

SOULUTIONS IN INK LTD
STANDARD TERMS & CONDITIONS

The following Terms and Conditions constitute the entire agreement between the parties and supersede any previous agreements, warranties, representations, undertakings or understandings between the parties and may not be varied except in writing.

1. DEFINITIONS

- a. "Supplier" means the party providing the goods or services under these Terms and Conditions.
- b. "Customer" means the party contracting with the Supplier to acquire the good and services supplied under these Terms and Conditions.
- c. "Estimate Proposal" means the quotation given by the Supplier to the Customer for the Work and accepted in writing by the Customer.
- d. "Work" means all or any goods (whether by way of Intermediates, finished product or otherwise) and services supplied or to be by the Supplier to the Customer under these Terms and Conditions.
- e. "Intermediates" means all products produced during the manufacturing process including non-exhaustively discs, film, plate, intellectual property.
- f. "Preliminary Work" means all work done in the concept and preparatory stages (including non-exhaustively design, artwork, colour matching).
- g. "Electronic File" means any text, illustration or other matter supplied or produced by either Party in digitised form on disc, through a modem, or by ISDN or any other communication link.
- h. "Periodical Publications" means publications produced at (normally regular) intervals.
- i. "Insolvency" means the Customer being in a position where it is unable to pay its debts or has a winding up petition issued against it or has a receiver, administrator or administrative receiver appointed to it or being a person commits an act of bankruptcy or has a bankruptcy petition issued against him.

2. PAYMENT

- a. Estimate Proposals are based on the Supplier's current costs of production and are subject to amendment to meet any rise or fall in such costs which occur before delivery.
- b. Estimate Proposals are given exclusive of tax and the Supplier will charge and the Customer will pay any VAT or other tax payable.
- c. All Work carried out shall be charged. This includes all Preliminary Work, whether or not the Customer agrees to such Preliminary Work being taken forward to production.
- d. The Supplier will charge the Customer for any additional work required of the Supplier by reason of the Customer supplying inadequate copy, incomplete or incorrect instructions or insufficient materials or by reason of late delivery of any of the same.
- e. Invoices for Work will be raised before delivery of the Work. The Supplier, at its absolute discretion, may ask for part or full payment in advance of starting any aspect of the Work.

f. In respect of Work which has not been paid for in advance, payment will be due within 30 days from the date of invoice. If any amount remains unpaid by its due date (i) interest charges will apply in accordance with the Late Payment Commercial Debt (Interest) Act 1998 (ii) all outstanding invoices from the Customer will become due and payable immediately and will be treated as overdue items, with appropriate charges applied and all costs reasonably incurred in collecting the debt payable by the Customer and (iii) the Supplier will be entitled to terminate the contract for the Work and any other contracts outstanding between it and the Customer and to charge for work already carried out (whether completed or not) and materials purchased for the Customer.

g. Unless otherwise agreed in writing, the price of the Work will be "ex-works" the Supplier, with physical delivery to any other location being charged extra by the Supplier.

h. Should the Work be suspended or delayed by the Customer for any reason the Supplier shall be entitled to charge for storage and for loss of or wastage of resources that cannot otherwise be used.

i. Should the suspension or delay in 2(h) above extend beyond 30 days the Supplier shall be entitled to immediate payment for Work already carried out, materials specially ordered and any other additional costs.

3. CHANGES TO TERMS OF PAYMENT IN ADVANCE

The Supplier reserves the right at any time, without having to give its reasons, to require part or full payment for Work already carried out and/or to require part or full payment in advance in respect of any aspect of the Work yet to be carried out, and to suspend Work pending receipt of any such payment.

4. DELIVERY

a. Delivery of the Work will be deemed to occur on the Supplier notifying the Customer that the Work has become available for collection "ex works" the Supplier or, in the event that the Supplier has agreed to physically deliver to another location, upon physical delivery (or attempted physical delivery in the event of the Customer failing to take possession) to such location.

b. Unless otherwise agreed in writing completion and delivery times are a guide only and, whilst the Supplier will make every effort to adhere to proposed timescales, time is not of the essence in the contract for the Work.

c. In the event that the Supplier agrees to physically deliver Work to the Customer, delivery will be to kerbside at the Customer's address and the Customer will make arrangements for off-loading and for any additional transportation to its storage facility. Delivery involving difficult access and/or unreasonable distance from vehicular access shall entitle the Supplier to make an extra charge to reflect its extra costs.

d. Should expedited delivery be agreed between the parties the Supplier will be entitled to make an extra charge to cover any overtime or any other additional costs incurred.

5. MATERIALS SUPPLIED OR SPECIFIED BY THE CUSTOMER

5.1. Electronic Files

a. It is the Customer's responsibility to maintain a copy of any original Electronic File provided by the Customer.

b. The Supplier shall not be responsible for checking the accuracy of supplied input from an Electronic File.

c. Without prejudice to clause 5.2.b, if an Electronic File is not suitable for outputting on equipment normally adequate for such purposes without adjustment or other corrective action the Supplier may make a charge for any additional cost incurred in making such adjustment or taking such action.

5.2. Other materials

a. Without prejudice to the Supplier's right to replace such material with material of a similar or better quality, metal, film and other materials owned by the Customer and supplied to the Supplier for the production of type, plates, film-setting, negatives, positives, electronic files and the like shall remain the Customer's exclusive property.

b. Without prejudice to its rights to payment for work done/material purchased, the Supplier may reject any film, discs, paper, plates, electronic files or other materials supplied or specified by the Customer which appear to it to be unsuitable for the purpose intended. Additional cost incurred if materials are found to be unsuitable during production may be charged by the Supplier.

c. Without prejudice to clause 5.2.b, where the Supplier advises the Customer that unsuitable materials have been supplied or specified, including materials originally supplied by the Supplier and then processed by the Customer or a third party, and the Customer instructs the Supplier to proceed anyway, the Supplier will use reasonable endeavours to secure the best results but will have no liability for the quality of the end-product.

d. Quantities of materials supplied by the Customer must be adequate to cover normal spoilage. Any costs incurred as a result of shortages, including without limitation as a result of re-starting jobs or duplicating masters, will be charged by the Supplier.

5.3. Risk and storage

a. The Customer's property and all property supplied to the Supplier by or on behalf of the Customer shall, while it is in the possession of the Supplier or in transit to or from the Customer, be deemed to be held or transported, as the case may be, at the Customer's risk and the Customer should insure such property accordingly.

b. The Supplier shall be entitled to make a reasonable charge for the storage of any of the Customer's property which was left with the Supplier before acceptance of an Estimate Proposal.

c. The risk in the Work shall pass to the Customer on delivery and the Customer should insure accordingly.

d. In the event of the Customer not taking physical possession of the Work or any Customer's materials or property on delivery, the Supplier will store the Customer's materials and Work for a maximum of one month at the risk and cost of the Customer, after which time they may be destroyed by the Supplier without further notice to the Customer and without liability to the Customer, but without prejudice to any of the Supplier's rights against the Customer. The Supplier reserves the right to make reasonable charges against the Customer in respect of the provision of such storage and, in the event of any third party costs being incurred by the Supplier in the provision of such storage, the Customer hereby agrees to reimburse the Supplier for the same.

6. MATERIALS AND EQUIPMENT SUPPLIED BY THE SUPPLIER

a. Metal, film and other materials owned by the Supplier and used in the production of Intermediates, type, plates, film-setting, negatives, positives, electronic files and other production processes, together with items thereby produced, shall remain the Supplier's exclusive property.

b. Type shall be distributed and film and plates, tapes, discs, electronic files or other work destroyed immediately after delivery unless written arrangements are made to the contrary in which event storage may be charged by the Supplier.

c. The Supplier shall not be obliged to download any digital data from its equipment or to supply the same to the Customer on disc, tape or by any communication link.

7. RETENTION OF TITLE

a. The Work and any intellectual property rights of the Supplier therein remain the Supplier's property until the Customer has paid for the Work and discharged all other debts owing to the Supplier.

b. In the event of Insolvency, if Work has not been paid for in full the Supplier may take back the Work. The Supplier shall be entitled without notice to enter the Customer's premises in order to do this or in order to inspect and/or label the Work so as to identify it as the Supplier's.

c. If the Customer shall sell the Work before it has been paid for in full it shall hold the proceeds of sale on trust for the Supplier in a separate account until any sum owing to the Supplier has been discharged from such proceeds.

d. Where the Customer is in breach of these Terms and Conditions or in the event of Insolvency the Supplier reserves the right to approach the Customer's customer and to offer the Work directly to it, notwithstanding that this will involve advising the Customer's customer that the Customer is in breach or of the Insolvency. In the event of acceptance of such offer by the Customer's customer, the Customer's rights, but not its obligations, in respect of these Terms and Conditions and the Work will terminate.

8. PROOFS AND VARIATIONS

a. The Supplier shall incur no liability for any errors or defects not corrected by the Customer where the Customer has been provided with proofs or where the Customer specifically waives its rights to examine proofs.

b. Alterations made by the Customer to proofs, and any resulting additional proofs produced, will be charged for by the Supplier. When style, type or layout is left to the Supplier's judgement, any changes made to them by the Customer, and any resulting additional proofs produced, will be charged for by the Supplier.

c. Due to differences in equipment, paper, inks and other conditions between colour proofing and production runs, a reasonable variation in colour between colour proofs and the final end product will be deemed acceptable to the Customer.

d. Every endeavour will be made to deliver the correct quantity ordered, but a margin of 5 per cent over or under the amount ordered will be deemed acceptable to the Customer, and the amount charged by the Supplier will be increased or decreased accordingly, as the case may be.

9. CLAIMS AND LIABILITY

9.1 Claims

a. In the event that the Supplier has agreed to physically deliver Work to the Customer, the Customer must notify the Supplier and the carrier in writing of any damage, delay or loss of Work in transit or of non-delivery within three days of delivery or, as the case may be, intended delivery. The Customer must make any claim in respect thereof in writing to the Supplier and the carrier within seven days of such delivery or intended delivery. Claims of any other nature must be made in writing to the Supplier within 14 days of delivery. The Supplier will not be liable in respect of any claim unless the requirements of this clause 9.1.a have

been met, unless it was not possible for the Customer to comply with such requirements and the claim was made as soon as reasonably possible.

b. Any legal right of the Customer to reject Work must be exercised within seven days of delivery of the Work, failing which the Customer will be deemed to have accepted such Work.

c. In the event of any claim or rejection the Supplier shall be entitled to inspect the relevant Work within seven days of receipt of the claim or rejection, and in the event of the Customer failing to permit such inspection then the Customer will be deemed to have waived its rights in respect of such claim or rejection.

9.2 Liability

a. So far as is permitted by law, in the event of any breach of contract by the Supplier or in the event of Work being defective for any reason attributable to the Supplier, including negligence, the Supplier's liability (if any) shall be limited, at the option of the Supplier, to remedying such breach or defect (including by replacing the Work) at its own cost or crediting the value of the breach or defect against any invoice raised in respect of the Work. All warranties, conditions and other terms implied by statute or common law are, to the fullest extent permitted by law, excluded from the contract for the Work.

b. The Supplier shall under no circumstances be liable for indirect loss, consequential loss or third party claims occasioned by defective Work or by any delay in completing or delivering Work, and the Customer shall not be entitled, as a result of any such defects or delay, to repudiate the contract for the Work, refuse to pay for the Work or cancel any further orders.

c. Defective Work must be returned to the Supplier upon request from the Supplier before defects can be remedied, and in the event of the Customer failing to comply with any such request within seven days then it shall be deemed to have accepted the Work and to have waived its rights in respect of the relevant defects.

d. Where the Supplier offers to remedy or replace defective Work at its own cost the Customer must accept such offer unless it can show clear cause for refusing so to do, failing which the Customer will be deemed to have waived its rights in respect of the relevant defects.

e. Where Work will be forwarded by or on behalf of the Customer to a third party for further processing the Customer will be deemed to have inspected and approved the Work prior to forwarding and the Supplier accepts no liability for claims arising subsequent to the third party's processing.

f. Without prejudice to other more restrictive limitations elsewhere in these Terms and Conditions, the Supplier's total liability in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise arising in connection with performance, or contemplated performance of, the Work shall be limited to the Supplier's fees in respect thereof or the amount of the loss, whichever is the smaller.

g. Nothing in these Terms and Conditions shall exclude the Supplier's liability for death or personal injury as a result of its negligence.

10. INSOLVENCY

Without prejudice to any other remedies, in the event of Insolvency, the Supplier shall have the right to terminate the contract for the Work or any other contract with the Customer and shall be entitled to charge for Work already carried out (whether completed or not) and materials purchased for the Customer, such charge to be an immediate debt due to him. Any unpaid invoices shall become immediately due for payment.

11. GENERAL LIEN

Without prejudice to any other remedies, in respect of all unpaid debts due from the Customer the Supplier shall have a general lien on all goods and property of or provided by the Customer in its possession (whether worked on or not) and shall be entitled on the expiration of 14 days' notice to the Customer to dispose of such goods or property as agent for the Customer in such manner and at such price as it thinks fit and to apply the proceeds towards such debts. The Supplier shall, when accounting to the Customer for any balance remaining, be discharged from all liability in respect of such goods or property.

12. ILLEGAL MATTER

a) The Supplier shall not be required to print any matter which in its opinion is or may be of an illegal or libellous nature or an infringement of the proprietary or other rights of any third party.

b) The Customer will indemnify the Supplier in respect of any third party or criminal claims, costs or expenses arising out of any Work carried out by the Supplier in accordance with the Customer's instructions, including without limitation in respect of any illegal or unlawful matter including matter which is libellous or infringes copyright, patent, design or any other proprietary or personal rights. The indemnity shall include (without limitation) any amounts paid on a lawyer's advice in settlement of any claim that any matter is libellous or such an infringement.

13. PERIODICAL PUBLICATIONS

Without prejudice to the provisions of clauses 2.f and 10, a contract for the printing of a Periodical Publication may not be terminated by either party unless 13 weeks' notice in writing is given in the case of Periodical Publications produced monthly or more frequently or 26 weeks' notice in writing is given in the case of other Periodical Publications.

14. FORCE MAJEURE

The Supplier shall be under no liability if he shall be unable to carry out any provision of the contract for the Work for any reason beyond his reasonable control including (without limiting the foregoing): Act of God; legislation; war; fire; flood; drought; inadequacy or unsuitability of any instructions, electronic file or other data or materials supplied by the Customer; failure of power supply; lock-out, strike or other action taken by employees in contemplation or furtherance of a dispute; or owing to any inability to procure materials required for the performance of the contract.

During the continuance of such a contingency the Customer may by written notice to the Supplier elect to terminate the contract for the Work and pay for Work done and materials used, but subject thereto shall otherwise accept delivery when available.

15. DATA PROTECTION

The Customer is hereby notified that the Supplier may transfer personal information about the Customer to a credit agency in respect of any failure by the Customer to pay any invoice on the due date.

16. LAW

These Terms and Conditions and all other express and implied terms of the contract for the Work shall be governed and construed in accordance with the laws of England and the parties agree to submit to the jurisdiction of the courts of England and Wales.

17. NOTICES

All specifications and notices relied on by either party and all variations to the contract for the Work must be in writing and include a duly authorised signature.

18. CONSUMERS

Nothing in these Terms and Conditions shall affect the rights of the Customer as a consumer.

19. SEVERABILITY

All clauses and sub-clauses of this Agreement are severable and if any clause or identifiable part thereof is held to be unenforceable by any court of competent jurisdiction then such enforceability shall not affect the enforceability of the remaining provisions or identifiable parts thereof in these Terms and Conditions.

20. VARIATIONS

No variation to these Terms and Conditions will be binding upon the Supplier unless agreed to in writing by a duly authorised signatory on behalf of the Supplier. In the event of a conflict between any documentation issued by the Customer, including a purchase order, these Terms and Conditions shall prevail.