

News Corp Australia

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28th May 2019

NEWS CORP AUSTRALIA ANNUAL DISTRIBUTION FEE REVIEW

Dear Distributor,

News Corp Australia has completed an annual review of the distribution fixed fee. This change takes into account the impact of planned cover price increases. The outcome of the review is detailed below:

The following Newsagent fees will increase on Monday 3rd June 2019 which will appear on statements from Week Ending 9th June.

- Fixed Distribution Fee – Retail *(Fee retained on sales through DRS outlets & sub agents)*
- Fixed Distribution Fee – Alternate Channels *(Universities, Hotels etc.)*
- Fixed Distribution Fee – Home Delivery *(All home deliveries billed by distributor and publisher)*
- Home Delivery Fees *(All home deliveries billed by distributor and publisher)*

The attached table highlights the new fees.

MONDAY TO FRIDAY COVER PRICE RISE – HERALD SUN (EXCL THE AUSTRALIAN)

Monday to Friday Herald Sun will increase to \$1.90 from July 1st.

SATURDAY COVER PRICE RISE – GEELONG ADVERTISER

Saturday Geelong Advertiser will increase to \$2.50 from July 1st.

Your retail fee (included as part of home delivery remuneration) will adjust accordingly from this date.

The attached table highlights the new fees. For the Herald Sun Monday – Friday, when taking into account cover price rise, the overall fees for a home delivery customer increase on 1 July from current rates by 5.2%.

News has committed to commencing a review with industry bodies in October this year ahead of the 2020 review which we expect to apply from April next year.

If you have any questions, please contact us directly:

- Via email: News4Newsagents@news.com.au
- Via your usual News contact

Kind regards,

Sean Wilson

Vic Logistics Manager

News Corp Australia

NEWS CORP AUSTRALIA - ANNUAL DISTRIBUTION FEE REVIEW

Herald Sun

| FIXED DISTRIBUTION FEE - RETAIL | Current Fee (excl. GST) | Current Fee (incl. GST) | From 3/6/2019 | From 3/6/2019 |
|---------------------------------|----------------------------|----------------------------|------------------------|------------------------|
| | | | New Fee (excl. GST) | New Fee (incl. GST) |
| Monday - Friday | \$0.1462 | \$0.1608 | \$0.1484 | \$0.1632 |
| Saturday | \$0.2436 | \$0.2680 | \$0.2473 | \$0.2720 |
| Sunday | \$0.3045 | \$0.3350 | \$0.3091 | \$0.3400 |

| FIXED DISTRIBUTION FEE - ALTERNATE CHANNELS | Current Fee (excl. GST) | Current Fee (incl. GST) | New Fee (excl. GST) | New Fee (incl. GST) |
|---|----------------------------|----------------------------|------------------------|------------------------|
| Monday - Friday | \$0.1462 | \$0.1608 | \$0.1484 | \$0.1632 |
| Saturday | \$0.2436 | \$0.2680 | \$0.2473 | \$0.2720 |
| Sunday | \$0.3045 | \$0.3350 | \$0.3091 | \$0.3400 |

| FIXED DISTRIBUTION FEE - HOME DELIVERY | Current Fee (excl. GST) | Current Fee (incl. GST) | New Fee (excl. GST) | New Fee (incl. GST) |
|--|----------------------------|----------------------------|------------------------|------------------------|
| Monday - Friday | \$0.1462 | \$0.1608 | \$0.1484 | \$0.1632 |
| Saturday | \$0.2436 | \$0.2680 | \$0.2473 | \$0.2720 |
| Sunday | \$0.3045 | \$0.3350 | \$0.3091 | \$0.3400 |

| HOME DELIVERY FEE | Current Fee (excl. GST) | Current Fee (incl. GST) | New Fee (excl. GST) | New Fee (incl. GST) |
|-------------------|----------------------------|----------------------------|------------------------|------------------------|
| Monday - Sunday | \$0.1949 | \$0.2144 | \$0.1978 | \$0.2176 |

| TOTAL HOME DELIVERY | Commission | Current Fee (excl. GST) | Current Fee (incl. GST) | New Fee (excl. GST) | New Fee (incl. GST) |
|---|------------|-------------------------|-------------------------|---------------------|---------------------|
| <i>Figures include: Fixed Distribution Fee plus Retail plus Home Delivery Fee</i> | | | | | |
| Monday - Friday | | \$0.5343 | \$0.5877 | \$0.5394 | \$0.5933 |
| Saturday | | \$0.7226 | \$0.7949 | \$0.7292 | \$0.8021 |
| Sunday | | \$0.8404 | \$0.9244 | \$0.8479 | \$0.9326 |

| RETAIL COMMISSION | Current Fee (excl. GST) | Current Fee (incl. GST) | From 3/6/2019 | From 3/6/2019 | From 1/7/2019 | From 1/7/2019 |
|-------------------|-------------------------|-------------------------|---------------------|---------------------|------------------------|------------------------|
| | | | New Fee (excl. GST) | New Fee (incl. GST) | New Fee (excl. GST) | New Fee (incl. GST) |
| Monday - Friday | \$0.1932 | \$0.2125 | \$0.1932 | \$0.2125 | \$0.2159 | \$0.2375 |
| Saturday | \$0.2841 | \$0.3125 | \$0.2841 | \$0.3125 | \$0.3409 | \$0.3750 |
| Sunday | \$0.3409 | \$0.3750 | \$0.3409 | \$0.3750 | \$0.3409 | \$0.3750 |

The Australian

| FIXED DISTRIBUTION FEE - RETAIL | Current Fee (excl. GST) | Current Fee (incl. GST) | New Fee (excl. GST) | New Fee (incl. GST) |
|--|--------------------------------|--------------------------------|----------------------------|----------------------------|
| Monday - Friday | \$0.2680 | \$0.2948 | \$0.2720 | \$0.2992 |
| Saturday | \$0.4019 | \$0.4421 | \$0.4080 | \$0.4488 |
| | | | | |
| FIXED DISTRIBUTION FEE - HOME DELIVERY | Current Fee (excl. GST) | Current Fee (incl. GST) | New Fee (excl. GST) | New Fee (incl. GST) |
| Monday - Friday | \$0.2680 | \$0.2948 | \$0.2720 | \$0.2992 |
| Saturday | \$0.4019 | \$0.4421 | \$0.4080 | \$0.4488 |
| | | | | |
| HOME DELIVERY FEE | Current Fee (excl. GST) | Current Fee (incl. GST) | New Fee (excl. GST) | New Fee (incl. GST) |
| Monday - Saturday | \$0.1949 | \$0.2144 | \$0.1978 | \$0.2176 |
| | | | | |
| TOTAL HOME DELIVERY | Current Fee (excl. GST) | Current Fee (incl. GST) | New Fee (excl. GST) | New Fee (incl. GST) |
| <i>Figures include: Fixed Distribution Fee plus Retail Commission plus Home Delivery Fee</i> | | | | |
| Monday - Friday | \$0.8037 | \$0.8841 | \$0.8107 | \$0.8918 |
| Saturday | \$0.9945 | \$1.0940 | \$1.0035 | \$1.1038 |
| | | | | |
| RETAIL COMMISSION | Current Fee (excl. GST) | Current Fee (incl. GST) | New Fee (excl. GST) | New Fee (incl. GST) |
| Monday - Friday | \$0.3409 | \$0.3750 | \$0.3409 | \$0.3750 |
| Saturday | \$0.3977 | \$0.4375 | \$0.3977 | \$0.4375 |

Weekly Times

| FIXED DISTRIBUTION FEE – BULK | Current Fee (excl. GST) | Current Fee (incl. GST) | New Fee (excl. GST) | New Fee (incl. GST) |
|--|--------------------------------|--------------------------------|----------------------------|----------------------------|
| Wednesday | \$0.2436 | \$0.2680 | \$0.2473 | \$0.2720 |
| | | | | |
| FIXED DISTRIBUTION FEE – HOME DELIVERY | Current Fee (excl. GST) | Current Fee (incl. GST) | New Fee (excl. GST) | New Fee (incl. GST) |
| Wednesday | \$0.2436 | \$0.2680 | \$0.2473 | \$0.2720 |
| | | | | |
| HOME DELIVERY FEE (per copy) | Current Fee (excl. GST) | Current Fee (incl. GST) | New Fee (excl. GST) | New Fee (incl. GST) |
| Monday - Saturday | \$0.1949 | \$0.2144 | \$0.1978 | \$0.2176 |
| | | | | |
| TOTAL HOME DELIVERY | Current Fee (excl. GST) | Current Fee (incl. GST) | New Fee (excl. GST) | New Fee (incl. GST) |
| <i>Figures include: Fixed Distribution Fee plus Retail Commission plus Home Delivery Fee</i> | | | | |
| Wednesday | \$0.7681 | \$0.8449 | \$0.7747 | \$0.8521 |

Geelong Advertiser

| FIXED DISTRIBUTION FEE – RETAIL | Current Fee (excl. GST) | Current Fee (incl. GST) | New Fee (excl. GST) | New Fee (incl. GST) | | |
|--|--------------------------------|--------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Monday - Friday | \$0.1462 | \$0.1608 | \$0.1484 | \$0.1632 | | |
| Saturday | \$0.2400 | \$0.2640 | \$0.2473 | \$0.2720 | | |
| | | | | | | |
| FIXED DISTRIBUTION FEE – ALTERNATE CHANNELS | Current Fee (excl. GST) | Current Fee (incl. GST) | New Fee (excl. GST) | New Fee (incl. GST) | | |
| Monday - Friday | \$0.1462 | \$0.1608 | \$0.1484 | \$0.1632 | | |
| Saturday | \$0.2436 | \$0.2680 | \$0.2473 | \$0.2720 | | |
| | | | | | | |
| FIXED DISTRIBUTION FEE - HOME DELIVERY | Current Fee (excl. GST) | Current Fee (incl. GST) | New Fee (excl. GST) | New Fee (incl. GST) | | |
| Monday - Friday | \$0.1462 | \$0.1608 | \$0.1484 | \$0.1632 | | |
| Saturday | \$0.2436 | \$0.2680 | \$0.2473 | \$0.2720 | | |
| | | | | | | |
| HOME DELIVERY FEES | Current Fee (excl. GST) | Current Fee (incl. GST) | New Fee (excl. GST) | New Fee (incl. GST) | | |
| Monday - Saturday | \$0.1949 | \$0.2144 | \$0.1978 | \$0.2176 | | |
| | | | | | | |
| RETAIL COMMISSION | Current Fee (excl. GST) | Current Fee (incl. GST) | New Fee (excl. GST) | New Fee (incl. GST) | From 1/7/2019 | From 1/7/2019 |
| Monday - Friday | \$0.1932 | \$0.2125 | \$0.1932 | \$0.2125 | New Fee (excl. GST) | New Fee (incl. GST) |
| Saturday | \$0.2727 | \$0.3000 | \$0.2727 | \$0.3000 | \$0.2841 | \$0.3125 |

Postage/Administration Fee

| HOME DELIVERY FEES | Current Fee (excl. GST) | Current Fee (incl. GST) | New Fee (excl. GST) | New Fee (incl. GST) |
|---|--------------------------------|--------------------------------|----------------------------|----------------------------|
| Monthly fee | \$2.2727 | \$2.5000 | \$2.2727 | \$2.5000 |
| Fee may only be charged where a customer is offered the option of receiving their invoice via email but elect to receive their invoice in hard copy form. | | | | |