

BRADEN PRINTING, INC.

TERMS AND CONDITIONS OF SALE

1. QUOTATION: A quotation is valid for 30 days. If it is not accepted within 30 days, it is subject to change.

2. ORDERS: Acceptance of orders is subject to credit approval. Once accepted, orders, whether verbal or written, cannot be canceled except upon terms that will compensate printer for incurred costs and related obligations.

3. EXPERIMENTAL WORK: Experimental work performed at Customer's request, such as sketches, drawings, designs, composition, plates, presswork and materials will be charged for at Printer's current rates. Such work may not be used without consent of Printer, or prior to payment in full therefore.

4. PREPARATORY AND CREATIVE WORK: Sketches, copy dummies, and all preparatory work created or furnished by Printer shall remain his exclusive property, and no use of same, nor any ideas obtained therefrom, shall be made, except upon compensation based upon current rates charged for our various services.

5. ACCURACY OF SPECIFICATIONS: Quotations are based on the accuracy of specifications provided. In the event there are changes in specifications, and/or if copy, film, tapes, disks, or other input materials do not conform to the information on which the original specification was based, Printer can requote the job at the time of submission.

6. PREPARATORY MATERIALS: Artwork, composition and mechanicals shall become Customer's property upon payment for the job for which they were prepared, and upon payment for work that is not performed by Printer. Negatives, halftones, flats and plates remain the property of Printer and may be stored for possible future use at the sole discretion of Printer. Duplicate copies of these intermediate materials may be provided to Customer at the current rates for their duplication. No warranty as to their condition for future use is made by Printer, and no liability shall be incurred therefore.

7. ELECTRONIC MANUSCRIPT OR IMAGE: It is Customer's responsibility to maintain a copy of their original file. Printer is not responsible for accidental damage to media supplied by Customer, or for the accuracy of furnished input or final output. Until digital input can be evaluated by Printer, no claims or promises are made about Printer's ability to work with media submitted in digital format, and no liability is assumed for problems that may arise. Any additional translating, formatting, editing or programming necessary to utilize customer-supplied files will be charged at prevailing rates.

8. ALTERATIONS: Alterations represent work performed in addition to the original specifications. Such additional work shall be charged at Printer's current rates.

9. PROOFS: Proofs shall be submitted, on request, with original copy. Corrections are to be made on the "master set", which should be returned marked "O. K." or "O. K. with corrections" and signed by Customer. If revised proofs are desired, request must be made when proofs are returned.

Customer must supply laser proof of all jobs submitted in digital format as a guide to production. Final master proofs will be submitted for Customer evaluation and approval from the digital output.

Printer regrets any undetected production errors that may occur, but cannot be held responsible for errors if the work is printed with Customer's approval, or if changes were communicated verbally. Printer shall not be responsible for errors if Customer has not ordered, or has refused to accept proofs; or has failed to return proofs with indication of changes; or has instructed Printer to proceed without submission of proofs.

10. PRESS PROOFS: Unless specifically provided in writing in Printer's quotation, no press proofs will be provided. An inspection sheet of any form can be submitted for Customer approval, at no charge, provided Customer is available at the press during the time of make-ready. Any changes, corrections or lost press time due to Customer's change of mind, alteration or delay will be charged for at Printer's current rates.

11. COLOR PROOFING: Because of differences in equipment, paper, inks and other conditions between color proofing and production pressroom conditions, a reasonable variation in color between color proofs and completed job shall be considered acceptable performance.

12. OVER RUNS OR UNDER RUNS: Over runs or under runs not to exceed 10% on quantities ordered shall constitute acceptable delivery. Printer will bill for actual quantity delivered within this tolerance. If Customer requires a guaranteed quantity, percentage of tolerance must be stated as a specification at the time of quotation.

13. CUSTOMER'S PROPERTY: Printer will only maintain fire and extended insurance coverage on all property belonging to Customer while such property is in Printer's possession. Printer's liability for such property shall not exceed the amount recoverable from such insurance.

14. DELIVERY: Unless otherwise specified, the price quoted is for a single shipment, without storage, F. O. B. Printer's platform. Proposals are based on continuous and uninterrupted delivery of complete order, unless specifications distinctly state otherwise. Charges related to delivery from Customer to Printer, or from Customer's supplier are not included in any quotations unless specified. Special priority pickup or delivery service will be provided at current rates upon Customer's request. Materials delivered from Customer

or his suppliers are verified with delivery ticket as to cartons, packages or items shown only. The accuracy of quantities indicated on such tickets cannot be verified and Printer cannot accept liability for shortage based on supplier's tickets. Title for finished work shall pass to Customer upon delivery to Customer by Printer, pickup by Customer, delivery to carrier at shipping point, or upon mailing of invoices for finished work, whichever occurs first.

15. PRODUCTION SCHEDULES: Production schedules, if and when established, will be adhered to by Customer and Printer, provided that neither shall incur any liability or penalty for delays due to state of war, riot, civil disorder, fire, strikes, accidents, action of Government or civil authority, acts of God, or other causes beyond the control of Customer or Printer, and shall extend said schedules by an amount of time equal to delay incurred. Any costs incurred due to other delays by Customer shall be charged at Printer's current rates.

16. CUSTOMER FURNISHED MATERIAL: Paper stock, digital files, camera copy, film, color separations and proofs, dies and other Customer furnished material must be capable of immediate use by Printer without alteration or repair. Items not meeting this standard will be repaired by Customer or by Printer at Printer's current rates. Paper stock must be delivered in accordance with specifications furnished by Printer. Responsibility for correct weight, thickness, pick resistance and other technical problems shall be entirely on Customer. Any additional cost due to delays or impaired production caused by specification deficiencies shall be charged to Customer at Printer's current rates and shall extend all production schedules by the amount of time caused by any deficiencies.

17. OUTSIDE PURCHASES: Unless otherwise agreed in writing, all outside purchases as requested by Customer are chargeable to Customer.

18. TERMS: Payment shall be net cash due upon delivery, or net cash within 30 calendar days from date of invoice for Customers with approved credit on open account. Claims for defects, damages or shortages must be made by Customer in writing within a period of 10 calendar days after delivery. If no such claim is made, Printer and Customer will understand that the job has been accepted. By accepting the job, Customer acknowledges that Printer's performance has fully satisfied all terms, conditions and specifications.

Printer's sole liability shall be limited to stated selling price of any defective goods or replacement of defective goods at Printer's option. As security for payment of any sum due or to become due under terms of any Agreement, Printer shall have the right, if necessary, to retain possession of and shall have a lien on all Customer property in Printer's possession, including both work in process and finished work, whether related to this job or not. This right applies even if credit has been extended, notes have been accepted, trade acceptances have been made, or payment has been guaranteed. If payment is not made, Customer is liable for all collection costs incurred, including reasonable attorneys fees, and for interest on past due amounts in the amount of 18% per annum.

19. INDEMNIFICATION: Customer shall indemnify and hold harmless Printer from any and all loss, cost, expense and damages on account of any and all manner of claims, demands, actions and proceedings that may be instituted against Printer on grounds alleging that said printing violates any copyright or any proprietary right of any person, or that it contains any matter that is libelous or scandalous, or invades any person's right to privacy or other personal rights. Customer agrees to promptly defend and continue the defense of any such claim, demand, action or proceeding that may be brought against Printer, at Customer's own expense, provided that Printer shall promptly notify Customer with respect thereto, and providing further that Printer shall give to Customer such reasonable time as the exigencies of the situation may permit in which to undertake and continue the defense thereof. Printer reserves the right, in his sole discretion, to refuse to print any matter which, in his judgment, is illegal, improper, libelous, obscene, scandalous or infringes on copyright law.

Customer warrants the subject matter to be printed is not copyrighted by a third party. Customer also recognizes that the subject matter does not have to bear a copyright notice in order to be protected by copyright law, and that the absence of such notice does not necessarily assure a right to reproduce. Customer further warrants that no copyright notice has been removed from any material used in preparing the subject matter for reproduction.

20. LIABILITY:

1. Disclaimer of Express Warranties: Printer warrants the work is as described on the purchase order. Customer understands that all sketches, copy, dummies, and preparatory work shown to Customer are intended for illustrative purposes only, to illustrate the general type and quality of the work. They are not intended to represent the actual work performed.

2. Disclaimer of Implied Warranties: Printer warrants only that the work will conform to the description contained in the purchase order. Printer's maximum liability, whether by negligence, contract, or otherwise, will not exceed the amount invoiced for the work in dispute. Under no circumstances will Printer be liable for specific, individual, indirect or consequential damages.

21. STORAGE: Printer will retain intermediate materials until the related finished product has been accepted by Customer. If requested by Customer, intermediate materials may be stored for possible future use, for an additional period not to exceed three years. Such storage charges will be billed at the prevailing rates for digital media and recording time. Printer is not liable for any loss or damage occurring to stored materials which exceeds the amount recoverable from Printer's fire and extended insurance coverage.