

SCHEME MEMBERSHIP AGREEMENT

Between

INDEPENDENT PRESS STANDARDS ORGANISATION C.I.C.

and

[PUBLISHER]

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Between:

- (1) **INDEPENDENT PRESS STANDARDS ORGANISATION C.I.C.**, a company registered in England and Wales with registration number 02538908 and whose registered office is at 10 East Cheap, London, EC3M 1AJ (the **Regulator**); and
- (2) **[FULL COMPANY NAME]**, a company registered in England and Wales with registration **NUMBER** [NUMBER] and whose registered office is at [REGISTERED OFFICE ADDRESS] (the **Publisher**).

IT IS AGREED as follows:

1. Interpretation

- 1.1 In this Agreement (as defined below) the following expressions shall have the following meanings:

Agreement: this agreement including the Regulations.

Arbitration Service: means the arbitration service which may be established by the Regulator in accordance with clause 5.4.

Editors' Code: the Editors' Code of Practice adopted by the Regulator before the date of this Agreement and any amended version or replacement of that code that is written by the Editors' Code of Practice Committee, approved in accordance with the Articles of Association of the Regulatory Funding Company and adopted by the Regulator's Board.

Editors' Code of Practice Committee: the committee of that name established under the Articles of Association of the Regulatory Funding Company.

Effective Date: the date to be determined by the Regulator for the commencement of this Agreement in accordance with clause 2.2.

Enforcement Fund: a fund to be used solely for the purposes of contributing towards the costs and expenses of the Regulator in bringing enforcement actions against, or carrying out investigations into the conduct of, Regulated Entities as referred to in clause 10.

Financial Sanctions Guidance: any guidance issued from time to time by the Board, as reasonably amended and approved by the Board in consultation with the Regulatory Funding Company, regarding the imposition of fines or awards of costs by the Regulator following a Standards Investigation.

Group: in relation to a company, that company, its subsidiaries, its ultimate parent company and its ultimate parent company's subsidiaries (each as defined in the Companies Act 2006) from time to time.

IPSO Mark: A mark developed by the Regulator to denote membership and a commitment to upholding high standards of journalism.

Majority Vote: a majority vote of the Regulated Entities in accordance with the provisions of clause 6.2.

Membership Subscription: the subscription payable by or on behalf of the PGREs to the Regulatory Funding Company in accordance with the Articles of Association of the

Regulatory Funding Company, and which may be designated to a Sector or Sectors by the Regulatory Funding Company.

Publication: any newspaper, magazine or electronic service which is published, or targets an audience, in the United Kingdom, the Channel Islands and the Isle of Man which falls within the remit of the Regulator under the Regulations.

PGREs (Publisher Group Regulated Entities): the Publisher and all members of the Publisher's Group from time to time which publish any Publication(s) excluding any such member which enters into its own Scheme Membership Agreement with the Regulator on identical terms to this Agreement (save as to parties or save for any differences contemplated by clause 4.1) and **Publisher Group Regulated Entity** or **PGRE** shall refer to any one of them.

Regulated Entities: (i) all of the entities who have entered into Scheme Membership Agreements with the Regulator on identical terms to this Agreement (save as to parties or save for any differences contemplated by clause 4.1); (ii) all members of each such entity's Group which publish Publication(s); and (iii) the Publisher, and **Regulated Entity** shall refer to any one of them.

Regulations: the regulations set out in the schedule hereto (as amended from time to time pursuant to clause 7.1) governing the regulation of Regulated Entities.

Regulator's Board: the board of directors of the Regulator.

Regulatory Funding Company: Regulatory Funding Company, a company limited by guarantee and registered in England and Wales with registration number 8796553 and whose registered address is at 10 Queen Street Place, London, EC4R 1BE.

Relevant Year: the year in which the relevant vote takes place.

Sector: any of:

- (a) national newspapers; or
- (b) magazines; or
- (c) regional newspapers

and **Sectors** shall mean two or more of such sectors.

Standards Investigation: an investigation conducted by the Regulator which takes place in any of the circumstances set out in the Regulations.

1.2 In this Agreement a reference to one gender shall include reference to the other genders; words denoting a singular number include the plural and vice versa; references to persons shall include firms, companies and other organisations; a reference to a statutory provision includes a reference to the same as modified, re-enacted or both from time to time and any subordinate legislation made under it; a reference to a legal or Regulatory body includes a reference to any successor body or bodies to it; headings shall not affect the interpretation of this Agreement; the words "include", "includes", "including" and "in particular" shall be construed as if they were followed by the words "without limitation"; and the schedules and appendices to this Agreement shall have the same full force and effect as if expressly set out in the body of this Agreement.

1.3 Unless otherwise specified in this Agreement, the capitalised terms used in this Agreement and in the Regulations shall have the same meanings.

2. Term

- 2.1 This Agreement will commence on the later of the Effective Date and the date on which it is executed by the Publisher and the Regulator and shall continue thereafter unless terminated in accordance with clause 11.
- 2.2 Subject to clause 2.1, the PGREs and the Regulator agree to be bound by the terms of this Agreement with effect from a date to be determined at the discretion of the Regulator and notified in writing to the Publisher (the **Effective Date**) provided that on or before that date the following bodies shall have been established under the Articles of Association of the Regulator (as amended on 24 February 2016) (the **Regulator's Articles**):
- 2.2.1 the Regulator's Board, the composition of which shall be substantially in accordance with Article 22 of the Regulator's Articles, but which shall have been selected in accordance with initial procedures for establishing the first new Board following adoption of the Regulator's Articles; and
- 2.2.2 the Complaints Committee, in accordance with Article 27 of the Regulator's Articles.
- 2.3 The terms of this Agreement shall apply to all of the PGREs' Publications, excluding any Publication which has been withdrawn by a PGRE pursuant to clause 6.3 and any Publication in respect of which this Agreement has terminated pursuant to clause 11.6 or 11.7.

3. Obligations of the PGREs

- 3.1 The Publisher enters into this Agreement for and on behalf of itself and, if and to the extent that there are any other PGREs, all such other PGREs. If there are other PGREs, the provisions of clauses 3.1.1 to 3.1.5 to shall apply:
- 3.1.1 within 14 days of the Effective Date, the Publisher shall notify the Regulator of the identity of all PGREs and shall, thereafter, notify the Regulator of:
- (a) any member of its Group becoming a PGRE;
 - (b) any member of its Group (i) ceasing to publish any Publication; or (ii) ceasing entirely to publish Publications (which, for the avoidance of doubt, means that such member thereby ceases to be a PGRE); and
 - (c) any transfer of control of a Publication from a PGRE to another entity either (i) within its Group (which, for the avoidance of doubt, thereby becomes a PGRE) or (ii) outside its Group (which, for the avoidance of doubt, means that where the transferor no longer publishes any Publication it shall cease to be a PGRE),
- each to be notified within 14 days of the date of the relevant event;
- 3.1.2 the Publisher warrants that it is entitled to enter into this Agreement as agent for and on behalf of the PGREs and that the PGREs will, following execution by the Publisher and the Regulator, be duly bound by the terms of this Agreement;
- 3.1.3 without prejudice to clause 3.1.2, the Publisher shall procure the performance by each PGRE of its obligations under this Agreement strictly in accordance with its terms and each PGRE shall be entitled to enforce the terms of this Agreement against the Regulator. The Publisher shall be jointly and severally responsible and

liable with each PGRE for each such PGRE's obligations and liabilities under this Agreement;

3.1.4 the Publisher shall be entitled to exercise the rights and perform the obligations of each PGRE on such PGRE's behalf and, to the extent that such performance is conducted fully and properly, it will constitute full and proper performance of a PGRE's relevant obligations; and

3.1.5 the Publisher may at any time be replaced by any other PGRE nominated by the Publisher, provided that such PGRE and the Publisher enter into a deed of novation with the Regulator in a form prescribed by the Regulator to transfer the Publisher's rights under this Agreement to the PGRE and under which the PGRE shall assume responsibility for all of the Publisher's liabilities under this Agreement (whether arising before or after the effective date of such deed of novation). Such PGRE shall thereafter become the **Publisher** for the purposes of this Agreement.

3.2 The Publisher and the PGREs shall be, and at all times during the term of this Agreement remain, members of the Regulatory Funding Company.

3.3 Each PGRE shall comply with the following obligations:

3.3.1 Compliance with the Editors' Code: Each PGRE shall, and shall use its reasonable endeavours to procure that all its employees, officers, agents and sub-contractors shall, comply with the Editors' Code, as amended from time to time in accordance with clause 7.

3.3.2 Compliance with the Regulations: Each PGRE shall, and shall use its reasonable endeavours to procure that all its employees, officers, agents and sub-contractors shall, comply with the Regulations, as amended from time to time in accordance with clause 7.

3.3.3 Internal governance: Each PGRE shall implement and maintain internal governance practices and procedures with the aim of ensuring compliance with the Editors' Code and the Regulations. Each PGRE shall ensure that such practices and procedures comply with any requirements specified by the Regulator from time to time.

3.3.4 Complaints procedure: Each PGRE shall implement and maintain effective and clear procedures for the reasonable and prompt handling of complaints. Each PGRE shall ensure that internal complaints handling procedures are implemented in relation to the handling of any complaint. Each PGRE shall comply with any requirements which may be specified by the Regulator from time to time, acting in a reasonable and proportionate manner, in relation to the content, implementation and operation of their internal complaints procedures and the complaints procedure implemented by the Regulator's Board under the Regulations.

3.3.5 Co-operation: Each PGRE shall act in an open and co-operative way towards the Regulator. Each PGRE shall, and shall use its reasonable endeavours, to procure that all its employees, officers, agents and sub-contractors shall: (a) subject always to any relieving provisions of the Regulations from time to time relating to confidentiality of information and of sources of information, in relation to the Regulator's exercise of its powers (including investigatory powers), provide all necessary (as determined by the Regulator in its absolute discretion) assistance, access to persons, information and documents (that is to say anything in which information of any description is recorded) provided that to do so would not breach

any applicable law or regulation; and (b) not do anything to interfere with or obstruct the activities of the Regulator.

- 3.3.6 Employment contracts: No PGRE shall take any disciplinary action against any of its employees on the grounds that he or she has used the Regulator's whistleblowing hotline (provided that such use is appropriate and proportionate) or has refused to act in a manner which he or she reasonably and in good faith believes is contrary to the Editors' Code and each PGRE shall include a term to this effect in all contracts of employment it enters into after the Effective Date.
- 3.3.7 Annual statement: The Publisher shall provide annually to the Regulator a statement as prescribed by the Regulations and by such specified date as may be required by the Regulator's Board, which shall include each PGRE's compliance with its obligations under clauses 3.3.1 to 3.3.4 above.
- 3.3.8 Abiding by the Regulator's decisions and requirements: Each PGRE shall, and shall use its reasonable endeavours to procure that all its employees, officers, agents and sub-contractors shall, abide by and comply promptly with the decisions and requirements of the Regulator which the Regulator may issue in accordance with its remit.
- 3.3.9 Appointment of a responsible person: Each PGRE shall ensure that all its employees, officers, agents and sub-contractors comply with the requirements of this Agreement and the Publisher shall, on behalf of the PGREs, appoint a senior individual who will report annually to the Regulator as required under clause 3.3.7.
- 3.3.10 Transfer of a title: If a PGRE transfers control of a Publication outside the Publisher's Group to a new owner or controller which is not a Regulated Entity, it shall encourage the new owner or controller of such Publication to become a Regulated Entity.
- 3.3.11 Quarterly statements: If required to do so by the Regulator, the Publisher shall provide a quarterly statement to the Regulator as prescribed by the Regulations which shall include each PGRE's compliance with its obligations under clauses 3.3.1 to 3.3.4 above.
- 3.3.12 Displaying the IPSO Mark: Each PGRE shall be expected to display the IPSO Mark in print and on its website to denote membership with the Regulator.

4. Obligations of the Regulator

- 4.1 The Regulator undertakes that all Scheme Membership Agreements shall be on identical terms to this Agreement, save as to parties or save that the terms of any such Scheme Membership Agreements which relate to the Arbitration Service may differ in so far as the PGREs and other Regulated Entities subscribe or do not subscribe to the Arbitration Service; and/or (ii) the PGREs and other Regulated Entities publish or do not publish Publications in Scotland.
- 4.2 The Regulator shall carry out its functions as set out in the Regulations in accordance with the processes set out therein.
- 4.3 In carrying out its functions and in all its dealings with Regulated Entities and with any complainants bringing complaints against any PGRE, the Regulator shall act fairly and proportionately.
- 4.4 The Regulator shall have regard to the nature of the PGRE (including its size and the

number of staff employed and annual turnover) and/or its Publication(s) (including the number of its Publications and circulation figures of its Publication(s)) when exercising its powers.

- 4.5 In exercising its power to impose fines or award costs pursuant to clause 5.5, the Regulator shall comply with the Financial Sanctions Guidance.

5. Contractual powers of the Regulator

- 5.1 The Publisher agrees that the Regulator may, subject to the Regulations, carry out its responsibilities and functions and implement the processes set out in this Agreement.
- 5.2 Subject to the Regulations, and in particular any provisions of the Regulations from time to time relating to confidentiality of information and of sources of information, the Regulator may compel each PGRE to provide to it such documents and materials as it may reasonably determine are required in connection with this Agreement, provided that to do so would not breach any applicable law or regulation.
- 5.3 The Regulator shall have the right to investigate and record each PGRE's compliance with the Editors' Code and this Agreement.
- 5.4 The Regulator may establish and maintain a service (the Arbitration Service) to allow an individual who seeks to make a civil legal claim against a Regulated Entity to refer the claim to arbitration as an alternative to commencing court proceedings subject to the rules of the Arbitration Service implemented. No PGRE shall be obliged to participate in the Arbitration Service.
- 5.5 The Regulator shall be entitled to impose sanctions and fines or award costs only in respect of any Standards Investigation or require remedial action of any PGRE as prescribed in the Regulations. For the avoidance of doubt the Regulator shall have no power to require a PGRE to make any financial payment under the Regulations to any third party, save for any payments to the Regulatory Funding Company or any costs award following a Standards Investigation as prescribed in Regulation 66 of the Regulations.
- 5.6 Subject to any express provisions to the contrary in this Agreement or the Regulations, the Regulator shall keep confidential all Confidential Information supplied to it in connection with the exercise of its powers. For the purposes of this clause 5.6, **Confidential Information** shall mean all communications, documents and other materials relating to a PGRE or any third party which are confidential in nature and all communications, documents and other materials made in connection with the carrying out by the Regulator of its functions in relation to complaints handling or a standards investigation.

6. Voting by Regulated Entities

- 6.1 For the purposes of any vote required under this Agreement:
- 6.1.1 the Regulatory Funding Company will be responsible for determining, by reference to a PGRE's Publications, the Sector or Sectors of which a PGRE is a member; and
- 6.1.2 the numbers of votes eligible to be cast by a Regulated Entity in its Sector or Sectors and the number of votes cast by a Regulated Entity will be determined by the Secretary as defined in the Articles of Association of the Regulatory Funding Company;
- 6.1.3 the Regulatory Funding Company may, in its sole discretion, establish new sectors, following which any such new sector shall be a Sector for the purposes of clause 1;
- 6.1.4 subject to clause 6.5:

- (a) each Regulated Entity shall have, as a percentage of the total votes of all Regulated Entities, the same number of votes as the proportion its Membership Subscription payable in the Relevant Year (whether or not paid) bears to the total membership subscriptions payable to the Regulatory Funding Company by all Regulated Entities in the Relevant Year (whether or not paid); and
- (b) where the number of votes in a Sector falls to be calculated each Regulated Entity shall have, as a percentage of the total votes, within that Sector, of all Regulated Entities, the same number of votes as the proportion its Membership Subscription designated in that Sector and payable in the Relevant Year (whether or not paid) bears to the total membership subscriptions payable to the Regulatory Funding Company in respect of all Publications which are designated in that Sector and payable in the Relevant Year (whether or not paid).

6.2 Any vote required under this Agreement shall be a Majority Vote if, subject to clause 6.1.4:

6.2.1 not less than 66% of the eligible votes cast by Regulated Entities are in favour of the relevant proposal; and

6.2.2 in two or more Sectors not less than 66% of the eligible votes cast by Regulated Entities in each such Sector are in favour of the relevant proposal.

6.3 On the passing of any resolution on a Majority Vote, if the number of eligible votes cast by Regulated Entities in a Sector which are in favour of the relevant proposal is less than 66%, any Regulated Entity in such Sector may, on written notice to the Regulator within 30 days of such Majority Vote, withdraw any of its Publications which are then designated in such Sector by the Regulatory Funding Company from the remit of the Regulator and this Agreement shall continue only in respect of such Publication(s) (if any) as are not withdrawn. For the purposes of the Regulations, the Regulator will have no power in respect of any such withdrawn Publications from the date of receipt of such notice.

6.4 The Regulator may at any time call for a vote of Regulated Entities in respect of any matter for which a vote is provided in this Agreement and the following provisions shall apply, subject always to the Articles of Association of the Regulatory Funding Company and the powers of the Secretary referred to in clause 6.1:

6.4.1 the Regulator shall call for such a vote within 30 days of receiving a request in writing signed by or on behalf of Regulated Entities holding at least 20% of the votes (as at the date of receipt of the request) in respect of such matter;

6.4.2 every such vote shall be held by written ballot and shall be called for and held in such manner and by such means as the Regulator may decide provided that every Regulated Entity entitled to vote shall be sent notice of the vote and the manner in which votes are to be cast and shall have at least 30 days (from the date on which the Regulator issues its call for a vote) in which to cast its vote;

6.4.3 a written ballot may be conducted entirely or in part by electronic means, including by submission of votes via a website;

6.4.4 the Regulator may establish rules concerning the authentication of votes submitted by Regulated Entities; and

6.4.5 no vote shall be invalidated by reason of any accidental irregularity (including any accidental omission to give or any non-receipt of notice) or any want of qualification in any of the persons of voting.

6.5 A Regulated Entity's vote will not be counted for the purposes of a Majority Vote if at the time of the Majority Vote the Regulated Entity's Membership Subscription is more than 60 days overdue.

7. Variations to the Regulations and the Editors' Code

7.1 Save for Annex C of the Regulations, the Regulations shall only be amended by the agreement in writing of the Regulatory Funding Company, the Regulator and by a Majority Vote. In considering whether to agree to such amendments the Regulator may consult with whomsoever it may deem appropriate, including relevant industry bodies.

7.2 Annex C of the Regulations may be amended from time to time by the Regulator's Board. Amendments will be reasonable and approved by the Board in consultation with the Regulatory Funding Company.

7.3 The Editors' Code shall only be amended or replaced in accordance with the Articles of Association of the Regulatory Funding Company.

7.4 For the avoidance of doubt, any amendment to the Regulations and amendment to or replacement of the Editors' Code shall be binding on all Regulated Entities, including the PGREs, irrespective of whether each PGRE agrees to the amendment or replacement and in each case clause 6.3 shall not apply.

8. Variations to the terms of this Agreement

8.1 The terms of this Agreement (except the Regulations) may be varied:

8.1.1 from time to time by the agreement in writing of the Regulator and by a Majority Vote. For the avoidance of doubt and subject to clause 6.3, any such variation to this Agreement shall apply to all Scheme Membership Agreements, irrespective of whether the Regulated Entities agree to the variation; and

8.1.2 in accordance with the provisions of clause 8.2.

8.2 During the 12 month period commencing on the fourth anniversary of the Effective Date, the Regulator shall consult with the Regulated Entities in relation to the terms of this Agreement and, following such consultation, may propose variations to the terms of this Agreement. The Regulated Entities shall vote to decide whether to agree such variations, such vote to be concluded no less than 28 days prior to the fifth anniversary of the Effective Date. If a Majority Vote is achieved, the terms of this Agreement shall be varied on the fifth anniversary of the Effective Date in accordance with the variations agreed by such Majority Vote. For the avoidance of doubt and subject to clause 6.3, any such variation to this Agreement shall apply to all Scheme Membership Agreements, irrespective of whether the Regulated Entities agree to the variation. If no Majority Vote is achieved, the terms of this Agreement shall remain in full force and effect. The provisions of this clause 8.2 are subject to the Publisher's right to terminate this Agreement in accordance with clause 11.2. The process in this clause 8.2 shall be repeated every five years. For the avoidance of doubt, the provisions of this clause 8.2 shall not apply to any terms in this Agreement relating to the Arbitration Service.

9. Limitation of liability

9.1 Save in respect of fraud or death or personal injury caused by the Regulator's negligence,

the Regulator shall have no liability to any PGRE for:

9.1.1 any failure to exercise its rights and powers under this Agreement; and

9.1.2 any acts or omissions of the Regulated Entities including the PGREs.

9.2 In each 12 month period of this Agreement from the Effective Date, the Regulator's liability to the PGREs under or in connection with this Agreement shall not exceed the Membership Subscription paid by or on behalf of the PGREs pursuant to the Articles of Association of the Regulatory Funding Company in that 12 month period.

9.3 Save in respect of fraud, when acting in his or her capacity as a member of the Regulator's Board, the Complaints Committee, Investigation Panel or Review Panel, no individual shall have any personal liability, howsoever arising, to any PGRE.

9.4 Save in respect of fraud or death or personal injury, when acting in his or her capacity as an employee or officer of any PGRE, no individual shall have any personal liability, howsoever arising, to the Regulator or any third party pursuant to this Agreement.

10. Enforcement Fund

The Regulated Entities which publish national newspapers shall, if required to do so by the Regulator, guarantee a payment (which amount shall be determined by the Regulatory Funding Company) which shall be payable on demand to the Regulator to be used as, or as part of, the Enforcement Fund. Any monies received by the Regulator from fines and costs contributions will also be placed in the Enforcement Fund. The Regulator may, in its absolute discretion, reimburse some or all of any contribution made by any PGRE to the Enforcement Fund if the Regulator determines that there are sufficient monies in the Enforcement Fund to enable it do so, whether or not such PGRE remains a Regulated Entity.

11. Termination

11.1 Subject to each PGRE's right to withdraw Publications pursuant to clause 6.3, this Agreement may not be terminated except in accordance with the following provisions of this clause 11 and the Regulator's powers shall continue to be enforceable against the PGREs notwithstanding any purported termination of this Agreement by any PGRE other than in accordance with this clause 11.

11.2 The Publisher may, on behalf of the PGREs, by giving not less than 12 months' notice in writing to the Regulator, terminate this Agreement on the sixth anniversary of the Effective Date or with effect from the end of each subsequent five year period in the event that the earliest date upon which notice can be given has passed.

11.3 The Publisher may, on behalf of the PGREs, by giving not less than seven days' notice in writing to the Regulator, terminate this Agreement:

11.3.1 if it receives notice from the Regulator or becomes aware that the Regulator has applied for recognition by a recognition panel established pursuant to the relevant Royal Charter, unless the terms of that Royal Charter have been agreed with the newspaper and magazine industry, provided that such notice of termination is given within 28 days of the later of such Regulator's notice or becoming aware of such application; or

11.3.2 if, following an application by the Regulator for recognition, a recognition panel established pursuant to the relevant Royal Charter issues a decision that it does not recognise the Regulator; or

11.3.3 if having been so recognised, the Regulator at any time thereafter ceases to be

so recognised.

- 11.4 If the Publisher considers that all PGREs have ceased entirely to be publishers of any Publications, it may make a request to the Regulator that the PGREs be permitted to leave the Regulatory scheme and for this Agreement to be terminated. Provided that the Publisher has satisfied the Regulator that no PGRE is, or intends in the future to become, a publisher of any Publications, the Regulator may terminate this Agreement immediately or on such notice as the Regulator considers appropriate in the circumstances.
- 11.5 The Regulator may (as one of its powers of sanction) terminate this Agreement as a whole, or in relation to any one or more PGREs, by notice in writing to the Publisher. In the event that this Agreement is terminated in relation to a PGRE, clause 11.12 will apply to that PGRE.
- 11.6 This Agreement will terminate automatically in relation to every Publication published by PGREs in England, Wales, Northern Ireland, the Channel Islands and the Isle of Man if the United Kingdom parliament passes legislation establishing or requiring to be established a regulator or regulators with specific responsibility for the press (or any part of the press) or which otherwise causes the functions of the Regulator to be substantially superseded or assumed by any other person or body. Any question as to whether any legislation meets these requirements shall be determined by the Regulatory Funding Company in its absolute discretion.
- 11.7 This Agreement will terminate automatically in relation to every Publication published in Scotland by PGREs if the Scottish parliament passes legislation establishing or requiring to be established a regulator or regulators with specific responsibility for the press (or any part of the press) or which otherwise causes the functions of the Regulator to be substantially superseded or assumed by any other person or body. Any question as to whether any legislation meets these requirements shall be determined by the Regulatory Funding Company in its absolute discretion.
- 11.8 This Agreement will terminate automatically if the Regulator suspends, or threatens to suspend, payment of its debts or is unable to pay its debts within the meaning of section 123 of the Insolvency Act 1996; enters into or applies for (or calls meetings of members or creditors with a view to) one or more of a moratorium, winding up, administration, liquidation (of any kind, including provisional), or composition or arrangement with creditors; or has any of its property subjected to one or more of the appointment of a receiver (of any kind), enforcement of security, distress, or execution of a judgement.
- 11.9 This Agreement may be terminated on 12 months' notice (not to expire before the sixth anniversary of the Effective Date) if a Majority Vote determines that all Scheme Membership Agreements should be terminated, irrespective of whether each PGRE agrees to it.
- 11.10 Before making any amendment to any of the Entrenched Articles specified in Article 39 of the Regulator's Articles, the Regulator shall call for a vote of the Regulated Entities. If such amendment is not approved by a Majority Vote, any Regulated Entity may, on written notice to the Regulator within 30 days of such amendment taking effect, withdraw any of its Publications from the remit of the Regulations and this Agreement shall terminate in respect of any such withdrawn Publications.
- 11.11 Termination of this Agreement shall not affect the accrued rights, remedies, obligations or liabilities of the parties existing at termination.
- 11.12 On termination of this Agreement for any reason, each PGRE shall:

- 11.12.1 remove from its Publication(s) and website all badges denoting membership of the regulatory scheme to which this Agreement relates; and
- 11.12.2 publish a statement in its Publication(s) or website stating that it is no longer regulated by the Regulator.

12. Sub-contracting

No PGRE may assign, sub-contract, delegate or otherwise transfer to a third party its obligations under this Agreement.

13. Equitable remedies

The Regulator and Publisher acknowledge and agree that monetary damages alone for actual or threatened breach of any obligations of this Agreement may not afford an adequate remedy or relief and accordingly it is understood and agreed that in any such event, in addition to any other remedy existing at law or in equity, the parties shall also be entitled to the equitable remedies of specific performance and injunctive relief to the fullest extent available under applicable law.

14. Third Party Rights

Save as expressly provided in this Agreement (including in clauses 3.1.3, 3.2, 3.3.6, 10, 11.6 and 11.7), no person other than a party to this Agreement will have any rights under this Agreement.

15. Force Majeure

No party shall be in breach of this Agreement nor liable for delay in performing, or failure to perform, any of its obligations under this Agreement if such delay or failure results from events, circumstances or causes beyond its reasonable control, which shall be deemed to include, but not be limited to the following: act of God; war; civil commotion; sabotage; labour dispute and industrial action; explosion; or fire (a **Force Majeure Event**). For the avoidance of doubt the acts or omissions of any PGRE's third party contractors shall not be considered to be Force Majeure Events unless such third party contractors' acts or omissions were outside the reasonable control of the PGRE.

16. Entire Agreement

This Agreement constitutes the whole agreement and understanding of the parties and supersedes any previous arrangement, understanding or agreement between them relating to the subject matter of this Agreement.

17. Governing law and jurisdiction

- 17.1 This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England save that in relation to Publications published in Scotland by Regulated Entities, the law of Scotland shall apply. The parties irrevocably agree that the courts of England (or, as the case may be, Scotland) shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Agreement.
- 17.2 Neither the PGREs nor the Regulator shall be bound to carry out any obligations or exercise powers under this Agreement where to do so would contravene applicable law. The Regulator may, but shall not be required to, suspend or delay the exercise of any of its

functions in the event that there are civil or criminal proceedings in relation to the subject matter of a complaint or Standards Investigation.

EXECUTED by the parties on the date first mentioned above

SIGNED for and on behalf of)
INDEPENDENT PRESS STANDARDS)
ORGANISATION C.I.C.)
acting by [], a director)
in the presence of

Witness:

Signature:.....

Name:.....

Address:

.....

.....

Occupation:

SIGNED for and on behalf of)
[REGULATED ENTITY])
For and on behalf of itself and the)
PGREs)
acting by [], a director)
in the presence of

Witness:

Signature:.....

Name:.....

Address:

.....

.....

Occupation: