

## **GRAPHIC COMMUNICATIONS BUSINESS PRACTICES**

1. **QUOTATION:** A quotation not accepted within 30 days may be reviewed, changed, or withdrawn. All prices are based on material price at the time of quotation. If there is a price increase in material, such increase will be passed on to the customer.
2. **ORDERS:** Acceptance of orders is subject to credit approval and contingencies such as fire, water, strikes, theft, vandalism, acts of God and other causes beyond the provider's control. Cancelled orders require compensation to the provider for incurred costs and related obligations.
3. **EXPERIMENTAL WORK:** Experimental or preliminary work performed at the customer's request will be charged at current rates and may not be used without the provider's written consent and until the provider has been reimbursed in full for the amount of charges billed.
4. **CREATIVE WORK:** Creative work, such as sketches, copy, dummies, and all preparatory work developed and furnished by the provider shall remain the exclusive property of the provider. No use of same shall be made, nor any ideas obtained therefrom be used, except upon compensation to be determined by and paid in full to the provider, unless it was expressly identified and included in the selling price.
5. **ACCURACY OF SPECIFICATIONS:** Quotations are based on the accuracy of the specifications provided. The provider may re-quote a job at time of submission if the files and/or input materials do not conform to the information or condition on which the original quotation was based.
6. **PREPARATORY WORK:** Sketches, copy, dummies, and all preparatory work created or furnished by the provider shall remain the exclusive property of the provider. No use of the same shall be made, or any ideas obtained therefrom be used, except upon compensation as determined by and paid in full to the provider.
7. **ELECTRONIC MANUSCRIPT OF IMAGE:** It is the customer's responsibility to maintain a copy of the original file. The provider is not responsible for accidental damage to media supplied by the customer or for the accuracy of furnished input or final output. Until digital input can be evaluated by the provider, no claims or promises are made about the provider's ability to work with jobs submitted in digital format, and no liability is assumed for problems that may arise. Any additional translating, editing, or programming needed to utilize customer-supplied files will be charged at prevailing rates.
8. **ALTERATIONS/CORRECTIONS:** Alterations represent work performed in addition to the original specifications. All such work will be charged at the provider's current rate.
9. **PREPRESS PROOFS:** Prepress proofs shall be submitted with original copy. Corrections are to be made on the "master set," returned marked "OK," "OK with Corrections," or "Revised Proof Required" and signed by the customer. If revised proofs are desired, request must be made when proofs are returned. The provider is not responsible for errors under any or all of the following conditions: If the work is printed per the customer's OK; if changes are communicated verbally; if the customer has not ordered proofs; if the customer has failed to return proofs with indications of changes; or, if the customer has instructed the provider to proceed without submission of proofs.
10. **PRESS PROOFS:** Unless specifically indicated in the provider's quotation, press proofs will be charged for at current rates. An inspection sheet of any form can be submitted for customer approval, at no charge,

provided the customer is available at the press during the time of makeready. Lost press time due to customer delay, or customer changes and corrections, will be charged at current rates.

11. COLOR PROOFING: Because of differences in equipment, processing, proofing substrates, paper, ink, pigments, imposition and other conditions between color proofing and production pressroom operations, a reasonable variation in color between color proofs and the completed job shall constitute acceptable delivery.
12. OVERRUNS AND UNDERRUNS: Overruns or underruns will not exceed 10% of the quantity ordered. The provider will bill for actual quantity delivered within this tolerance. If the customer requires a guaranteed quantity, the percentage of tolerance must be stated at the time of the quotation.
13. CUSTOMER'S PROPERTY: The provider will only maintain fire and extended coverage on property belonging to the customer while the property is in the provider's possession. The provider's liability for this property will not exceed the amount recoverable by insurance. Customer property of extraordinary value may be insured, if requested in writing, and if a premium is paid to the provider.
14. DELIVERY: Unless otherwise specified, the price quoted is for a single shipment, without storage, F.O.B. the provider's platform. Proposals are based on continuous and uninterrupted delivery of the complete order. If the specifications state otherwise, the provider will charge accordingly at current rates. Charges for delivery of materials and supplies from the customer to the provider, or from the customer's supplier to the provider, are not included in quotations unless specified. Title for finished work passes to the customer upon delivery to the carrier at the shipping point or upon mailing of invoices for the finished work or its segments, whichever occurs first. Special priority pickup or delivery services will be provided and charged for at current rates upon customer request.
15. PRODUCTION SCHEDULE: Production schedules will be established and adhered to by the customer and the provider on the condition that neither shall incur any liability or penalty for delays due to the state of war, riot, civil disorder, fire, labor trouble, strikes, accidents, energy failure, equipment breakdown, delays of suppliers or carriers, action of government or civil authority and acts of God or other causes beyond the control of the customer or the provider. Where production schedules are not adhered to by the customer, final delivery date(s) will be subject to re-negotiation.
16. CUSTOMER FURNISHED MATERIALS: Materials furnished by customers or their suppliers are verified by delivery tickets. The provider bears no responsibility for discrepancies between delivery tickets and actual counts. Customer supplied paper must be delivered according to specifications furnished by the provider. These specifications will include correct weight, thickness, pick resistance, and other technical requirements. Artwork, film, color separations, special dies, tapes, disks, or other materials furnished by the customer must be usable by the provider without alterations or repair. Items not meeting this requirement will be repaired by the customer, or by the provider at the provider's current rates. Additional costs due to delays or impaired production caused by specification deficiencies shall be charged to the customer. *Customer Furnished Paper:* In the event the customer chooses to supply paper, and that paper proves to be defective, it will be the responsibility of the customer to process all claims with its supplier. Further, in the event the customer supplies other than first quality material (e.g. paper purchased as a second or on the job lot market), any additional cost in excess spoilage and/or additional press time will be the responsibility of the customer. *Paper Shortage Clause:* The provider shall not be

liable for damages, either proximate or remote, arising in any way from its failure to make or delay in making delivery because of its inability to obtain paper in the amounts and grades specified herein or arising in any way from any circumstances or other unavoidable cause beyond the control of the provider. Within a reasonable time after receiving knowledge of any condition referred to above, the provider shall give notice to the customer of such condition. Upon the agreement of both the provider and the customer in writing, changes may be made in delivery schedules, specification as to quantities, specification as to paper, or any other matters affected by the conditions referred to above. Paper prices are subject to change, and will be re-established as to market price at time of production. The customer may be invoiced for paper in advance of printing if the production schedule is delayed by the customer after a purchase order has been placed and accepted. A charge may be made for extended paper storage.

17. OUTSIDE PURCHASES: Unless otherwise agreed in writing, all outside purchases as requested or authorized by the customer are the customer's liability.
18. TERMS/CLAIMS/LIENS: Payment terms shall be whatever is set forth in the quotation, subject to the approval of the credit department. There will be a monthly finance charge on all past due accounts. Claims for defects, damages, or shortages must be made by the customer in writing within a period of fifteen (15) days after delivery of all or any part of the order. Failure to make such claim within the stated period shall constitute irrevocable acceptance and an admission that they fully comply with terms, conditions, and specifications. *1) Disclaimer of Express and Implied Warranties:* Provider warrants that the work is as described in the purchase order. The customer understands that all sketches, copy, dummies, and preparatory work shown to the customer are intended only to illustrate the general type and quality of the work. They are not intended to represent the actual work performed. PROVIDER DISCLAIMS ALL OTHER WARRANTIES, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE. *2) Limitations of Liability:* The provider's maximum liability, whether by negligence, contract, or otherwise, will not exceed the return of the amount invoiced for the work in dispute. UNDER NO CIRCUMSTANCES WILL THE PROVIDER BE LIABLE FOR SPECIFIC, INDIVIDUAL, OR CONSEQUENTIAL DAMAGES.
19. INDEMNIFICATION: The customer agrees to protect the provider from economic loss and any other harmful consequences that could arise in connection with the work. This means that the customer will hold the provider harmless and save, indemnify, and otherwise defend him/her against claims, demands, actions, and proceedings on any and all grounds. This will apply regardless of responsibility for negligence. *1) Copyright:* The customer also warrants that the subject matter to be printed is not copyrighted by a third party. The customer also recognizes that because subject matter does have to bear a copyright notice in order to be protected by copyright law, absence of such notice does not necessarily assure a right to reproduce. The customer further warrants that no copyright notice has been removed from any material used in preparing the subject matter for reproduction. To support these warranties, the customer agrees to indemnify and hold the provider harmless for all liability, damages, and attorney fees that may be incurred in any legal action connected with copyright infringement involving the work produced or provided. *2) Personal Economic Rights:* The customer also warrants that the work does not contain anything that is libelous or scandalous, or anything that threatens anyone's right to privacy or other personal or economic rights. The customer will, at the customer's sole expense, promptly and

thoroughly defend the provider in all legal actions of these grounds as long as the provider: 1) promptly notifies the customer of the legal action; 2) gives the customer reasonable time to undertake and conduct a defense. The provider reserves the right to use his/her sole discretion in refusing to print anything he/she deems illegal, libelous, scandalous, improper, or infringing upon copyright law.

20. STORAGE: The provider will retain intermediate material until the related end product has been accepted by the customer. If requested by the customer, intermediate materials will be stored for an additional period at an additional charge. The provider is not liable for any loss or damage to stored materials beyond what is recoverable by the provider's fire and extended insurance coverage.
21. TAXES: All amounts due for taxes and assessments will be added to the customer's invoice and are the responsibility of the customer. No tax exemption will be granted unless the customer's "Exemption Certificate" (or other official proof of exemption) accompanies the purchase order. If after the customer has paid the invoice it is determined that more tax is due, then the customer must promptly remit the required taxes to the taxing authority, or immediately reimburse the provider for any additional taxes paid.
22. TELECOMMUNICATIONS: Unless otherwise agreed, the customer will pay for all transmission charges. The provider is not responsible for any errors, omissions, or extra costs resulting from faults in the transmission.
23. OVERTIME: Should overtime be necessary to meet your requirements, or if you change your requirements or specifications after a production schedule has been agreed upon, we will use our best efforts to make any necessary overtime available and will charge you at our then current rates. No chargeable overtime will be worked without your prior approval, and in the absence of such approval, delivery of your work will be made as promptly as practicable consistent with our then available capacity.
24. OTHER TERMS: The project is quoted solely on the terms contained herein. The provider rejects any other terms contained in the customer's purchase order. The agreement between the parties consists solely of the quantity and other necessary provisions on the face of the customer's purchase order plus the terms set forth above.
25. GOVERNING LAW: Any agreement shall be governed by the laws of the State of Wisconsin.

WORZALLA, 3535 Jefferson Street, Stevens Point, Wisconsin, 54481, conducts business based on these practices as stated above. Unless a special exception is given IN WRITING for a specific change in terms, the above GRAPHIC COMMUNICATIONS BUSINESS PRACTICES will apply.