customer templates or admin only templates

Staff ad entry

Automatic customer info from reverse phone book
Assign different rate to ad
Assign different template to ad
Calendar date entry
Autocheck for customer duplication
Fuzzy logic customer search (Smith finds Smythe)
Add bold / italic format to individual words
Force ad to top of classification
Change price of ad

Extend credit to customer
Autorenew any number of cycles
Renew ad at different rate
Override cutoff date

Publication dates

Handles any publication schedule
Individual cutoff dates

Customer setup options

Assign special rate to customer
Assign discount to customer
Assign sales rep to customer
Assign "Bill me" status to customer

Print ad files

Fully formatted ad files
Quark, InDesign, Pagemaker, Word files

Ad approval

Edit customer ad
Change price of ad
Modify ad without changing price
Approval all submitted ads with one click
Approve or hold individual ads

Refunds (Staff only)

Simple credit card refund
Credit card info hidden
Refund all or part

Templates

Unlimited ad style templates
Define your own templates
Select new templates from style gallery
Automatic updates of ads
Charge extra for special formats

Classifications

Unlimited classifications
Advisory for classifications (real estate, work from home, etc)
Web only, print only, web.w.print option classifications
Staff only classifications (e.g., legal notices)
Sort classifications differently (A-Z, Z-A, random, entry date, etc)
Assign template to classification

Rates

Unlimited number of rates
Charge by word, line, inch, char, etc.
Handles any pricing method

Invoices

Print individual or consolidated invoices
Customer can access, print invoices
Message changes based on invoice age

Promotional pricing

Offer special rate, discounts to promote classifieds
Special pricing for new customers, first ad in classification, etc
Automatic cutoff of promotion -- based on date, usage
"Secret" code promotions

Web-Only and Web with Print Option Features

Any classificaiton can be web-only or web/print option
Special price for web only
Special price for print-upgrade

Basic Setup

Edit customer auto-acknowledgment email
Edit customer renewal email
Edit invoice aging messages
Customer must accept usage terms

Open Invoice options

Print individual or consolidated invoices

Spread one payment across mulitiple invoices
Download data as spreadsheet or online report

Specific features and implementations subject to change without notice