

**QMULI LIMITED STANDARD TERMS AND CONDITIONS
FOR SUPPLY OF THE AD.HOC SERVICE**

1 DEFINITIONS

In this document the following words shall have the following meanings:

- 1.1 "Agreement" means these Terms and Conditions together with the terms of any applicable Service Specification;
- 1.2 "Customer" means the organisation or person who purchases the Ad.hoc Service from the Supplier;
- 1.3 "Intellectual Property Rights" means all patents, registered and unregistered designs, copyright, trade marks, know-how and all other forms of intellectual property wherever in the world enforceable;
- 1.4 "Service Specification" means a statement of work, quotation or other similar document describing the services to be provided by the Supplier;
- 1.5 "Supplier" means Qmuli Limited of Studio 12, 21 Wren Street, London, WC1X 0HF registered in England & Wales, no. 06029892, with registered address: 2nd Floor, 85 Frampton Street, London, NW8 8NQ.
- 1.6 "Ad.hoc Service" means any pre-press services provided by the Supplier to the Customer, with the details of such services being defined within the Ad.hoc Service Fee sub-section (see paragraph 3.3).

2 GENERAL

- 2.1 These Terms and Conditions shall apply to all contracts for the supply of the Ad.hoc Service, see paragraph 1.6, by the Supplier to the Customer.
- 2.2 The act of submitting information and a file using the Ad.hoc upload process, within the <http://www.qmuli.com> website, or by supplying a file via FTP or email to the Supplier with the intention of utilising the Ad.hoc Service, constitutes a contract for the supply of services by the Supplier to the Customer and acceptance by the Customer of the defined prices for the provision of such services.
- 2.3 The Supplier shall use all reasonable endeavours to complete the Ad.hoc Service within the necessary time frames but does not commit to successfully delivering advertising materials within the Publishers' required deadlines for any single insertion, and shall not be held liable for missing any such insertion deadline.

3 FEES AND PAYMENT

- 3.1 The fees for the performance of the services are as set out in the Ad.hoc Service Fee sub-section (see paragraph 3.3). The fees to be charged for each individual Ad.hoc Service request will be supplied to the Customer by the Supplier via email, prior to, or as part of, the insertion file approval process. The Customer will automatically be deemed to have accepted these fees, unless the Customer specifically challenges those fees prior to insertion file approval. The Supplier shall invoice the Customer for all the Ad.hoc Services provided within any calendar month at the end of that month.
- 3.2 Invoiced amounts shall be due and payable within 30 days of receipt of invoice. The Supplier shall be entitled to charge interest on overdue invoices from the date when payment becomes due from day to day until the date of payment at a rate of 8% per annum above the base rate of the Bank of England. In the event that the Customer's

procedures require that an invoice be submitted against a purchase order to payment, the Customer shall be responsible for issuing such purchase order before the services are rendered.

3.3 The Ad.hoc Service Fee structure is as follows:

3.3.1 The core service, of accepting a PDF file from the Customer and, for each file performing size checking, flight checking, basic file fixing, colour optimisation, customer approval management, file delivery, and file delivery confirmation provision falls under one of the three following charges:

3.3.1.1 Ad.hoc Standard: for any file that can be delivered directly from within Qmul's internal delivery systems. These include:

Daily Mail, Mail on Sunday and Evening Standard newspapers and supplements; Financial Times newspaper and supplements; Daily Telegraph and Sunday Telegraph newspapers and supplements; all UK regional newspapers and supplements; most UK magazines.

The 'Ad.hoc Standard' charge is £30.00.

3.3.1.2 Ad.hoc Plus: for any file that requires delivery to a non-UK publication or to a UK publisher via a third party system (or publisher web portal) that has no significant additional charge. These include:

All non-UK publications not included within 2.3.1.3; Daily Mirror and Sunday Mirror newspapers and supplements; Guardian and Observer newspapers and supplements; Times, Sunday Times, Sun and News of the World newspapers and supplements; some Independent and Independent on Sunday supplements; National Magazines publications.

The 'Ad.hoc Plus' charge is £40.00.

3.3.1.3 Ad.hoc Gatekeeper: for any file to a publication that requires delivery via a third party system (or publisher web portal) that have a significant additional 'gatekeeper' or third party charge. These include:

Daily Express, Sunday Express, Daily Star and Sunday Star newspapers and supplements; Independent and Independent on Sunday newspapers and some supplements; some Irish newspapers and supplements.

The 'Ad.hoc Gatekeeper' charge is £50.00 plus the 'gatekeeper' charge, passed on at cost.

3.3.2 In addition to the three core charges outlined above there will be an additional 'rush' charge for any file submitted within 2 hours of the published copy deadline for that insertion, or after 4:00 pm (UK time) for any file required to be delivered the same working day.

The 'rush' charge is £15.00.

3.3.3 There are a number of additional possible services that the Customer may require, in addition to the core services. They are as follows:

3.3.3.1 Repeat Insertion: the requirement by the Customer for the Supplier to inform the Publisher that a previously supplied file is to be repeated 'as is' for one or more further insertion dates. The service includes

the provision of confirmation by the Supplier to the Customer that the publisher has received the repeat insertion instructions.

The Repeat Insertion charge is £5.00.

- 3.3.3.2 Repeat Insertion Re-supply: the requirement by the Customer for the Supplier to inform the Publisher that a previously supplied file is to be repeated 'as is' for one or more further insertion dates, and where the Publisher requires the insertion file to be re-supplied as part of the repeat insertion instruction. The service includes the provision of confirmation by the Supplier to the Customer that the publisher has received the repeat insertion file and instructions. If the re-provision of the insertion file will incur any significant 'gatekeeper' or third party costs these will be added at cost. The Supplier will communicate these additional costs to the Customer by email prior to provision of the service.

The Repeat Insertion Re-supply charge is £15.00 plus any significant third party or 'gatekeeper' charges.

- 3.3.3.3 Image enhancement: the requirement by the Customer for the Supplier to adjust the colour or other components of the image in order to deliver an improved production quality, other than that provided via the standard Ad.hoc colour optimisation service. If this service is required, and the Customer has not requested the service, the Supplier will clearly indicate the requirement to the Customer, as well as providing an indication of the likely charge. The Customer will be required to agree to such work and charges prior to the work being undertaken.

The Image enhancement service is charged at £75.00 per hour with a minimum charge of £25.00.

- 3.3.3.4 Spec Provision: the requirement by the Customer for the Supplier to search for and provide publication ad file specification information in advance of, and to aid, the creation and provision of an insertion file to the Ad.hoc service. Such information may include size information, copy deadlines and more. There are 2 different charges for this service:

UK titles: The UK title Spec Provision charge is £5.00.

Non-UK titles: The Non-UK title Spec Provision charge is £10.00.

- 3.3.3.5 Artworking: the requirement by the Customer for the Supplier to provide artworking services such as ad file re-sizing, preparation of cross-page (spread) ad files into appropriate single page files (as dictated by the publisher) and application of correct bleed and crop mark values. If this service is required, and the Customer has not requested the service, the Supplier will clearly indicate the requirement to the Customer, as well as providing an indication of the likely charge. The Customer will be required to agree to such work and charges prior to the work being undertaken.

The Artworking service is charged at £75.00 per hour with a minimum charge of £25.00.

- 3.3.3.6 Hard copy Proof: the requirement by the Customer for the Supplier to produce a Hard copy Proof for use by the Customer as an aid to approval, or to supply to the Publication.

The Hard copy Proof charge is £20.00 per proof for up to A3 sized proofs, and £30.00 per proof for up to A2 sized proofs and price on request for sizes larger than A2.

3.3.3.7 Courier charges: any required courier deliveries, for hard copy proofs for example, will be charged in addition. Guide pricing is as follows:

Central London (Bike):	£10.00 per delivery
Central London (Car):	£15.00 per delivery
Within M25 (Bike):	£20.00 per delivery
Within M25 (Car):	£25.00 per delivery
Outside M25 (overnight delivery):	£35.00 per delivery

3.4 All the above fees are subject to VAT at the current rate.

4 CUSTOMER'S OBLIGATIONS

4.1 To enable the Supplier to perform its obligations under this Agreement the Customer shall:

4.1.1 co-operate with the Supplier;

4.1.2 provide the Supplier with any information reasonably required by the Supplier;

4.1.3 obtain all necessary permissions and consents that may be required before the commencement of the services;

4.1.4 check, and take full responsibility for, the accuracy and suitability of content, layout and colour information within the file submitted for approval by the Supplier;

4.1.5 comply with such other requirements as may be set out by the Supplier during the provision of the Ad.hoc service or otherwise agreed between the parties.

4.2 The Customer shall be liable to compensate the Supplier for any expenses incurred by the Supplier as a result of the Customer's failure to comply with Clause 4.1.

4.3 Without prejudice to any other rights to which the Supplier may be entitled, in the event that the Customer unlawfully terminates or cancels the services agreed to in the Service Specification, the Customer shall be required to pay to the Supplier as agreed damages and not as a penalty the full amount of any third party costs to which the Supplier has committed. For the avoidance of doubt, the Customer's failure to comply with any obligations under Clause 4.1 shall be deemed to be a cancellation of the services and subject to the payment of the damages set out in this Clause.

4.4 In the event that the Customer or any third party, not being a sub-contractor of the Supplier, shall omit or commit anything which prevents or delays the Supplier from undertaking or complying with any of its obligations under this Agreement, then the Supplier shall notify the Customer as soon as possible and:

4.4.1 the Supplier shall have no liability in respect of any delay to the completion of any service;

4.4.2 if applicable, the timetable for the service will be modified accordingly;

4.4.3 the Supplier shall notify the Customer at the same time if it intends to make any claim for additional costs.

5 ALTERATIONS TO THE SERVICE SPECIFICATION

- 5.1 The parties may at any time mutually agree upon and execute a new Service Specification. The Supplier shall communicate any alterations in the scope of services to be provided under this Agreement to the Customer via email, and this email communication shall outline the changed or additional services and fees and any other terms.
- 5.2 The Customer may at any time request alterations to the service required by notice in writing or email to the Supplier. On receipt of the request for alterations the Supplier shall, within 5 working days or such other period as may be agreed between the parties, advise the Customer by notice in writing or email of the effect of such alterations, if any, on the fees and any other terms already agreed between the parties.
- 5.3 Where the Supplier gives written notice to the Customer agreeing to perform any alterations on terms different to those already agreed between the parties, the Customer shall, within 5 working days of receipt of such notice or such other period as may be agreed between the parties, advise the Supplier by notice in writing whether or not it wishes the alterations to proceed.
- 5.4 Where the Supplier gives written notice to the Customer agreeing to perform alterations on terms different to those already agreed between the parties, and the Customer confirms in writing that it wishes the alterations to proceed on those terms, the specification for the service shall be amended to reflect such alterations and thereafter the Supplier shall perform this Agreement upon the basis of such amended terms.

6 WARRANTY

- 6.1 The Supplier warrants that the services performed under this Agreement shall be performed using reasonable skill and care, and of a quality conforming to generally accepted industry standards and practices.
- 6.2 Without prejudice to Clause 6.1, and except as expressly stated in this Agreement, all warranties whether express or implied, by operation of law or otherwise, are hereby excluded in relation to the services to be provided by the Supplier.

7 INDEMNIFICATION

The Customer shall indemnify the Supplier against all claims, costs and expenses which the Supplier may incur and which arise, directly or indirectly, from the Customer's breach of any of its obligations under this Agreement, including any claims brought against the Supplier alleging that any services provided by the Supplier in accordance with the Service Specification infringes a patent, copyright or trade secret or other similar right of a third party.

8 LIMITATION OF LIABILITY

- 8.1 Except in respect of death or personal injury due to negligence for which no limit applies, the entire liability of the Supplier to the Customer in respect of any claim whatsoever or breach of this Agreement, whether or not arising out of negligence, shall be limited to the fees paid by the Customer to which the claim relates.
- 8.2 In no event shall the Supplier be liable to the Customer for any loss of business, loss of opportunity or loss of profits or for any other indirect or consequential loss or damage whatsoever. This shall apply even where such a loss was reasonably foreseeable or the Supplier had been made aware of the possibility of the Customer incurring such a loss.

- 8.3 Nothing in these Terms and Conditions shall exclude or limit the Supplier's liability for death or personal injury resulting from the Supplier's negligence or that of its employees, agents or sub-contractors.

9 TERMINATION

Either party may terminate this Agreement forthwith by notice in writing to the other if:

- 9.1 the other party commits a material breach of this Agreement and, in the case of a breach capable of being remedied, fails to remedy it within 30 calendar days of being given written notice from the other party to do so;
- 9.2 the other party commits a material breach of this Agreement which cannot be remedied under any circumstances;
- 9.3 the other party passes a resolution for winding up (other than for the purpose of solvent amalgamation or reconstruction), or a court of competent jurisdiction makes an order to that effect;
- 9.4 the other party ceases to carry on its business or substantially the whole of its business; or
- 9.5 the other party is declared insolvent, or convenes a meeting of or makes or proposes to make any arrangement or composition with its creditors; or a liquidator, receiver, administrative receiver, manager, trustee or similar officer is appointed over any of its assets.

10 INTELLECTUAL PROPERTY RIGHTS

All Intellectual Property Rights produced from or arising as a result of the performance of this Agreement shall, so far as not already vested, become the absolute property of the Supplier, and the Customer shall do all that is reasonably necessary to ensure that such rights vest in the Supplier by the execution of appropriate instruments or the making of agreements with third parties.

11 FORCE MAJEURE

Neither party shall be liable for any delay or failure to perform any of its obligations if the delay or failure results from events or circumstances outside its reasonable control, including but not limited to acts of God, strikes, lock outs, accidents, war, fire, the act or omission of government, highway authorities or any telecommunications carrier, operator or administration or other competent authority, or the delay or failure in manufacture, production, or supply by third parties of equipment or services, and the party shall be entitled to a reasonable extension of its obligations after notifying the other party of the nature and extent of such events.

12 INDEPENDENT CONTRACTORS

The Supplier and the Customer are contractors independent of each other, and neither has the authority to bind the other to any third party or act in any way as the representative of the other, unless otherwise expressly agreed to in writing by both parties. The Supplier may, in addition to its own employees, engage sub-contractors to provide all or part of the services being provided to the Customer and such engagement shall not relieve the Supplier of its obligations under this Agreement.

13 ASSIGNMENT

The Customer shall not be entitled to assign its rights or obligations or delegate its duties under this Agreement without the prior written consent of the Supplier.

14 SEVERABILITY

If any provision of this Agreement is held invalid, illegal or unenforceable for any reason by any Court of competent jurisdiction such provision shall be severed and the remainder of the provisions herein shall continue in full force and effect as if this Agreement had been agreed with the invalid illegal or unenforceable provision eliminated.

15 WAIVER

The failure by either party to enforce at any time or for any period any one or more of the Terms and Conditions herein shall not be a waiver of them or of the right at any time subsequently to enforce all Terms and Conditions of this Agreement.

16 NOTICES

Any notice to be given by either party to the other may be served by email, fax, personal service or by post to the address of the other party given in the Service Specification or such other address as such party may from time to time have communicated to the other in writing, and if sent by email shall unless the contrary is proved be deemed to be received on the day it was sent, if sent by fax shall be deemed to be served on receipt of an error free transmission report, if given by letter shall be deemed to have been served at the time at which the letter was delivered personally or if sent by post shall be deemed to have been delivered in the ordinary course of post.

17 ENTIRE AGREEMENT

This Agreement contains the entire agreement between the parties relating to the subject matter and supersedes any previous agreements, arrangements, undertakings or proposals, oral or written. Unless expressly provided elsewhere in this Agreement, this Agreement may be varied only by a document signed by both parties.

18 NO THIRD PARTIES

Nothing in this Agreement is intended to, nor shall it confer any rights on a third party.

19 GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by and construed in accordance with the law of England and the parties hereby submit to the exclusive jurisdiction of the English courts.

1st February, 2011.