

Dear Retail Partner,

Fairfax Media Publication Solutions is pleased to advise you that we are transferring our business to a new company structure and operating platform. The new company and trading name will be Integrated Publication Solutions Pty Ltd (IPS) and will remain a wholly owned subsidiary company of Fairfax Media Ltd. IPS will be launching our new business model on June 27th 2011 in line with the 2012 financial year. IPS will continue to manage the supply and distribution of third party magazine and newspaper publishers.

The aim of this new model is to promote change, create sustainability and increase profitability for all stakeholders. The foundation for this change will be the establishment of new Trading Terms between you and IPS. The new Trading Terms will provide you with improved revenue streams, the ability to manage your own supplies and improve data flow to streamline operations.

The trading terms have been designed to eliminate wastage by reducing the oversupply of magazines into the market. The focus of IPS is operational efficiencies and this begins by maximising sales efficiencies for each publication. A reduction in the copies distributed into the market will lead to

- reduce costs of production for publishers,
- reduce costs in transportation and distribution for IPS, and
- reduce over supply and cash flow implications for newsagents

These factors are designed to create a more sustainable future for all stakeholders – retailers, publishers and distributors.

Supporting these new trading terms, IPS has also become an active member of Xchange IT, developed new delivery documentation and established a new website to manage supply and returns (www.publicationsolutions.com.au).

Trading Term Agreements

Some of the key benefits from the new trading term agreements include;

- A move from 7 day to monthly accounts
- Greater flexibility in managing supply
- The removal of full copy returns
- Increased commission for publication sales
- New revenue streams through marketing and promotional support
- EDI data flow through Xchange IT
- Greater assistance in managing General Retailers.
- The removal of early returns

A copy of the new trading terms will be sent to all agents with an active email address and is also available upon request from;

- Your newsagent industry representative including ANF, VANA, QNF and NANA
- the IPS National Retail Coordinator via email info@publicationsolutions.com.au
- and the new IPS website www.publicationsolutions.com.au

The new trading terms have been developed in consultation with industry representatives who have approved the new terms contained within the document. Once you have had an opportunity to review the trading term agreement please sign and return a copy to:

Integrated Publication Solutions – The National Retail Coordinator Level 4, 655 Collins St Docklands 3008

Existing Account Holders

IPS will continue to trade under the new terms whilst the trading terms are processed. All retailers who have an existing Fairfax Media or Rural Press trading account will be automatically receive a direct IPS trading agreement. IPS will be using the existing account information to establish them within the IPS circulation system. You will need to complete the Trading Term Agreement even if you have an existing account.

For Tasmanian retailers who are currently serviced by Davies Brothers transport your accounts will be transferred over to IPS accounts automatically. DBT will continue to provide distribution services to IPS and there will be no change to the current delivery platform.

New Accounts

If you do not currently have a direct account with Fairfax Media or Rural Press and would like to apply for a direct account with IPS you can do so be emailing the National Retail Coordinator at info@publicationsolutions.com.au your request. All requests will be considered and you will be advised at the earliest possible convenience.

Credit Application

In order to be able to trade with IPS, whether you are an existing or new account, you will need to complete and return a credit application form. This form is available from either;

- IPS National Retail Coordinator info@publicationsolutions.com.au
- The new IPS website www.publicationsolutions.com.au

IPS will continue to trade with each retailer throughout July while the trading terms and credit applications are finalised and processed.

Returns Processing

All returns for publications with an on sale date of the 26th June or before and delivered on Fairfax Media documentation will need to be returned using the current process through Connect. All future publications with an on sale date of the 27th June and beyond and delivered using IPS documentation will need to be processed following the new processes using either XchangeIT or IPS Online.

More information regarding the returns process can be found at www.publicationsolutions.com.au

Invoicing

As with the returns process all credits and charges for publications with an on sale day prior to and including the 26th June will be included on your current Fairfax Media invoice. All credits and charges for publications with an on sale of 27th June and beyond will be included on the new IPS invoice.

Please note that a separate payment will need to be made for the IPS publications.

XchangelT

As indicated above IPS has become an active member of the XchangeIT EDI platform.
IPS will be utilising XchangeIT to share critical data between our business and our
valued retail partners. To utilise XchangeIT please send a request via the XchangeIT
site for approval and IPS will process your request at the earliest possible convenience.

If you do not send a request you will be unable to utilise XchangeIT for transactions.

Please note that the final week of testing for Xchange IT will be conducted during the week beginning 27th June. National go live to all registered agents will be the following week beginning 4th July 2011.

IPS Online

IPS understands that not all newsagents are active members of the XchangeIT platform and as a result IPS has developed a new online returns processing and supply management portal. The new portal can be located at http://www.ipsonline.net.au and you will be able to manage your supply and returns by logging in using your unique login number and password. Your log in details will be provided once your trading term agreement, credit application and web application form have been processed.

To ensure that you can trade with IPS effectively you will need to secure your login details at the earliest possible convenience so that you ca process your returns.

Delivery

All publications will continue to be delivered on the same vehicle as Fairfax Media titles.

Delivery Documentation

In line with the business transformation IPS has developed new delivery documentation to provide greater information at the time of delivery. These new delivery documents outline the key information as advised by your industry representatives.

Customer Service

As part of the IPS business transformation a new customer service centre has been established to assist our valued retail partners. Please find below the new contact details should you have any enquiries.

Circulation

Please contact the circulation customer service team for enquiries regarding:

• Extras, Shortages, Delivery Issues, Supply issues and Returns

Ph: 1800 606 477

Email: customerservice@publicationsolutions.com.au

Accounts

Please contact the account customer service team for all invoice and financial enquiries.

Ph: 1800 606 577

Email: accounts@publicationsolutions.com.au

General Queries

Email: info@publicationsolutions.com.au

A complete list of the current titles managed by IPS can be found on the new IPS website www.publicationsolutions.com.au

Integrated Publication Solutions is committed to improving the business relationships that it has with its retail providers and as a result any feedback is welcomed. Please send your feedback to info@publicationsolutions.com.au

For further information please go to our new website or contact the National Retail Coordinator at info@publicationsolutions.com.au or phone 03 8667 2024.

Kind Regards

Adam Gray General Manager Integrated Publication Solutions