

Granada Learning Standard Conditions of Supply for General and Security Printers and Packagers

This Agreement is applicable from 6th day of January 2006

Between:

- (1) **Granada Learning Ltd.** Chiswick Centre, 414 Chiswick High Road, Chiswick, London W4 5TF ("**the Company**"); and
- (2) **The Supplier** ("**the Supplier**").

By accepting this Agreement the Supplier is subject to the following Standard Conditions of Supply and definitions (listed in Schedule A) as issued by the Company. The Company are under no obligation to offer the Supplier any amount or quality of work and the Supplier is under no obligation to accept any work offered.

Terms and Conditions

1. It is an essential part of this Agreement that any work booked into the Supplier will be accompanied by an official Granada Learning purchase order that will indicate the extent of the work to be undertaken, instructions and the timetable for doing so, the number of proofs required by the Company, the final quantity required and the fee. Work should not begin until the Supplier has received the purchase order, and a brief.
2. No variation in specification shall be allowed unless authorised by the Company in writing.
3. No variation in fee shall be allowed unless authorised in advance by the Company in writing.
4. All processes involved in the production of the work shall be the Supplier's responsibility whether or not the supplier sub-contracts any of the processes.
5. The Supplier shall adhere to all the dates of delivery specified in the Purchase Order or to be mutually agreed in writing and for the purpose hereof time shall be of the essence. The Supplier will undertake to deliver the ordered work on the date stated or as advised in writing by the Company and will take full responsibility for ensuring the work reaches the proposed destination securely.

6. All deliveries must follow the booking in specification of the receiving distribution centre. It is the Suppliers responsibility to ensure that all documentation, delivery slots, pallets, boxes, labels and correspondence are accurate and concise. Any reasonable costs incurred due to a failure to deliver correctly will be claimed back against the Supplier.
7. Any order is deemed to be placed at the price specified and in the currency specified and is to be considered a firm price for the duration of the order, irrespective of rises in costs or fluctuations in local currency rates, unless otherwise stated. Except as otherwise expressly agreed by the Company in writing, the Supplier will be responsible for all expenses incurred through performing the work.
8. No extension of time or other indulgence, which may be granted by the Company, shall constitute a waiver of our strict rights under this Agreement. The supplier will supply a weekly 'Work in Progress' report outlining the status of the orders placed by the Company with the Supplier.
9. If subsequent to bulk delivery, any products manufactured by the Supplier are shown to be defective the Supplier shall credit the Company with the full manufacturing costs of such defective products including freight costs to destination. In the event that 3% or more of the products are found to be defective the Company may, at our sole discretion, demand that the Supplier make good the shortfall of good copies so resulting, at the Supplier's own cost, within a period of not more than eight weeks.
10. Most orders will be placed stating that 'no under deliveries will be accepted'; this will be notified on the Purchase Order form. For other orders, subject to the approval of proofs or samples, you shall manufacture the ordered quantity within the following tolerances:

Order quantities	Tolerance
1 - 500	±10%
501 - 3,000	±5%
3,001 - 10,000	±3%
over 10,000	±2%

Any overs above these allowances are to be advised to the Company before shipment and acceptance is at the Company's discretion.

11. The Supplier in consideration of being disclosed certain confidential information which may include, without limitation, business strategies and proposals, details of new products, details of new software packages, technical information and 'Telescope' passwords, database information, curriculum testing content, ideas, drawings, methods and market information ('Confidential Information') agree that they will not disclose any such Confidential Information without prior written

authority from the Company. The Supplier understands that this obligation does not apply to any Confidential Information which is in the public domain other than as a result of the Company's breach of this agreement, or was known to them at the time it was disclosed or was lawfully or properly obtained as of the Agreement's date otherwise directly or indirectly from the Company.

12. By accepting the terms of this Agreement the Supplier consents to the collection and processing of the Supplier's data including employees names, addresses, banking details, telephone and email. The Company will not pass this information onto any other third party companies without prior permission from the Supplier.
13. The Company will make payments only against properly submitted invoices from the Supplier. Invoices should include the title of the job, ISBN, the official order number, the extent and individually detail all costs. The Company will pay VAT on all payments due to the Supplier provided the invoice includes the Supplier's correct VAT number and registered address details. The Company's payment terms are 60 days from receipt of invoice.
14. The Company will email the Supplier on the date when sending work to the Supplier to confirm dispatch. The Supplier must then email to confirm receipt. On completion of the work the Supplier must email the Company of dispatch. All copies must be delivered boxed, palletised and shrink wrapped with clear labels stating ISBN, Title, Quantity and Source Supplier.
15. All artwork/proofs/discs must be sent in secure, tamper proof envelopes. For all other property belonging to the Company being used for the duration of the work, the Supplier will take reasonable care of and return on completion of the work. On receipt of this property the Supplier is responsible for informing the Company of any missing artwork, corrupted files or damaged CD's within 48 hours of receipt, otherwise all work will deemed to be accepted. If a subsequent problem is discovered with artwork and files and the Supplier has failed to notify the Company within the accepted time frame the Supplier may be liable for the cost to re-supply the property.
16. All items stored by the Supplier is done so at their own risk on a secure site and should be covered by a current insurance policy, held by the Supplier, against any damage or theft. All stored items need to be scheduled on a monthly stock report and sent to the Company for reconciliation.
17. For the avoidance of any doubt, all illustrations, artwork, copy and content of the publications remains the sole copyright of the Company. If the Supplier is made aware of any infringement to this copyright they should immediately inform the Company of the infringement. Failure to do so will result in immediate termination of this Agreement.

18. All file copies held by the Supplier must be stored securely in a restricted and controlled area. Strictly no file copies or proofs are to be used by the Supplier other than on the Company's business where the Supplier has sought written permission from the Company to use such materials.
19. No failure or delay in performance of the obligations of either party to this Agreement shall be deemed a breach if such failure or delay is caused by; or is due to any cause beyond reasonable control of such party.
20. The Supplier agrees to comply with the Company's Health and Safety policy while at the Company's premises.
21. This Agreement shall commence on the date of this Agreement unless otherwise agreed between the Parties in writing and all clauses shall remain in force until terminated in accordance with the provisions of this Agreement. The Company may terminate this Agreement:
 - i/. immediately upon written notice, if the Supplier fails to deliver the Products and/or any Proofs in accordance with clauses 5 and 7; or
 - ii/. immediately upon written notice, if the Products do not conform to the specifications agreed in writing between the Parties; or
 - iii/. on written notice to the Supplier, at its sole option, if it becomes apparent for any reason, including by way of example, changes to the National Curriculum, that the Work to which the Services relate has become redundant; or
 - iv/. on written notice to the Supplier, if it becomes apparent for any reason there is a conflict of interest resulting in a change of ownership by either the Company or the Supplier.
22. Upon termination of this Agreement by the Company under clause 21, the Supplier shall at its own cost and, in accordance with the reasonable instructions of the Company, return to the Company, or take such other action as may be required by the Company, all materials (including but not limited to Company Material) supplied by or belonging to the Company together with all copies of the Work.
23. On termination of this Agreement, the Company shall be in no way liable to the Supplier in respect to any claim arising out of unjust enrichment or quasi-contract, or for any restitutionary remedy.
24. In accordance with Supplier's acceptance of this contract, the Company may enter into a separate agreement regarding an annual Retrospective Discount.
25. As part of an ongoing Environmental review the Company requires that the Supplier use recyclable materials where possible for the duration of the work. Every effort by the Supplier should be made to recycle all waste proofs and paper from the Manufacturing process.

26. This Agreement shall be governed by and construed in accordance with the laws of England.
27. This Agreement sets forth the entire agreement between the parties at the date hereof and supersedes any prior written or oral agreement between the parties. Any amendment of or variation to this Agreement must be in writing and signed by both parties.

'The Supplier'

Signed Date.....

On behalf of;

.....

'The Company'

Signed Date.....

On behalf of Granada Learning Ltd.

Granada Learning Ltd., The Chiswick Centre, 414 Chiswick High Road, Chiswick, London W4 5TF
Tel : +44 (0)20 8996 3333 Fax : +44 (0)20 8742 8390

Schedule A

Definitions

<p>“The Company”</p>	<p>refers to Granada Learning Limited.</p>
<p>“The Supplier”</p>	<p>refers to any company undertaking contracted work issued by the Company;</p> <p>refers to any publishable book, catalogue, poster, CD-ROM, electronic product, test or assessment, packaging or promotional material as generated by the Company;</p>
<p>“The Work”</p>	<p>refers to the process for page layout involving placing text, images and or photographs onto a page to be printed or electronically presented;</p>
<p>“Designed”</p>	<p>refers to a person or persons who create original artwork, drawn, painted, photographed or otherwise;</p>
<p>“Illustrator”</p>	<p>means approved Repro and Asset Archive third party company managing Granada’s content on-line;</p>
<p>“PDQ”</p>	<p>means page by page copies for the Company to edit and correct as necessary;</p>
<p>“proofs”</p>	<p>means Granada Learning’s on-line digital asset archive program for content managed by PDQ (see Schedule C);</p>
<p>“Telescope”</p>	

Schedule B

Original Suppliers Files

As an additional quality control process Granada Learning utilise an asset management and repro service to ensure that the content is correctly presented for printing and archiving. The company used is called PDQ.

All scanning required should be sent to PDQ with clear instructions; this will be returned high resolution for placement into Quark. All finished artwork and designs need to be sent to PDQ for repro, there are strict rules as to how these are sent into PDQ please follow these guidelines;

File format specification

1. Quark Xpress Macintosh version 6.5

Collected for output with all images and all fonts supplied. If you do not supply fonts or images it will not be possible to print your document.

CMYK colour & no JPEGs or RGBs

Colour bitmap and greyscale images at 300 dpi

Monochrome images (line art) at 1200 dpi

No Photoshop DCS files

Document must not contain copydot scans

Crop marks included on full-page advertisements and not on smaller sizes

2. EPS and Tiff files supplied

Macintosh preview with fonts outlined and/or embedded

CMYK colour & no JPEGs or RGBs

Colour bitmap and greyscale images at 300dpi

Monochrome images (line art) at 1200 dpi

Original file prior to EPS must not contain copydot scans

Crop marks included on full-page advertisements and not on smaller sizes

Do NOT supply QUARK Xpress pages 'saved as EPS'

3. Embedded Adobe Illustrator or Freehand files

Fonts outlined and/or embedded

Imported graphics to be CMYK colour, not JPEG or RGBs and if not embedded to be included with the Illustrator file

Colour greyscale images at 300 dpi

Monochrome images (line art) at 1200 dpi

Document must not contain copydot scans

Fonts for EPS must be supplied

Images

If images are scanned ensure RGB Digital Masters as JPEGs are kept with job and supplied to PDQ in separate folder clearly marked. This is for repurposing use.

Schedule B cont/d

How to send files to PDQ

PDQ can accept your files on disk, CD, over an ISDN link, by email if less than 1mb or via our WamNet ftp service (contact PDQ for address and logon details).
Disks and CD's should be delivered to:

**Paul Dossett or Jayne Rudd
PDQ, Dunelm House, 65 Lower Olland Street,
Bungay, Suffolk NR35 1BY**

PDQ ISDN number is 01986 895985, The email address is info@pdqmedia.co.uk
When compressing file material for e-mail and ISDN transmission please use Stuffit by Aladdin Systems.

If you send files via ISDN or FTP please telephone or email PDQ to let them know.

Tel: 01986 896128

e-mail info@pdqmedia.co.uk

All files should be labelled to help PDQ sort them easily as follows, but with total number of characters not exceeding 32.

Publication_ISBN_name of agency_date
Eg MagicalTop_18456789X_DNX_230803

PDQ need to receive a proof of every job. Please send PDQ a colour laser proof for every title, separated and Composite for 2 colour jobs.

New Assets should be labelled or tagged once scanned. For example;

Geography-volcano-eruption

Or

French-Flag-Tricolore

Bleeds

All lettering and essentials should be more than 7mm in from the limits of the outer measurements. This is to allow for the variation in trim resulting from bulk trimming. Word breaks and other vital material running across the spine should be avoided. If colour bleeds off the page please ensure that it extends at least 3mm from the crop marks.

Schedule C

Use of the PDQ Telescope Service

The Telescope service, managed by PDQ, enables the Supplier to download or request archived assets from the Granada Learning Group of companies. On signing this agreement the Company grants you a non-exclusive, non-transferable licence to use the data on the following terms;

- Subject to payment of any reuse fees or additional copyright clearance;
- Downloaded or requested assets may be viewed on screen and printed out in hard copy for use solely within the Suppliers premises
- The Supplier must not attempt to re-sell, make available on a local or wide area network, link to or frame, make mass, automated or systematic extractions from, include within an archival or searchable database, access remotely or distribute externally the Telescope service or the Data (in whole or in part). Any data the Supplier downloads must be held securely within the Supplier's premises and control free from third party access and with all credits, legends, notices or markings maintained.
- The Supplier may make such temporary electronic copies of the data as is reasonably necessary to enable use for the work in progress. The Company and its licensors reserve all other Rights. Any copying, storage, transmission, publication or use, other than as set out above, is prohibited.
- The Company warrants and undertakes to the Supplier that any use of assets in accordance with the terms of this Agreement shall not infringe the Rights of any third party. The Supplier must contact the Company immediately if anyone makes or threatens to make a claim against them relating to the use of such assets and the Supplier will comply with any reasonable request from the Company in relation to such claim.

If the Supplier has any doubt or query over the use of such assets they should contact the Company or PDQ and request further information or permissions to re-use the assets.

Paul Dossett
PDQ
Dunelm House
65 Lower Olland Street
Bungay Suffolk NR35 1BY
Tel : 01986 896128
Email : info@pdqmedia.co.uk

Schedule D

Specifications to service the Agreement.

Materials

All mono Work to be supplied on 100gsm Choirprint paper. All two colour or four-colour work to be supplied on 100gsm Matt Coated paper stock to be approved before manufacture. Unless otherwise requested.

All covers to be produced on 240gsm One Sided Trucard and Gloss Laminated outers for finish. Unless otherwise requested.

Schedules

New Titles and Reprints will be booked in advance of production. New title files and proofs will be supplied by the Company. Reprint files/pages and previously printed copy supplied by the company. The Supplier shall confirm receipt of all files via email.

Deliveries

Deliveries can be made to GLDS or direct to customers, meeting all booking-in and delivery specifications. The delivery will be made no later than two days before the last working day of the month.

Production Communication

The Supplier will provide a weekly Work in Progress report detailing the titles in production. A dedicated Supplier Account Manager will be assigned to the Company to ensure all communication is focused. A production meeting will be held once a month at the Company's offices to discuss the Work in Progress.