LETTERBOX PRODUCT TERMS

Letterbox delivery services are provided by **SALMAT MEDIA FORCE PTY LTD ABN 50 001 702 129** or **LOCAL DIRECT NETWORK PTY LIMITED ABN 13 091 456 567** of Level 3, 116 Miller Street, North Sydney, 2060 pursuant to the <u>General Terms</u> and the Product Terms set out below.

1 DEFINITIONS

In addition to the definitions set out in clause 1 of the General Terms, the following definitions also apply to these Product Terms:

Campaign Information means catalogue product images and descriptions provided by or on behalf of the Client to Salmat for the provision of the Services which become available in the public domain as a consequence of those Services or otherwise.

2 ACCEPTANCE OF ORDERS AND QUOTATIONS

All quotations are valid only for a period of thirty (30) days and Salmat may, in its discretion, refuse any purported acceptance by the Client which occurs after that time.

3 PERFORMANCE OF SERVICES

The Client acknowledges and accepts that Salmat may carry out Services for other customers at the same time as providing Services to the Client.

4 LETTERBOX DISTRIBUTION SERVICES

- 4.1 Salmat does not guarantee full distribution of all Client Materials to all households within the agreed distribution areas. The Client acknowledges and agrees that:
 - (a) factors beyond Salmat's control such as health and safety issues, hazardous conditions, adverse weather conditions, accessibility of letterboxes, signs on letterboxes ("no junk mail" or similar notices), and the independent nature of Salmat's distribution contractors, may adversely affect distribution;
 - (b) at any given time, a particular agreed distribution area may not be fully covered, or covered at all, by Salmat's distribution network and therefore some Client Materials may not be delivered in that area;
 - (c) where Client Materials are broken down or separated into smaller portions by Salmat for distribution, Salmat does not guarantee that every household in the distribution area will be covered or that there will not be an undersupply or oversupply of Client Materials; and
 - (d) Salmat's dwelling counts by suburb or distribution area are also estimates only, may not be accurate, and may change from time to time.
- 4.2 Client Materials for distribution may be distributed together with and may be bundled with, materials of other customers of Salmat.

- 4.3 Salmat does not guarantee the outcome of any marketing campaign to which the distribution of Client Materials forms part.
- 4.4 Excess stock of Client Materials is not controlled within Salmat's systems and therefore cannot be returned to the Client. Salmat reserves the right to recycle any such Client Materials.
- 4.5 Salmat does not guarantee when delivery and distribution shall take place. The specific days and times of the provision of Services during the period allocated for the Services shall be at the absolute discretion of Salmat.
- 4.6 Salmat's Fees are all inclusive, accepted and paid by the Client subject to the limitations set out in clauses 4.1, 4.2, 4.3, 4.4, and 4.5 above and non-refundable except as provided by clause 10 of the General Terms. The Client further acknowledges and agrees that these limitations have been factored into Salmat's charges payable for the Services.
- 4.7 All Client Materials must be delivered to Salmat within the timeframes specified by Salmat, to the delivery address specified by Salmat, and in any event not less than five (5) working days before distribution is to commence. Any additional costs incurred by Salmat as a result of a failure to comply with this clause will be charged to and paid by the Client.
- 4.8 Where any Client Materials are pre-delivered and awaiting distribution, a storage fee may be charged and must be paid by the Client. Where any Client Materials are not removed from Salmat's premises within three (3) months of initial delivery to Salmat, Salmat may, at the Client's cost, arrange for removal, destruction or disposal of such Client Materials as Salmat sees fit.
- 4.9 Salmat reserves the right to change the scope and size of distribution areas at any time or refuse, suspend or terminate the Services where the Client has failed to meet its obligations under the Agreement.

5 PRINT AND DESIGN SERVICES

- 5.1 This clause 5 applies to a design and/or print service forming the whole or part of the Services provided by Salmat.
- 5.2 In designing materials for the Client, Salmat will submit to the Client for approval prior to printing, publishing, distributing or issuing those materials, a draft of those materials ("Proof"). The Client must promptly review, check and verify the design and content of the Proof.
- 5.3 The Client releases Salmat from and against all liabilities, loss, damage, demands, claims, costs and expenses caused by any inaccuracy or other defect in any Client Materials printed by Salmat or which were present in any Proof reviewed by the Client.
- 5.4 The Client indemnifies Salmat and its employees, agents and contractors against all liabilities, loss, damages, demands, claims, costs and expenses incurred by them as a result of the publication, distribution or issuing of the printed materials including any reliance placed by any person on their contents.

6 UNADDRESSED MAIL/AUSTRALIA POST

Where the Services ordered include addressed an unaddressed mail services using Australia Post, the Client is responsible for any errors in data provided to Salmat (and all consequences arising there from) and acknowledges that Salmat has no control or responsibility for the Client Materials after providing to Australia Post for delivery.

7 CANCELLATION OF SERVICES

- 7.1 An order for the provision of Services may not be cancelled, except where the prior written consent of Salmat is obtained.
- 7.2 Where this consent is granted, and an order is cancelled more than seven (7) days prior to the commencement of the provision of Services (or where relevant, part thereof) a cancellation fee of 10% of the agreed or quoted price in respect of the cancelled Services shall be payable by the Client in addition to fees due and owing for Services provided prior to the relevant cancellation. This cancellation fee is a genuine pre-estimate of damages incurred by Salmat,
- 7.3 Where this consent is granted and an order is cancelled less than seven (7) days prior to the commencement of the provision of Services (or where relevant, part thereof) a cancellation fee of 25% of the agreed or quoted price in respect of the cancelled Services shall be payable by the Client, in addition to fees due and owing for Services provided prior to the relevant cancellation. This cancellation fee is not a penalty but is a genuine pre-estimate of damages incurred by Salmat.

8 RISK IN CLIENT MATERIALS

Notwithstanding delivery of Client Materials by the Client to Salmat all risk in the Client Materials shall remain with the Client and the Client shall maintain adequate insurances. Without limiting the generality of the foregoing, Salmat is not responsible for any loss of or damage to Client Materials which are delivered outside of the timeframes specified by Salmat, and/ or, to a Salmat delivery address which is not the address specified by Salmat.

9 RECEIPT OF MATERIALS

- 9.1 Salmat reserves the right to refuse to provide the Services in respect of defective or otherwise unsuitable Client Materials, including without limitation Client Materials which in Salmat's opinion breach any Laws or have unacceptable risks or hazards associated with distribution, without liability to the Client. Where Client Materials are rejected by Salmat, and without limiting any other remedies available to Salmat, any additional costs incurred by Salmat as a result will be charged to and paid by the Client, including delivery, storage and disposal costs.
- 9.2 The Client must ensure that:
 - (a) All Client Materials are counted and bundled in such a manner to ensure safe and efficient handling for distribution by Salmat and otherwise in accordance with Salmat's specifications. Salmat will not verify material counting and relies on the Client's representations as to

- counting. Where there is an error some targeted households may not receive the relevant Client Materials.
- (b) The contents and quantity of each container or package of Client Materials are accurately and legibly described on the outside of each such container, and clearly identify any differences between contents, including without limitation, identifying where there are different versions of similar Client Materials. Salmat will not inspect and verify package contents.
- (c) All Client Materials delivered to Salmat are accompanied by a delivery docket showing the Client's name, weight, description (including an adequate description if there are differing versions of similar Client Materials delivered) and quantity of material and contract number.
- 9.3 Where the Client does not comply with clause 9.2, and without limiting any other remedies available to Salmat, any additional costs and liability incurred by Salmat as a result will be charged to and paid by the Client.

10 PAYMENT TERMS AND FEES

- 10.1 Payment of the Fees is required in the time specified in Salmat's quotation or if the time for payment is not so specified, then notwithstanding clause 4.2 of the <u>General Terms</u>, the Client will make payment within seven (7) days from the date of Salmat's invoice. All accounts are to be settled in full.
- 10.2 As long as any monies on any account whatsoever remain outstanding to Salmat, Salmat shall be entitled to claim a possessory lien over any materials belonging to the Client that are in the possession of or come into the possession of Salmat.

11 CLAIMS

If the Client is dissatisfied with any aspect of the Services then it should provide a substantiated written claim to Salmat within 14 days of completion of the Services. The nature and frequency of letterbox distribution services makes it impractical to conduct a meaningful investigation of any claim which is made after this time.

12 PERMITTED USE OF DATA AND IMAGES

Salmat shall be permitted to use Campaign Information for any purpose or disclose Campaign Information to any third party. The foregoing shall not limit in any way Salmat's confidentiality or privacy obligations under the Agreement