

## **Stormnet Ltd – General Conditions of Business 2009**

*Please read carefully*

### **Supply of Assets and information**

#### **Format**

When supplying these assets to Stormnet Media we may require them in a pre-specified format in order to save production time and budget for you. It is important that you ensure that all assets are supplied to the required specification, any re-formatting of assets by Stormnet Ltd will be charged for at our normal hourly rate of £75.00 per hour. This may also directly impact on your deadline.

#### **Approved Assets**

In order to maximise your available budget we should only be supplied with approved assets. It is your responsibility to make sure that any assets have full clearance to be used for the job. Changes resulting from non-approved assets will be charged for at our normal hourly rate. This may impact on your deadline.

#### **Sign-off**

Responsibility for sign-off is the company commissioning the job with Stormnet Media. That is the company that we are invoicing the job to. It is vitally important that you carefully check each sign-off stage (in the case of an agency it is your responsibility to get sign-off from your customer). Additional amendments and changes to approved stages will result in additional charges and may impact on your deadline.

#### **Specification and Platform**

The quotation will detail the exact specification of the job, target market and platform. Changes to the agreed specification will result in additional charges and will impact on the deadline.

#### **Credits**

We are always proud of the work that we produce and unless otherwise requested we reserve the right to put a credit on the production. In the case of interactive services this will include a link to our web site.

#### **Intellectual Property**

The intellectual property of all productions remains with Stormnet Ltd .

### **Working with Stormnet Ltd - General Terms of Business**

#### **Payment Terms**

We will invoice for the project in stages of 25% at the outset and 75% plus any extra charges on signing-off of the job. Our terms are strictly 14 days or less from receipt of invoice, and delays in making payment could result in delays to project development and delays in releasing final work to the customer.

We are not obliged to start work on the project, or to provide confirmed start or delivery dates, until we have received the 25% initial payment, and a full set of assets, script and reference material as per our project specification process. We are not obliged to release final work prior to receiving payment of the full price.

Prices set out in the quotation proposal are based on information available to us at the relevant date and may be increased upon written notice to the Customer to reflect any changes in the project scope, any new work arising from receiving updated information, any fluctuations in costs of supply and any expense incurred as a result of the customer failing to adhere to our terms of business, in the period between date of quotation and completion of the project.

Our standard hourly rate for work that is beyond the scope of the quotation is £75 plus VAT for web design and programming and £86.00 plus VAT per hour for filming and editing.

Please note that in the case of the additional work taking more than 1 month to complete or is of a value in excess of £500.00 we reserve the right to invoice the balance due at the end of each month.

#### **Scripting Amendments**

When we produce a script (in the case of video production) we will attempt to film all items detailed on the script. In the event that the client/customer amends the script and adds material that cannot be filmed on location then we request that we are supplied with assets (such as photographs and stock footage) to be used to cover the material. In the event that assets are not supplied we reserve the right to charge additional editing time to allow for us to research and find assets that is suitable to be used to cover the required part of the programme where material is missing.

#### **Overtime**

Our quotations are based on an 8-hour working day. On occasion if customer requirements demand unsociable hours these are charged at a premium of 50% over our normal rates.

Unsociable hours are classed as:

Monday to Friday Before 8.00am and after 6.00pm, Weekends and Bank Holidays.

#### **Rates**

Multimedia/Web Production: £75.00 per hour

Shooting & Editing: £86.00 per hour

#### **Additional Charges**

Unless agreed beforehand we will charge for items such as mileage, crew travel time, couriers, tape stock, media, actors, studios, archiving, web hosting and drive space rental in addition to the quoted price.

Mileage @ 65p per mile

Tape stock @ £56.00 per tape

Crew Travel Time (for journeys longer than 1 hour) @ £29.50 per hour

Archiving @ £75.00 per hour

Drive Space @ 9p per gigabyte per day (if approval/ amendments are not received within 10 working days of submission of proof)

Accommodation and sustenance charged as used

#### **Cancellations**

To allow us to dedicate time to your job we book specific production time for you. This means that we will turn other work away in preference to your specific booking 'window'. If you need to cancel any part of the production we reserve the right to charge 100% of the quoted cost relating to this element if cancellations are not received 5 working days before the production process takes place.

#### **Communication**

We all know that communication is key, so we strongly recommend you nominate a key point of contact within your organization. Choose just one member of your team to liaise with us directly, someone who is sufficiently senior to make decisions on behalf of your team, and who is able to manage the project, and all your feedback, efficiently. This person will be asked to sign-off various stages of the project on your behalf. It is also important that we know who to contact if we have questions during the course of our work, to avoid project delays and misinformation.

#### **Project Specification Process**

The process of creating accurate and credible 3D animation, websites, interactive media and videos is very in-depth. To ensure our work is as close as possible to your vision, we ask for detailed and comprehensive reference material at the outset of a new project. This includes references for websites, images, script information, videos, locations for filming etc.

We won't start work on your project until you are satisfied we have all the information we require to produce correct and detailed work. Be aware that if information is received late, or if your information changes after we have started work, extra work may be subject to additional charges at our standard hourly rate.

#### **Amendments Policy**

One round of amendments, constituting no more than 8 hours of work, is included in the quoted price. Additional rounds of amendments and change requests will be chargeable as extras at our standard hourly rate. A 'round of amendments' is defined as the submission by the customer of a single list of change requests, in response to viewing the Preview artwork/Video/Website. To constitute 'one round of amendments', all change requests from the customer must be received in one document, at one time, even if the feedback is coming from multiple sources. Where the amendments list constitutes more than 8 hours of work, additional hours will be chargeable at our standard hourly rate. Where change requests are received separately or after submission of the amendments list, these will also be chargeable at our standard hourly rate.

#### **Submission of Proof**

Upon receipt of the first round of amendments we will carry out the requested changes and submit Proof work for signing off, prior to outputting the final job. If you are happy with the Proof please advise in writing via e-mail.

If an additional round of amendments is required after we have completed the job, all additional work incurred to make the requested changes will be chargeable at our standard hourly rate.

#### **Proof Timescale, Drive Space and Archive Charges**

On receipt of the proof website, presentation, animation, video or any work we require a response with all changes and amendments detailed in one document (as per our amendments policy above) within 10 working days. In the event that we don't receive notification we reserve the right to charge a daily rental for the hard drive space on our systems that your project occupies or the time taken to archive your project whilst we wait for feedback, approval or amendments. This rental charge is 9p per gigabyte per day. (The average project is around 100 gigabytes). In the event that we have to archive your project then we charge £75.00 per hour, with the average archive time being around 2 hours to remove from our system and a further 2 hours to bring back onto our system.

The above charges are levied because many of the video and animation projects take significant hard disk space and in some instances it can prevent us starting alternative work when waiting for approvals from clients.

#### **Project Sign-Off and Final 75% Payment**

We ask you to provide written acceptance of the Final job, and make payment of the final 75% within 14 days of receiving the invoice (or sooner if your project is urgent). You are not permitted to use our work for any live purpose until we have received payment in full for all outstanding project invoices.

#### **Deadline**

Throughout the life of your project we may require assets from you (or your client in the case of agency work). These assets may include: text/copy, photographs, images, design guidelines, visuals, databases, video and audio media etc. We will agree

with you a time-scale for the supply of such assets before the commencement of the job, these deadlines must be observed to allow us to complete the project in the agreed time. Failure to supply these on time may directly impact on the deadline.

In the event that a deadline is not reached we will not be liable for any direct, indirect or consequential loss or damage whether arising in tort, contract, or otherwise – including, without limitation, any loss of profit, contracts, business, goodwill, data, data use, income, revenue or anticipated savings.

#### **Error Correction**

If the Client shall discover any error in the operation or presentation of the Web Site then the Client shall within 14 days after such discovery notify the Contractor in writing of the defect or error in question and provide the Contractor (so far as the Client is able) with a documented example of such defect or error.

Upon receipt of such notification from the Client the Contractor shall begin work on correcting such defect or error in accordance with the Performance Standards. If the Client requests support in an emergency the Contractor shall use all reasonable efforts to fulfil the request as quickly as possible.

The foregoing error correction service shall not include service in respect of:

1. Defects or errors resulting from any modifications of the Web Site made by any person other than the Contractor;
2. Incorrect use of the Web Site or error in the operation thereof on the part of the Client or its employees or agents;
3. Errors resulting from faults in equipment or software other than that supplied to the Client by the Contractor.

**Warranty and Support:** Stormnet Ltd warrants that the website shall operate substantially in accordance with the specification and that any media on which it is supplied is free of defects.

Stormnet Ltd sole obligation under this warranty is to use reasonable efforts to correct any faults in the system reported by the customer within ninety days of its supply, so that it conforms to the Specification, and to replace any defective media. The Customer shall follow any reasonable procedures stated in the 'error correction' for the reporting of faults. Stormnet Ltd makes no other warranty of any kind as to the quality or fitness of purpose of the System.

#### **DISCLAIMER**

The Buyer (customer/client) admits that the product (website, video, interactive media, presentation, DVD, CD etc) has been inspected by him or on his behalf and that he is satisfied in all respects by such inspection and is not relying on any representation warranty or statement written or oral made by or on behalf of Stormnet Ltd and any conditions warranties or other terms implied by statute or common law are excluded to the fullest extent permitted by law.

Whilst the Stormnet Ltd has carried out non-exhaustive tests of the Product and is not aware of any defects with it the sale of the Product is made on the basis that the Buyer is responsible for carrying out his own tests investigations and checks and on the assumption that (if not a fact) the buyer has been satisfied by such tests investigations and checks and the Seller shall not bear any responsibility in respect of any defect whether patent or latent arising in the Product or from its use or application by the Buyer or for any losses caused to the Buyer or others as a result of any such defect.