

#### ReachLocal Canada, Inc.

## Advertising Services Terms & Conditions

Last Modified: May 31, 2011

ReachLocal Canada, Inc. ("ReachLocal") provides a range of advertising products and services for small- and medium-sized businesses (the "Advertising Services"). The Insertion Order (the "IO") sets forth which Advertising Services are being purchased by Advertiser ("Advertiser"), the costs for such Advertising Services, and other relevant details of the proposed advertising campaign (the "Campaign"). These Advertising Services Terms and Conditions ("Advertising Terms") shall be incorporated by reference into and made a part of any IO submitted to ReachLocal and govern the relationship between ReachLocal and Advertiser, together with the Product Terms (as defined below). All IOs are subject to acceptance by ReachLocal, in its sole discretion. The IO, the Advertising Terms and the documents and/or links referenced in the IO are sometimes referred to as the "Agreement."

- 1. **Advertising Services**. The Advertising Services include, but are not limited to, the following:
- ReachSearch™ refers to ReachLocal's standard search engine marketing product, where ReachLocal promotes Advertiser through various search engines.
- ➤ ReachDisplay™ refers to ReachLocal's standard online display product, where ReachLocal promotes Advertiser through online display advertisements disseminated through ReachLocal's network of online publishers.
- > Remarketing refers to ReachLocal's behavioral targeting product that enables ReachLocal to display an ad to consumers who have previously evidenced interest in Advertiser's products or services or similar products or services.

ReachSearch, ReachDisplay and Remarketing may be referred to herein collectively as the "Standard Advertising Services."

- Tracking Services As part of the Advertising Services, Advertiser will be provided Tracking Information. "Tracking Information" refers to data and statistics concerning the performance of the Campaigns. In addition, Advertisers may purchase TotalTrack® to obtain Tracking Information regarding advertising purchased by Advertiser through third parties. See Schedule 1 for additional terms applicable to the Tracking Services, whether bundled with the Advertising Services, or purchased on a standalone basis through TotalTrack.
- ➤ **Total Live Chat™** refers to ReachLocal's online chat product. See the TotalLive Chat Terms at <a href="http://www.reachlocal.ca/tlctc">http://www.reachlocal.ca/tlctc</a> for the additional terms and conditions applicable.
- ➤ **Total Video Now** Tefers to ReachLocal's suite of video products. See the Total Video Now Terms at <a href="http://www.reachlocal.ca/tvntc">http://www.reachlocal.ca/tvntc</a> for the additional terms and conditions applicable.
- ➤ ReachCast™ refers to ReachLocal's suite of digital presence products and services. See the ReachCast Terms <a href="http://www.reachlocal.ca/rctc">http://www.reachlocal.ca/rctc</a> for the additional terms and conditions applicable.
- Premium Local Service refers to the provision, for an additional monthly charge, of additional customer service for ReachSearch Campaigns.

The TotalLive Chat Terms, the TotalVideo Now Terms and the ReachCast Terms are sometimes referred to in the Advertising Terms and in the IO as the "Product Terms".

As ReachLocal adds other products and services, such products and services will be referenced in the IO and any special terms and conditions will be posted online, will be binding upon the Advertiser and will be incorporated by reference into and made part of this Agreement.

#### 2. Standard Advertising Services.

(a) **Placement.** ReachLocal shall determine, in its sole discretion, on which online properties (the "Publishers") the advertising content ("Ads") will run during

the course of any Campaign involving the Standard Advertising Services. Advertiser acknowledges that ReachLocal does not operate or control the Publishers – with the exception of its own proprietary online directory or other properties owned or operated by ReachLocal or its affiliates (the "ReachLocal Properties"). Advertiser further acknowledges that at any time during a Campaign, the Publisher mix may change. ReachLocal makes no guarantees about when or where the Ads will be displayed by the Publishers or by ReachLocal.

- (b) **Geotargeting.** ReachLocal will use commercially reasonable efforts to place Ads such that they will be seen by consumers in the target locales identified during the Campaign initiation process, but ReachLocal does not guarantee that Advertiser's Ads will only be displayed in the target locales.
- (c) ReachLocal Properties and Third Party Directories. ReachLocal may create and post online, in the ReachLocal Properties or the directories of third parties, profile page(s) for Advertiser, which may include the following information regarding Advertiser: name, phone number, email address, physical address and information regarding the products or services of the Advertiser (the "Local Profile").

#### Campaign Logistics.

#### (d) Duration.

- Standard Advertising Services. With respect to the Standard Advertising Services, upon receipt of an IO signed by Advertiser and acceptance by ReachLocal, ReachLocal will initiate the process of setting up the Campaign. The duration of the Campaign (the "Campaign Period") shall run from the Actual Start Date until the Actual End Date, unless earlier terminated by the parties as provided herein. The "Actual Start Date" refers to the actual commencement date of a Campaign. Advertiser acknowledges that ReachLocal may take up to ten (10) business days or longer to review and prepare the Campaign (or longer, if ReachLocal has been asked to provide creative services or if ReachLocal experiences technical difficulties with Advertiser's Campaign) and may require further input from Advertiser before the Campaign is distributed to the Publishers. The Publishers may then take additional time to commence dissemination of the Campaign. Accordingly, the Actual Start Date will generally be later than the Target Start Date specified on the IO. The Actual End Date of a Campaign will be the day when 98% or more of the Campaign Media (as defined in Section 4(a)i below) for the last Campaign Cycle has been exhausted. Advertiser acknowledges that it may take more or less time to exhaust the Campaign Media due to, among other things, the scheduling and inventory constraints of the Publishers.
- ii. <u>Duration of Other Products and Services</u>. With respect to other products and services, the duration shall be as set forth in the applicable Product Terms.
- (e) Campaign Cycles. Each Campaign Period consists of Campaign Cycles. For Standard Advertising Services, the Campaign Cycle is the period of time from ReachLocal's commencement of applying the Campaign Media until such time as no less than 98% of the Campaign Media has been utilized. While, on average, this is approximately a thirty (30) day period, ReachLocal makes no guarantees with respect to the time it takes to fully utilize the Campaign Media. Advertiser acknowledges that all statistics provided by ReachLocal evidencing such utilization shall be conclusive and binding on Advertiser for all purposes of this Agreement.
- 4. **Fees.** Advertiser agrees to pay, in accordance with Section 5, the following, in the amounts set forth in the IO:

#### (a) Descriptions

- ii. <u>Campaign Media</u> refers to the recurring amounts payable to ReachLocal for the Standard Advertising Services for each Campaign Cycle.
- iii. <u>Budget Per Cycle Payment</u> refers to the aggregate recurring fees for each Campaign Cycle, as specified in the IO, such as the Campaign Media and the CMT Fees (as defined below).



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- Service Fees per Cycle Campaign refers to the recurring fees per Campaign Cycle charged by ReachLocal for managing and tracking Campaigns and for the Premium Local Service, such as the management/tracking fees ("Management/Tracking Fees" or "CMT Fees").
- Campaign Set-Up Fee refers to a one-time fee for the set-up of a Campaign, which includes, but is not limited to, Publisher set up, keyword generation, proxy creation, phone tracking set-up, creative services and other similar set-up requirements. With respect to ReachSearch, the Campaign Set-Up Fee also includes a review of the Campaign within the first sixty (60) days of the Campaign.
  - Cancellation Fee: has the meaning set forth in Section 6(d) below.

The Product Terms set forth additional fees applicable to such products and services.

ReachLocal reserves the right to change any of the foregoing fees at any time, provided that such changes will not take effect until a new IO has been executed and delivered to ReachLocal by Advertiser.

- (b) No Pass-Through Obligations. Advertiser is not entitled to any credits, discounts, rebates, refunds provided to ReachLocal by Publishers.
- (c) Promotional Credits. If ReachLocal offers any special promotions which provide Advertiser with credits or other fee reduction incentives in connection with signing an IO (the "Promotional Credits"), if Advertiser cancels the Insertion Order (other than for cause, as set forth below), then in addition to any other cancellation penalties Advertiser may be subject to, Advertiser will be required to repay to ReachLocal the full amount of the Promotional Credit or incentives.

#### Payment Terms.

- (a) General. Once an IO has been accepted by ReachLocal, Advertiser will be responsible for payment in full of all fees set forth therein, except as may otherwise be provided in Section 6(c) hereof. All payments due hereunder are in Canadian dollars and are exclusive of any sales, goods and services, use or similar applicable taxes, which shall be the sole responsibility of Advertiser.
- (b) Manner and Timing of Payment. Advertiser may pay for all amounts payable under this Agreement by credit card (the "Advertiser's Card") or ACH (electronic debit from Advertiser's bank account). If paying by credit card or ACH, Advertiser will be required to sign and comply with the applicable payment authorization forms. Prior to the initial Campaign Cycle, Advertiser shall pay the Cycle Payment for the initial Campaign Cycle and the Campaign Set-Up Fees, if applicable. In advance of each subsequent Campaign Cycle, Advertiser shall remit the Cycle Payment. In order to avoid any pauses in the Campaign, ReachLocal may, in the case of the Standard Advertising Services, charge Advertiser's Card or cause payment to be made through ACH for the upcoming Campaign Period when 75% of the Campaign Media for the current Campaign Period has been exhausted, and in the case of other products and services, ReachLocal may charge Advertiser's Card or cause payment to be made by ACH within seven (7) days prior to the expiration of the applicable Campaign Cycle. Advertiser understands and acknowledges that all amounts owed must be paid in advance of each Campaign Cycle and that, in addition to being in breach of its contractual obligations, Advertiser's Campaign may be paused or terminated if timely payment is not made. If Advertiser has authorized payment by Credit Card or ACH, such authorization permits ReachLocal to recover any Promotional Credits (as set forth above) and collect any Cancellation Fees (as defined below) in the authorized manner.

#### Term/Termination.

(a) Term. The initial term of the Agreement shall be the Campaign Period set forth on the IO, as adjusted consistent with Section 3 above.

- (b) Termination by ReachLocal. ReachLocal may terminate this Agreement and any Campaign immediately without notice and without cause.
- (c) Termination by Advertiser for Cause. Advertiser may terminate this Agreement on thirty-one (31) days prior written notice (the "Notice Period") if ReachLocal is in material breach of its obligations hereunder and such breach has not been materially cured by the conclusion of the Notice Period.
- (d) Termination by Mutual Agreement. If Advertiser and ReachLocal agree to early termination of a Campaign, Advertiser shall be obligated to pay a cancellation fee (the "Cancellation Fee") of one full Cycle Payment. ReachLocal may charge Advertiser's Card or shall be permitted to cause payment to be made through ACH. No termination under this section shall take effect until the Cancellation Fee has been paid, meaning that ReachLocal may continue the Campaign, and Advertiser shall continue to be obligated to pay for the Campaign.
- (e) Campaign Pauses. Advertiser may request a pause in a Campaign. However, it shall be in ReachLocal's sole discretion to determine if a Campaign pause is appropriate. If a Campaign is paused for more than 30 days, Advertiser will have to pay an additional Campaign Set-Up Fee to restart the Campaign.
- No Refunds. Advertiser understands and agrees that Advertiser will not be entitled to any refunds of amounts already paid to ReachLocal, unless Advertiser terminates under Section 6(c), in which case Advertiser shall only be entitled to a refund for the unspent balance of the then applicable Cycle Payment, which shall be Advertiser's sole remedy.
- (g) Collection of Amounts Owed. Any amounts not paid by Advertiser when due shall bear interest at the rate of 1.5% per month (or the highest rate permitted by law, if less). Advertiser agrees to pay all costs of collection (including attorneys' fees and costs and all other legal and collection expenses) incurred by ReachLocal in connection with its enforcement of its rights under the Agreement.
- (h) Effect of Termination; Survival. Advertiser understands and acknowledges that due to the nature of the Internet, certain information regarding Advertiser that was posted on the Internet as part of the Advertising Services, including, for instance, the Local Profile, may continue to be available from the Internet following termination of any Advertising Services and/or this Agreement. All provisions of this Agreement that by their sense or nature should survive termination of this Agreement (including, without limitation, all limits of liability, indemnity obligations, and confidentiality obligations) shall so survive. Without limiting the generality of the foregoing, in the event of any termination, Advertiser shall remain liable for any amounts due to ReachLocal as of the effective date of termination.

### ReachLocal Platform.

- (a) Advertiser Data. As part of the Campaign initiation process and from time to time during the Campaign, Advertiser shall provide certain information to ReachLocal, which ReachLocal will input into its proprietary advertising platform (the "Platform"). Accordingly, Advertiser hereby permits ReachLocal to input Advertiser's contact information, credit card or ACH information and campaign information into the Platform. ReachLocal will only use such information in connection with the fulfillment of the Advertising Services and as otherwise permitted by the Agreement. In addition, ReachLocal may, from time to time, send Advertiser emails regarding Platform updates, Campaign updates, payment reminders, and marketing opportunities relating to ReachLocal and its commercial partners. Advertiser agrees to receive such emails.
- (b) License to Platform. Upon execution of the IO, Advertiser will be granted a revocable, non-transferable, non-exclusive, limited license to use the Platform solely for the purpose of accessing the Tracking Information. Advertiser's access shall be password protected and Advertiser agrees that it shall not share its password with third parties or otherwise provide access to the Platform to third parties. If the security of Advertiser's username(s) or password(s) is compromised in any way, or if Advertiser or its agent suspects that it may be, Advertiser shall immediately contact ReachLocal. ReachLocal is not responsible for any loss or



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damage suffered by the compromise of any password. Advertiser acknowledges and agrees that it does not have, nor will it claim any right, title or interest in the Platform, the Platform software, data, applications, methods of doing business or any elements thereof, or any content provided on the Platform. Advertiser may only access the Platform via a Web browser or in a manner otherwise approved by ReachLocal. Advertiser will not attempt in any way to reverse engineer, alter, modify, eliminate, conceal, or otherwise render inoperable or ineffective the Platform. ReachLocal may terminate the foregoing license, at any time and for any reason.

Privacy Considerations. Advertiser shall, at all times, post a privacy policy on its native web site (the "Existing Site") and comply with such privacy policy. The privacy policy shall comply with all applicable laws and shall not contain any terms that are inconsistent with, or would otherwise restrict ReachLocal from performing its obligations hereunder. In addition, to the extent that the Existing Site collects personally identifiable information, Advertiser's privacy policy must explicitly permit the collection, use and disclosure of such information through the Proxy Site. If Advertiser is purchasing ReachLocal's Remarketing product, Advertiser is obligated to ensure that its privacy policy permits the behavioral targeting contemplated by such product. ReachLocal may, but is under no obligation, to insert or otherwise make visible from the Proxy Site, links to one or both of the Marketing Policies (as described in Schedule 1). Advertiser understands and acknowledges that its failure to ensure that its privacy policy complies with the foregoing requirements may expose Advertiser to liability which shall be fully indemnified by Advertiser. Without limiting Advertiser's obligations hereunder, ReachLocal may, but is under no obligation, to require Advertiser to modify its privacy policy at any time. In the event that ReachLocal requires the Advertiser to modify its privacy policy, the Advertiser shall do so within three (3) days of notice.

#### 9. Advertising Content/Keywords.

- (a) Ad Content. Advertiser will deliver all content required for any Ad to ReachLocal. If such content does not conform to ReachLocal's or any Publisher's specifications, then ReachLocal or the Publisher may, in its sole discretion, modify or reject such Ad to meet Publisher or other technical requirements or to address Campaign performance issues. If rejected, ReachLocal will then refund any applicable amounts paid in advance. Advertiser acknowledges that it may be limited in its ability to make further modifications to its Ads after they have been delivered to ReachLocal. The acceptance of an Ad does not constitute approval or endorsement of the Ad by ReachLocal or by any Publisher, for purposes of this Agreement or otherwise.
- (b) ReachLocal Creative Services. Except as may be otherwise provided in any of the Product Terms, if Advertiser requests that ReachLocal create an Ad or provide other creative services, Advertiser will remain fully responsible for ensuring that the content is complete, accurate, is non-infringing and complies with applicable law. With respect to an Ad created by ReachLocal, as between Advertiser and ReachLocal, ReachLocal shall retain ownership of the design elements of the Ad, excluding any trade name, trademark, service mark or logo of Advertiser or other proprietary elements of Advertiser that may be included within the Ad, but that predate the creation of the Ad.
- (c) **Keywords**. With respect to ReachSearch, ReachLocal shall have discretion to select the individual words or phrases ("Keywords") to be used in connection with the Campaign. Advertiser may also request the use of certain Keywords. While ReachLocal will use reasonable efforts to use these Keywords, ReachLocal makes no guarantees that all such Keywords will be used. To the extent that ReachLocal uses Keywords of its choosing, it shall be under no obligation to disclose such Keywords to Advertiser. To the extent that Advertiser elects to use Keywords that include the names of its competitors or trademarked terms ("Competitor Keywords"), *Advertiser does so at its own risk and acknowledges and agrees that it bears all liability associated with such action*. Without limiting the foregoing, Advertiser further acknowledges that ReachLocal may, at any time and in its sole discretion, remove Competitor Keywords, but will not have the obligation to do so.

- ReachLocal and the Publishers a non-exclusive, royalty-free, worldwide license to use, copy, modify (as permitted herein), publicly perform, display, broadcast and transmit (a) any Ad delivered hereunder in accordance with the terms of the Agreement and (b) the Existing Site, including but not limited to any trademarks, to the extent necessary for ReachLocal to perform the Services. Except as set forth in Section 9(b) above, title to and ownership of all intellectual property rights of all Ads and associated Advertiser intellectual property shall remain with Advertiser or its third party licensors. In addition, Advertiser agrees that ReachLocal may, during the Campaign Period and thereafter, include Advertiser's name (including any trade name, trademark, service mark and logo) and any Ad provided hereunder in Advertiser's Local Profile, on ReachLocal's customer list, and in its marketing materials, sales presentations and the ReachLocal Properties.
- 11. Advertiser Representations, Warranties and Covenants. Advertiser is solely responsible for any liability arising out of or relating to the Existing Site, any Ad or any content provided by Advertiser hereunder and any material to which users can link through such Ad ("Linked Content"). Advertiser represents, warrants and covenants that the Existing Site, the Ads and Linked Content, and any portion thereof, do not and will not: (a) infringe on any third party's copyright, patent, trademark, trade secret, moral right or other proprietary rights or right of publicity or privacy; (b) violate any law, statute, ordinance or regulation, including, without limitation, laws and regulations governing export control, false advertising or unfair competition; (c) be defamatory or libelous; (d) be pornographic or obscene; or (e) contain viruses, trojan horses, worms, time bombs, cancelbots or other similar harmful or deleterious programming routines. Advertiser further represents, warrants and covenants that the product or service that is being (or will be) promoted through any Campaign including any Ad and Linked Content is (x) lawful and (y) not the subject of any ongoing investigation by any local, provincial or federal regulatory or quasi-regulatory authorities.
- 12. *Indemnification*. Advertiser will indemnify, defend (with counsel reasonably acceptable to ReachLocal) and hold harmless ReachLocal, the Publishers, their subsidiaries, affiliates and parent companies and each of their respective directors, officers, agents and employees and each of their successors and assigns from and against any and all claims, liabilities, damages, losses, costs, expenses, fees of any kind (including without limitation reasonable attorneys' fees and expenses) incurred in connection with any claim, action or proceeding arising from or relating to: (i) any breach by Advertiser of any representation, warranty, covenant or other obligation contained in these Advertiser Terms or in any of the Product Terms; (ii) the violation of any rights of any third party, including intellectual property, privacy, publicity, moral or other proprietary rights by Advertiser or anyone using Advertiser's account; (iii) the sale, license or provision of Advertiser's goods or services; (iv) Advertiser's use of Competitive Keywords; (v) ReachLocal's provision of the Tracking Services, including without limitation alleged violations of federal or provincial privacy and related laws and regulations; or (vi) any other act, omission or misrepresentation by Advertiser. ReachLocal reserves the right, at its own expense, to assume the exclusive defense and control of any matter otherwise subject to indemnification by Advertiser. If ReachLocal does assume the defense of such a matter, Advertiser will reasonably cooperate with ReachLocal in such defense. Advertiser will not enter into any settlement or compromise of any such claim, which settlement or compromise would result in any liability to, or any admission of wrongdoing by, any indemnified person or entity, without ReachLocal's prior written consent.
- 13. **Agency**. Advertiser represents and warrants that, in the event it is purchasing advertising on behalf of another company, it has been authorized by each such company to act as its agent in all respects relating to this Agreement, including, without limitation, the making of any elections or giving of any consents. Without limiting the generality of the foregoing, Advertiser agrees on behalf of each such company that such company has been made aware of, and agrees to be bound by, these Advertising Terms. Advertiser and each such company shall be jointly and severally liable for fulfillment of Advertiser's obligations under this Agreement, including all payment obligations.
- 14. **Confidentiality**. Except as may be required by applicable law, Advertiser shall not disclose the contents of this Agreement to any third party (other than its employees and representatives who are made aware of and agree to this restriction) without ReachLocal's prior written consent. Except as otherwise



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expressly herein permitted, no party may issue a press release concerning the existence or terms of this Agreement without the prior written consent of the other party. In addition, except as may be required by applicable law, Advertiser may not disclose any Confidential Information regarding ReachLocal. "Confidential Information" means information about ReachLocal's (or its suppliers') business, products, technologies (including the Platform), strategies, financial information, operations or activities that is proprietary and confidential, including without limitation all business, financial, technical and other information disclosed by ReachLocal. Confidential Information will not include information that Advertiser can establish is in or enters the public domain without breach of this Agreement.

15. **DISCLAIMER OF WARRANTIES.** REACHLOCAL PROVIDES THE PLATFORM AND ALL ADVERTISING SERVICES PERFORMED HEREUNDER ON AN "AS IS" AND "AS AVAILABLE" BASIS, WITHOUT ANY WARRANTY OF ANY KIND AND WITHOUT ANY GUARANTEE OF CONTINUOUS OR UNINTERRUPTED DISPLAY OR DISTRIBUTION OF ANY AD OR OTHER ADVERTISING PRODUCTS OR SERVICES. IN THE EVENT OF INTERRUPTION OF DISPLAY OR DISTRIBUTION OF ANY AD OR OTHER ADVERTISING PRODUCTS OR SERVICES, REACHLOCAL'S SOLE OBLIGATION WILL BE TO RESTORE SERVICE AS SOON AS PRACTICABLE. REACHLOCAL DISCLAIMS ALL WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND IMPLIED WARRANTIES ARISING FROM COURSE OF DEALING OR COURSE OF PERFORMANCE. REACHLOCAL WILL HAVE NO LIABILITY FOR ANY: (i) ERRORS, MISTAKES, OR INACCURACIES OF CONTENT OR INFORMATION; (ii) CLAIMS RELATING TO BREACH OF INTELLECTUAL PROPERTY LAWS OR DEFAMATION; (iii) PERSONAL INJURY OR PROPERTY DAMAGE RESULTING FROM ADVERTISER'S ACCESS TO OR USE OF THE REACHCAST OFFERINGS; (iv) UNAUTHORIZED ACCESS TO OR USE OF REACHLOCAL'S SERVERS OR OF ANY PERSONAL OR FINANCIAL INFORMATION; (v) INTERRUPTION OF TRANSMISSION TO OR FROM THE REACHLOCAL SERVICES; (vi) BUGS, VIRUSES, TROJAN HORSES, OR THE LIKE WHICH MAY BE TRANSMITTED ON OR THROUGH THE REACHLOCAL SERVICES BY ANY THIRD PARTY; (vii) LOSS OR DAMAGE OF ANY KIND INCURRED AS A RESULT OF THE USE OF ANY CONTENT POSTED, E-MAILED, TRANSMITTED, OR OTHERWISE MADE AVAILABLE ON OR THROUGH THE REACHLOCAL SERVICES; OR (viii) MATTERS BEYOND ITS OR THEIR REASONABLE CONTROL. REACHLOCAL DOES NOT WARRANT, ENDORSE, GUARANTEE, OR ASSUME RESPONSIBILITY FOR ANY PRODUCT OR SERVICE ADVERTISED OR OFFERED BY A THIRD PARTY ON OR THROUGH THE REACHCAST OFFERINGS OR ANY LINKED WEB SITE.

NO ADVICE OR INFORMATION, WHETHER ORAL OR WRITTEN, OBTAINED BY ADVERTISER FROM REACHLOCAL OR THROUGH THE REACHLOCAL SERVICES WILL CREATE ANY WARRANTY NOT EXPRESSLY MADE IN THESE REACHCAST TERMS.

Without limiting the generality of the foregoing, ReachLocal makes no guarantees with respect to the performance or placement of any Ad or Campaign.

#### 16. LIMITATIONS OF LIABILITY.

- (a) NO CONSEQUENTIAL DAMAGES. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER PARTY SHALL BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, FOR BREACH OF CONTRACT OR WARRANTY. NEGLIGENCE OR STRICT LIABILITY), OR FOR INTERRUPTED COMMUNICATIONS, LOSS OF USE, LOST BUSINESS, LOST DATA OR LOST PROFITS (EVEN IF SUCH PARTY WAS ADVISED OF THE POSSIBILITY OF ANY OF THE FOREGOING), ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT. THE FOREGOING EXCLUSION OF LIABILITY WILL NOT APPLY TO (I) ADVERTISER'S INDEMNIFICATION OBLIGATIONS, INCLUDING ANY AMOUNTS PAYABLE IN CONNECTION THEREWITH; (II) TO ADVERTISER'S CONFIDENTIALITY OBLIGATIONS AND (III) ADVERTISER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.
- (b) LIMITATION ON DAMAGES. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, UNDER NO CIRCUMSTANCES SHALL REACHLOCAL'S CUMULATIVE, AGGREGATE LIABILITY TO ADVERTISER OR ANY THIRD PARTY EXCEED THE AMOUNTS RECEIVED BY REACHLOCAL HEREUNDER DURING THE 12-MONTH PERIOD IMMEDIATELY PRIOR TO THE INCIDENT GIVING RISE TO SUCH LIABILITY. IN LIEU OF REFUND, REACHLOCAL SHALL BE PERMITTED, IN ITS SOLE

DISCRETION, TO CAUSE THE PLACEMENT OF "MAKE-GOOD" ADVERTISING, PROVIDED SUCH "MAKE-GOOD" ADVERTISING IS PROVIDED WITHIN A REASONABLE PERIOD OF TIME AFTER THE LIABILITY HAS ACCRUED.

Some jurisdictions do not allow the exclusion of certain warranties or the limitation or exclusion of liability for incidental or consequential damages. Accordingly, some of the above limitations and disclaimers may not apply to Advertiser. To the extent ReachLocal may not, as a matter of applicable law, disclaim any implied warranty or limit its liabilities, the scope and duration of such warranty and the extent of ReachLocal's liability will be the minimum permitted under such law.

- (c) Timing of Claims. Advertiser agrees that, regardless of any statute or law to the contrary, any claim or cause of action arising out of or related to this Agreement must be filed within one year after such claim or cause of action arose or be forever barred.
- (d) Acknowledgement. Each party acknowledges that the other party has entered into this Agreement in reliance upon the limitations of liability set forth herein and that the same is an essential basis of the bargain between the parties.
- 17. Third Party Beneficiaries. Advertiser understands and acknowledges that the Publishers are intended third party beneficiaries of Sections 8, 10, 11, 12 and 16.

#### 18. Miscellaneous.

- (a) Governing Law/Venue. This Agreement will be governed and construed in accordance with the laws of the Province of Ontario without giving effect to conflict of laws principles. Advertiser agrees to submit to jurisdiction in Ontario and further agrees that any cause of action arising under this Agreement must be brought exclusively in a court in the courts of Ontario, Canada.
- (b) Entire Agreement/Amendment. This Agreement (which includes the IO, Schedule 1, all applicable Product Terms and any payment authorization forms) sets forth the entire agreement of the parties and supersedes any and all prior oral or written agreements or understandings between the parties as to the subject matter hereof. It may be changed only by a writing signed by both parties.
- (c) Notices. Any written notices to ReachLocal required under this Agreement shall be provided by registered mail with proof of delivery to ReachLocal's then current corporate headquarters address (as shown on www.reachlocal.com), Attn: General Counsel and by email to notices@reachlocal.com. Notices shall be deemed delivered 72 hours after posted in the mail.
- (d) Severability. If any provision of this Agreement is held to be invalid or unenforceable for any reason, the remaining provisions will continue in full force without being impaired or invalidated in any way.
- (e) Assignment. Advertiser may not assign this Agreement without the prior written consent of ReachLocal. The parties' rights and obligations will bind and inure to the benefit of their respective successors, heirs, executors and joint administrators and permitted assigns.
- (f) Independent Contractors. The parties to this Agreement are independent contractors, and no agency, partnership, joint venture or employeeemployer relationship is intended or created by this Agreement.
- (g) Force Majeure. Neither party shall have any liability for any failure or delay (other than with respect to payment obligations) resulting from any governmental action, fire, flood, insurrection, earthquake, power failure, riot, explosion, embargo, strikes whether legal or illegal, labor or material shortage, transportation interruption of any kind, work slowdown or any other condition affecting production or delivery in any manner beyond the reasonable control of such party.



ReachLocal Canada, Inc.

Schedule 1 To

Advertising Services Terms & Conditions Tracking Services
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IMPORTANT: THESE SPECIAL TERMS PERTAINING TO TRACKING SERVICES, INCLUDING TOTALTRACK®, (THE "TRACKING TERMS") ARE REFERRED TO IN THE REACHLOCAL, INC. ("REACHLOCAL" OR "WE") ADVERTISING SERVICES TERMS AND CONDITIONS, AS SAME MAY BE AMENDED, MODIFIED OR RESTATED FROM TIME TO TIME (THE "ADVERTISING TERMS") AND ARE INCORPORATED THEREIN. PLEASE READ THIS AGREEMENT CAREFULLY.

YOUR EXECUTION OF AN INSERTION ORDER ("IO") FOR ADVERTISING SERVICES CONSTITUTES YOUR AGEEMENT TO BE BOUND BY THESE TRACKING TERMS.

WE RESERVE THE RIGHT TO MAKE CHANGES TO THESE TRACKING TERMS AT ANY TIME. WE SHALL PROVIDE NOTIFICATION OF CHANGES IN THESE TERMS BY UPDATING THE LAST MODIFIED DATE SET FORTH ABOVE. ALL SUCH CHANGES SHALL BE BINDING UPON YOU ONCE POSTED ON

http://www.reachlocal.ca/register/terms\_advertising\_rl.php.

#### Defined Terms.

- (a) Destination Page: refers to the Web page to which the consumer will be directed to as part of the Campaign, either Advertiser's Existing Site or a Standard Offer Page.
- (b) Destination Page Tracking: refers to the tracking of visits to the Destination Page.
- (c) eMail Tracking: refers to the tracking of emails sent to Advertiser through the Proxy Site, as defined below (the "Proxy eMails"), which is accomplished by dynamic substitution of Advertiser's e-mail address(es) on the Destination Page with online e-mail form(s). Advertiser acknowledges that the Proxy eMails are routed through ReachLocal's servers and forwarded to email addresses provided by Advertiser. For purposes of quality assurance and Campaign assessment, ReachLocal may access and review all Proxy eMails. ReachLocal will use commercially reasonable efforts to deliver all Proxy eMails but cannot guarantee that 100% of the Proxy eMails will be delivered to Advertiser.
- (d) Offer Page Tracking: refers to the tracking of online promotional offers, which may require consumers to provide registration information. Advertiser is responsible for providing the terms and conditions and the privacy policy governing the offer page.
- (e) Phone Tracking: refers to the tracking by ReachLocal of phone calls received by Advertiser, which is accomplished by ReachLocal or its third party provider providing up to two tracking phone number(s) (each, a "Tracking Number") that will be dynamically displayed on the Destination Page in lieu of Advertiser's phone number(s) and that will forward to Advertiser's phone number(s). Advertiser acknowledges that it does not own and will not, as the result of this Agreement, obtain any ownership interest in the Tracking Numbers.
  - (f) Proxy Site: refers to a proxied version of the Existing Site,
- (g) Standard Offer Page: refers to a web page which ReachLocal may provide to an Advertiser that does not already have its own site. The Standard Offer Page will consist of a basic Web page with information provided by Advertiser located at a url owned by ReachLocal. Advertiser agrees that ReachLocal may restrict the ability of Advertiser to modify or request modifications to Advertiser's Standard Offer Page once the Campaign has commenced. Upon the conclusion of the Campaign Period, ReachLocal retains ownership of Advertiser's Standard Offer Page.
- (h) Tracking Services: refers to any or all of: Destination Page Tracking, Offer Page Tracking, eMail Tracking, Web Event Tracking or PhoneTracking.
- (i) Web Event Tracking: refers to the tracking of specific events on Advertiser's site (e.g., number of visits to a contact page). Terms not defined herein shall have the meaning set forth in the Advertising Terms.

- 2. **Tracking Services.** For the Standard Advertising Services, ReachLocal shall provide such of the Tracking Services, as it deems appropriate, in its sole discretion, to enable Advertiser to assess the performance of any Campaign. For TotalTrack®, ReachLocal shall provide any of the three options, as set forth on the IO: (i) Web Tracking, which shall include Offer Page Tracking, Destination Page Tracking, Web Event Tracking and eMail Tracking; (ii) Phone Tracking; or (iii) Web Tracking and Phone Tracking which shall include both (i) and (ii).
- (a) **Tracking Services Data Retention**. Advertiser acknowledges that ReachLocal is not obligated to keep and maintain any data obtained as the result of the Tracking Services for more than 30 days after the collection of any such data (including Call Recordings (as defined below) and Proxy eMails).
- (b) *Implementation of Tracking Services*. In order to implement the Tracking Services, Advertiser hereby permits ReachLocal to deploy a "Proxy Site". In connection with the implementation of the Proxy Site, ReachLocal may, but is not obligated to, do any or all of the following:
- i. Deploy click tracking code to track the pages that users may access as a result of the Campaign. ReachLocal or its Publishers may place cookies or similar online tools on the Proxy Site to (A) effect the foregoing Tracking Services and to ensure the proper operation of the Proxy Site, (B) provide for Ad tracking (to enable ReachLocal to determine effectiveness of advertising, when applicable), and (C) enable ReachLocal or its Publishers to show a consumer Ads of Advertiser as the consumer navigates to third party Web sites. Advertiser acknowledges that such cookies may be used for the benefits of both Advertiser and for third parties.
- ii. On the Proxy Site, insert or otherwise display a link in appropriate places on the Proxy Site, advising consumers of certain privacy matters that may be relevant to the Proxy Site. Such links may be to the ReachLocal Notice of Marketing Practices which can be found at <a href="http://www.reachlocal.ca/register/noticeofmarketingpractices.php">http://www.reachlocal.ca/register/noticeofmarketingpractices.php</a> or it or it may be to the Special Notice of Marketing Practices at <a href="http://www.reachlocal.ca/register/specialnoticeofmarketingpractices.php">http://www.reachlocal.ca/register/specialnoticeofmarketingpractices.php</a> (collectively referred to herein as the "Marketing Policies.") While ReachLocal will make reasonable efforts to ensure that the display of the link does not obscure the Proxy Site, Advertiser acknowledges and agrees that such obscuring of the site may be unavoidable. Advertiser shall comply with all terms and conditions contained in the Marketing Policies.
- iii. In connection with ReachSearch Campaigns, implement Keyword highlighting, which would highlight, on the Proxy Site, the search terms used by the consumer to locate the site.
- iv. Make other aesthetic or functional changes to the Proxy Site so as to enhance the performance of the Campaign.
- (c) **Proxy URL; Disclaimer.** Advertiser understands that, in order forReachLocal to provide the functionality necessary to implement the Tracking Services, the url for the Proxy Site (the "Proxy URL") will be different than the url for the Existing Site. The Proxy URL shall be the property of ReachLocal and it shall be disabled upon termination. Advertiser acknowledges that, because the functionality and appearance of the Proxy Site will be substantially similar to the Existing Site (except with respect to the changes contemplated by these Advertising Terms), **ReachLocal disclaims any liability arising from the design, content or functionality of the Proxy Site**.
- (d) Notice of Changes to Existing Site. Advertiser hereby acknowledges that changes to the Existing Site (including any tracked phone numbers or email addresses) will result in the failure of the Tracking Services. Therefore, to avoid disrupting the Tracking Services, Advertiser shall provide ReachLocal with at least ten (10) business days' prior written notice of any changes to the Existing Site (including any url changes). ReachLocal will not be responsible for any failure of the Tracking Services resulting from Advertiser's failure to provide timely notice of changes to the Existing Site and any such failure will not excuse Advertiser's obligations to pay all

ReachLocal Canada, Inc. **Schedule 1 To** 

## Advertising Services Terms & Conditions Tracking Services

Last Modified: May 31, 2011

amounts owed under any applicable IO.

- (e) *Tracking Services Disclaimer*. ReachLocal cannot and does not guarantee that any of the Tracking Services will track every instance of activity that is intended to be tracked. Without limiting the generality of the foregoing, the Tracking Services may not fully function in the following circumstances, among others:
  - i. If the Existing Site significantly uses Flash or embedded images;
  - ii. When the consumer has disabled the use of cookies; or
  - iii. When Advertiser has used the incorrect tracking url.

#### Special Terms for Phone Tracking.

- (a) **Provisioning Tracking Numbers**. Advertiser acknowledges that, for local Advertiser phone numbers, ReachLocal will first try to provision a local Tracking Number and then a number in the same area code as Advertiser, but, in the event such Tracking Numbers are not available, Advertiser hereby gives ReachLocal permission to provision a toll-free Tracking Number instead.
- (b) Advertiser's Options. At Advertiser's option, as reflected on the IO, Phone Tracking, may include the following features (collectively the "Call Tracking Features"): Call Recording (where a recording is made of inbound phone calls attributable to the Campaign) and Caller ID (where the phone number of the caller is used to look-up their name and address). By electing the Call Tracking Features, Advertiser represents, warrants and covenants that it has and will have all necessary rights to implement such tracking features. Advertiser acknowledges that ReachLocal disclaims any and all liability that may arise as the result of the implementation of any of the Call Tracking Features.
- (c) Call Recording Specifics. In connection with Call Recording,
  Advertiser understands that an initial recording shall be played to consumers at
  the outset of calls to Advertiser, which shall, among other things, notify the
  consumer that the call is being recorded. In addition, Advertiser will advise its
  employees that its calls may be recorded. All such recordings and notifications
  shall comply with relevant and applicable laws, regulations and practices.
  Advertiser understands and agrees that any attempts to disrupt or prevent the
  playing of the recording or its failure to advise its employees of the recording
  may expose Advertiser to substantial liability.
- (d) *Call Review.* For purposes of quality assurance, Campaign assessment and all other lawful purposes, ReachLocal may, but is not obligated to, access and review all Call Recordings.
- (e) **Usage Limitations**. Unless otherwise agreed to by ReachLocal in writing, call minute usage shall be limited to 60 minutes of call time per Tracking Number for each Campaign Period.
- (f) *Call Blocking*. ReachLocal may, in its sole discretion, choose to block third-party phone numbers from being able to call the Tracking Phone Numbers.
- 4. **TotalTrack.** For TotalTrack, the Campaign Cycle is each 30-day period in which the services are provided during the Campaign Period, unless earlier terminated by the parties as provided herein.
- 5. **Health Considerations.** To the extent that Advertiser is in a health related field and Advertiser elects the Tracking Services, Advertiser acknowledges and agrees to the following:
- (a) Advertiser acknowledges that any Health Information collected, used or disclosed hereunder is being done so at the express request of the Advertiser and in compliance with applicable law.
  - (b) Advertiser hereby expressly authorizes ReachLocal and third party

call service providers to collect the Health Information as necessary and proper to effect the call recording services contemplated hereby and by the Advertising Terms.

- (c) Advertiser represents and warrants that it has all necessary rights to collect such information and it will use any such information collected only in strict compliance with all applicable legal requirements. Should Advertiser's rights to collect such information ever be impaired, it shall immediately notify ReachLocal in writing.
- (d) Should Advertiser ever receive a complaint from a consumer, governmental agency or quasi-governmental agency for matters arising out of or relating to this Addendum, it shall immediately notify ReachLocal in writing.
- 6. **Effect of Termination.** Upon termination of the Agreement, ReachLocal's obligation to provide the Tracking Services shall immediately terminate together with its obligations to forward to Advertiser calls to the Tracking Numbers or Proxy eMails.