

# CREDIT APPLICATION - SOLE LIABILITY



9721 Sherrill Blvd - Knoxville - TN - 37932

Company Name \_\_\_\_\_

Business Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Billing Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Billing Telephone # ( ) \_\_\_\_\_ Fax # ( ) \_\_\_\_\_ E-Mail \_\_\_\_\_

Web Address: \_\_\_\_\_

Electronic Invoicing? \_\_\_\_\_ EDI Provider \_\_\_\_\_ EDI Identifier \_\_\_\_\_

**Structure:** Corporation                      LLC                      Partnership                      Sole Proprietorship

**Type:** Agency                      Advertiser                      Media Buying Svc.                      In-House Agency

Date of Incorporation or Founding \_\_\_\_\_ State \_\_\_\_\_ Federal ID# \_\_\_\_\_

**Principal Owners, Officers and Partners:** (Attach separate sheet with additional information, if necessary)

Name \_\_\_\_\_ Title \_\_\_\_\_ SS# \_\_\_\_\_

Home Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Name \_\_\_\_\_ Title \_\_\_\_\_ SS# \_\_\_\_\_

Home Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

**Trade References (Media References Preferred)**

1. Name \_\_\_\_\_ Telephone # ( ) \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

2. Name \_\_\_\_\_ Telephone # ( ) \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

3. Name \_\_\_\_\_ Telephone # ( ) \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

**Bank Reference**

Name \_\_\_\_\_ Telephone # ( ) \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Account Number \_\_\_\_\_

IN CONSIDERATION for providing advertising services, production services, or other related services by Scripps Networks Interactive ("SNI") now and/or in the future, the undersigned Applicant agrees and shall be governed by the following: Terms of Payment - Net 30 Days from date of invoice and if credit is approved SNI reserves the right to cancel credit at any time with or without notice for whatever reason. Any dispute by Applicant with any telecast, commercial announcements, and services provided by SNI or the amount charged for the same shall be reported to SNI in writing within thirty (30) days from the date of invoice relating to the same, time being of the essence. Failure to report any such dispute within such time shall constitute a waiver of any claim by Applicant with respect to such dispute. Notwithstanding to whom bills are rendered, Applicant shall remain solely obligated to pay Scripps Networks the amount of any bills rendered by SNI within the time specified and/or until payment in full is received by Scripps Networks. Payment by Advertiser to Agency and/or Service shall not constitute payment in full to SNI. Applicant agrees to pay all costs of collection, including actual out-of-pocket expenses if collected through a collection agency or attorney. The laws of the State of Tennessee shall govern all contracts entered into between Applicant and SNI and at SNI's option, venue of any action to enforce these contracts shall be in the county where Scripps Networks is located or the county where Applicant's business is located. To the extent there is a conflict between these terms and any Insertion Order and/or order letter, the terms of this Application shall control.

Applicant certifies that all information and statements herein are true and correct and are made for the purpose of obtaining credit and all officers, owners or employees are authorized to purchase advertising. Scripps Networks is hereby authorized to verify any and all statements and information through any source available to them.

Applicant's Signature \_\_\_\_\_ Applicant's Title \_\_\_\_\_  
(officer of company)

Applicant's Printed Name \_\_\_\_\_ Date \_\_\_\_\_



## **Scripps Networks Interactive Credit Approval Policy and Process**

- **Liability Scenarios**

In the media industry, there are two common financial liability scenarios; one is “**joint-and-several**” liability and the other is “**sequential**” liability.

- **Joint and Several Liability**

Under joint-and-several liability, all parties (*typically the billing agency and the advertiser, but sometimes a buying agency is part of the process*) are jointly liable for payment until such time as the network is paid in full. Under joint-and-several liability, if any one of the parties defaults, the others remain liable. For instance, if the advertiser defaults in payment, the agency would remain liable; likewise, if the advertiser pays the agency but the agency defaults in payment to the network, the advertiser remains liable for payment to the network. For our on-air networks, if the agency is not inclined to engage under joint-and-several liability, the alternative would be for their advertiser to apply for credit with Scripps under sole-liability.

- **Sole Liability**

Under sole-liability, the applicant is solely liable for payment until such time that the network is paid in full for any advertising placed by or on behalf of the advertiser. Payment to any party other than the network (such as their agency) does not relieve the applicant of their financial obligation.

- **Sequential Liability**

Under sequential liability the financial liability moves in sequence from the primary liable party on to any successive party that receives payment before final payment is tendered to the network. Each entity in the chain of custody of payment is sequentially liable as soon as monies are transferred to their control. Under sequential liability, the advertiser is the sole liable party until they make payment to the agency; once the payment is received at the agency, the advertiser is no longer liable and the liability is transferred to the agency.

- **Perspective**

For our on-air networks, Scripps’ credit policy allows us to approve credit terms only under joint-and-several or sole liability. For SNI digital, sequential liability is allowed, but only as a last recourse after first attempting to arrange credit terms under joint-and-several or sole liability.

- **Credit Approval Process**

- Joint-and-Several

- Credit approval under joint-and-several liability requires that the applicant (advertising agency) submit a completed and signed Scripps Networks joint-and-several application for credit. We will not process applications submitted in any alternate format.
    - Since the *agency* is the credit applicant, we also require that the agency provide a copy of their AOR (agency of record) letter for any advertiser the agency is placing a buy on behalf of. An agency of record letter is written confirmation from the advertiser that the agency has been assigned as the agency of record for the advertiser and effectively binds the advertiser with the agency under joint-and-several liability.

- Sole Liability

- Credit approval under sole-liability requires that the applicant (advertiser) submit a completed and signed Scripps Networks sole-liability application for credit. As with all requests for credit, we will not process applications submitted in any alternate format.

- Sequential Liability

- Credit approval under sequential-liability requires that both the agency and advertiser submit separate completed and signed Scripps Networks sole-liability applications for credit. An application for credit from both entities is necessary because under sequential liability the financial obligation passes from one entity to the other during the course of payment.

- **Credit Application Documents and Processing**

- Credit Approval

- Scripps' credit applications are available for download online on the Finance Department's page on insideSNI. Clicking on the following link will bring you straight to the Finance page:  
<https://www.insidesni.com/company/departments/Finance/Pages/default.aspx>
    - The credit approval process generally takes 3 to 5 business days. The processing time is dependent on a timely response from the applicant's trade and banking references to our inquiries regarding the applicant's credit history. If insufficient information is provided by the creditors, or if the trade references simply do not reply, we may require that the applicant provide additional trade references or other pertinent financial information such as financial statements.