

Worzalla Publishing -- Terms and Conditions
3535 Jefferson St. Stevens Point, WI

1. ACCEPTANCE AND GOVERNING PROVISIONS. This writing is not an acceptance of any offer to sell, but is an offer by Worzalla Publishing Company ("Purchaser") to buy the goods and/or services described on the face hereof (and in all specifications and data submitted to Seller herewith) from the Seller to which this offer is addressed, subject to the terms and conditions set forth on the face and reverse sides hereof. Acceptance of this offer is limited to said terms and conditions; and Purchaser hereby objects to any additional or different terms contained on any of Seller's quotation, acknowledgement, invoice or other forms, or in any other correspondence from Seller. This offer expires 10 days from its date or upon prior written notification thereof to Seller, unless goods conforming hereto are subsequently shipped, or services conforming hereto are subsequently provided, by Seller and accepted by Purchaser. The terms of this offer, when accepted by Seller explicitly, by shipment of conforming goods, performance of conforming services or otherwise, shall constitute the entire agreement between the parties on the subject hereof, superseding all prior communications and negotiations.

THIS OFFER AND ANY AGREEMENT OF SALE RESULTING FROM THE ACCEPTANCE HEREOF SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF WISCONSIN.

2. CHANGES IN ORDER. Purchaser reserves the right at any time to make changes in any one or more of the following: (a) specifications, drawings and data incorporated in this contract where the items to be furnished are to be specially manufactured for the Purchaser, (b) methods of shipment or packing, (c) place of delivery, and (d) time of delivery. If any such change causes an increase or decrease in the cost of or the time required for performance of this contract, an equitable adjustment shall be made in the contract price or delivery schedule, or both, or Purchaser may, at its option, cancel this contract pursuant to paragraph 7 hereof if agreement on an equitable adjustment cannot be reached. Any claim by Seller for adjustment under this paragraph shall be deemed waived unless asserted in writing within twenty (20) days from receipt by Seller of the change order. Price increases or extensions of time for delivery shall not be binding on Purchaser unless approved by Purchaser. No substitutions, changes or modifications of the ordered item shall be made except upon Purchaser's authority.

3. PRICES, SECURITY INTEREST. Purchaser shall not be billed at prices higher than those stated on this order, and no additional charges of any kinds shall be imposed, unless authorized by a purchase order change notice issued by Purchaser. Seller represents that the price charged for the goods covered by this order is the lowest price charged by the Seller to Purchasers of a class similar to Purchaser under conditions similar to those specified in this order and that prices comply with applicable government regulations in effect at time of quotation. Seller agrees that any price reduction made in goods covered by this order subsequent to the placement of this order will be applicable to this order.

If Purchaser is to make any payment before Purchaser's receipt of the goods ordered hereunder, Seller hereby grants Purchaser a security interest in such goods (including raw materials and work-in-process to become part of such goods), and all proceeds of any of them to secure performance of Seller's obligations hereunder. Seller agrees to execute and deliver such financing statements as Purchaser may reasonably consider necessary or appropriate to perfect its security interest. If Seller fails to execute and deliver such financing statements to Purchaser within five (5) days of Purchaser's request, Seller hereby irrevocably grants to Purchaser a power of attorney appointing any employee of Purchaser as Seller's attorney, with full power to sign Seller's name to such financing statement. All acts of such attorney are ratified and approved by Seller. A photographic or other reproduction of this document may be filed as a financing statement in all states where permitted.

4. DELIVERY, DELAY AND ANTICIPATION. Seller shall deliver the goods in the quantities and shall deliver the goods and/or provide the services, within the time, which is of the essence, in accordance with the specifications, drawings or approved samples, and at the prices specified on the face hereof or in any document attached hereto or referred to herein. Failure of Seller to comply with such requirements shall entitle Purchaser, in addition to any other rights or remedies, to cancel this order and be relieved of all liability for any undelivered portion. In the event that, for reasons beyond Purchaser's reasonable control, shipment is delayed beyond the last date on which shipment by the method contemplated herein would result in delivery guaranteed on or before the required delivery date herein, Seller shall make shipment by the most expeditious available method of transportation. Any additional cost of such method of shipment shall be borne by Seller. If shipment is delayed for any cause, Seller must report the same to Purchaser promptly. Failure of Purchaser to insist upon strict performance shall not constitute a waiver of any of the provisions of this order or waiver of any default. Any failure by Purchaser to exercise its remedies with respect to any installment shall not be deemed to constitute a waiver with respect to subsequent installments. Seller shall not unreasonably anticipate delivery by purchasing materials or manufacturing quantities in excess of what is reasonably required to meet Purchaser's delivery schedule. Items received in advance of Purchaser's delivery schedule may, at Purchaser's option, be returned at Seller's expense or be accepted and payment withheld until the scheduled delivery date.

5. SHIPPING, PACKING AND RISK OF LOSS. Unless otherwise stated on the face side hereof, the shipping terms for all goods purchased hereunder are F.O.B. destination at Purchaser's plant or warehouse in Stevens Point, Wisconsin. Purchaser shall have the right to route all shipments. All goods shall be suitably packed, marked with Purchaser's purchase order number

and shipped in accordance with shipping instructions specified herein and otherwise in accordance with the requirements of common carriers so as to obtain the lowest transportation cost. Packing slips must be included with all shipments showing order number, part number and quantity. The order number must be shown on each item, packing slip and invoice. No charge shall be made to Purchaser for boxing, packing, crating or carting unless separately itemized on the face hereof. Regardless of shipping terms, all risk that the ordered goods may be lost, damaged or delayed in transit shall be upon Seller until conforming goods have been actually received, inspected and accepted by Purchaser. Seller shall be liable to Purchaser for any loss or damage resulting from Seller's failure to act so as to provide adequate protection during shipment. Additional expenses, charges or claims incurred as a result of deviation from the specified route, noncompliance with other shipping instructions, or improper description of the shipment in shipping documents shall be assumed by Seller. Seller must mail to Purchaser's issuing office on day of shipment, bill of lading or other notice of shipment, giving order number and car number, if carload shipment and any invoice (in duplicate).

6. INSPECTION, ACCEPTANCE AND REJECTION. All goods purchased hereunder shall be subject to inspection and testing by Purchaser at any reasonable time and from time to time before, during or after manufacture and delivery. If any inspection or test is to be made on the premises of Seller, Seller without additional charge shall provide all reasonable facilities and assistance for the safety and convenience of the inspectors in the performance of their duties.

7. CANCELLATION BY PURCHASER. Purchaser shall have the right to cancel this order without cause, and Purchaser's liability for cancellation of this order without cause shall be limited to Seller's out-of-pocket cost for work and materials applicable solely to this order which shall have been expended when notice of cancellation shall be received by Seller, reduced by the fair market resale value of goods and work-in-process relating to this order. Purchaser may, at its option, cancel this order without liability to Seller (except for conforming shipments previously accepted by Purchaser) in the event Seller shall cease to exist or become insolvent or the subject of bankruptcy, receivership or insolvency proceedings or shall commit a material breach in the performance of any part of its obligation hereunder.

8. WARRANTIES, REMEDIES. Seller warrants that the goods to be furnished hereunder shall (a) be free and clear of all liens and encumbrances, good and merchantable title thereto being in the Seller; (b) be free from any defects in design, material or workmanship (latent or otherwise) and of good and merchantable quality; (c) conform to Purchaser's specification or the sample approved by Purchaser, and with representations with respect thereto previously made by the Seller, to the extent any of the foregoing are applicable, as the case may be, and be fit for the use intended by Purchaser, and (d) comply and have been produced, processed, packaged, labeled, delivered and sold in conformity with all applicable federal, state or other laws, administrative regulations and orders, including the Occupational Safety and Health Act of 1971 as amended from time to time. The foregoing warranties shall survive inspection, delivery and payment, and shall run in favor of Purchaser, its successors and assigns and its customers, whether direct or indirect. Seller acknowledges that it knows the particular purpose for which the goods and/or services covered by this order are required, and that Purchaser has relied upon Seller's skill and judgment to select and furnish suitable goods and/or services.

If any such goods shall be found to be unsatisfactory, defective or inferior in quality, or not to conform to Purchaser's specifications or any other requirements hereof (including Seller's warranties), Purchaser may, at its option and in addition to its other remedies, retain such goods at an adjusted price, hold such goods at Seller's risk and expense pending Seller's specific instructions, or return them to Seller for replacement, credit or refund, as Purchaser shall direct. Purchaser shall also have the right to cancel any unshipped portions of any order. Purchaser shall be reimbursed by Seller for all of its costs and expenses in connection with the storage, handling, packing and/or transporting of any such defective or otherwise nonconforming goods, and Seller shall assume all risk of loss or damage in transit to goods returned by Purchaser pursuant hereto.

9. INDEMNIFICATION BY SELLER. Seller shall indemnify Purchaser, its successors, assigns, and customers (whether direct or indirect) against any and all losses, damages and expenses (including attorneys' fees and other costs of defending any action) which they, or any of them, may sustain or incur as a result of any claim of negligence, breach of warranty, personal injury or death, strict liability in tort or based on any other theory of law in connection with the goods and/or services furnished by Seller hereunder, or as a result of any claims that the goods furnished by Seller fail to conform to or comply with any federal, state or local laws, regulations or standards, or based upon or arising out of any construction, installation, services or facilities furnished by Seller under or in connection with this order.

10. PURCHASER'S DAMAGES. Seller shall be responsible for any and all losses, liabilities, damages and expenses, including incidental and consequential damages, and including attorneys' fees and other costs of prosecuting an action for breach, which Purchaser may sustain or incur as a result of any breach of this contract.

11. NON-ASSIGNABILITY. Seller shall not assign or sublet the work to be done hereunder without the prior written consent of Purchaser, but this provision shall not restrict Seller in the procurement of component parts or materials. If this order shall be terminated for Purchaser's convenience, Purchaser's liability to Seller with respect to such parts or materials shall be exceed the amount for which seller would be liable to its supplier or suppliers if such liability were determined on the basis of paragraph 7 hereof.

12. **PATENTS, TRADEMARKS AND COPYRIGHTS.** Except for goods ordered in accordance with Purchaser's design, Seller warrants that the sale or use of goods furnished hereunder will not infringe or contribute to infringement of any patent, copyright, trademark, trade secret or other proprietary right or subject Purchaser or its customers (direct or indirect) to royalties in the United States or elsewhere, and shall indemnify and save harmless Purchaser, its successors and assigns and its customers (whether direct or indirect), against any and all losses, damages and expenses (including attorneys' fees and other costs of defending any infringement action) which they, or any of them, may sustain or incur as a result of a breach of this warranty.

13. **FAIR LABOR STANDARDS CERTIFICATE.** Seller hereby certifies that all goods furnished hereunder shall have been produced in compliance with all applicable requirements of Sections 6, 7 and 12 of the Fair Labor Standards Act of 1938, as amended, and of regulations and orders of the Administrator of the Wage and Hour Division issued under Section 14 thereof, and in accordance with all applicable state and federal laws and regulations governing general conditions for labor employed in the production of such goods.

14. **INGREDIENTS DISCLOSURE AND SPECIAL WARNINGS AND INSTRUCTIONS.** If requested by Purchaser, Seller shall promptly furnish the Purchaser in such form and detail as Purchaser may direct: (a) a list of all ingredients in the goods purchased hereunder; (b) the amount of one or more ingredients; and (c) information concerning any changes in or additions to such ingredients. Prior to and with the shipment of goods purchased hereunder, Seller agrees to furnish to Purchaser sufficient warning and notice in writing, including appropriate labels on goods, containers and packaging of any hazardous material which is an ingredient or a part of any of the goods, together with such handling instructions as may be necessary to advise carriers, Purchaser and their respective employees of how to exercise that measure of care and precaution which will best prevent bodily injury or property damage in the handling, transportation, processing, use or disposal of the goods, containers and packaging shipped to Purchaser.

15. **PURCHASER'S PROPERTY: TOOLS, DESIGN WORK, DRAWINGS, SPECIFICATIONS AND TECHNICAL INFORMATION.** Unless otherwise stated on the face hereof, Purchaser shall have no obligation to furnish or pay for any design work, drawings, tools or other equipment required for the performance of this order. Any design, drawing, specification, photograph, tool or other equipment or material or part or engineering and manufacturing information heretofore or hereafter furnished to Seller by Purchaser, or the cost of which shall have been paid by Purchaser or included in the aggregate price of this order, whether or not separately itemized hereon, shall be and remain Purchaser's property, shall be conspicuously identified as such in Seller's records and by physical marking thereon, shall be promptly delivered to Purchaser upon request, shall be treated as confidential information, shall not be used in processing or manufacturing goods for anyone other than Purchaser and, while in the possession of Seller, shall be Seller's responsibility and shall be adequately insured at Seller's expense for the benefit of Purchaser against loss or damage by fire or other hazard. No change shall be made in any design, drawing, specification, tool or other equipment furnished by Purchaser without Purchaser's express written consent. Any information which Seller may disclose to Purchaser with respect to the design, manufacture or sale or use of the items covered by this order shall be deemed to have been disclosed as part of the consideration for this order, and Seller shall not assert any claim (other than a claim for patent infringement) against Purchaser by reason of Purchaser's use thereof.

16. **FORCE MAJEURE.** Purchaser shall not be liable for any damage as a result of any delay or failure to accept delivery due to any act of God, act of Seller, embargo or other governmental act, regulation or request, fire, accident, strike, slowdown or other labor difficulties, war, riot, delay in transportation, defaults of common carriers, inability to obtain necessary labor, materials, or manufacturing facilities or, without limiting the foregoing, any other delays beyond the Purchaser's control which shall affect the Purchaser's ability to receive and use the goods or services. In the event of such delay, the date of delivery shall be extended for a period equal to the time lost because of the delay.

17. **TAXES.** Purchaser shall not be liable for any federal, state or local taxes, duties, customers or assessments in connection with the sale, purchase, transportation, use, or possession of the goods ordered hereunder, except those expressly set forth on the face of this order.

18. **OFFSET.** Seller agrees that Purchaser may, at any time, without prior notice to Seller, set off the amount of any liability to Seller in connection with this order against any liability of Seller to Purchaser or any subsidiary of Purchaser, whether or not then due.

19. **REMEDIES CUMULATIVE.** The rights and remedies of the Purchaser set forth herein shall be in addition to any rights or remedies which purchaser may otherwise have.

20. **INSURANCE.** Seller shall maintain insurance coverage in the amounts and types as is usual and customary in Seller's line of business. At purchaser's request, Seller shall furnish to Purchaser evidence of such insurance coverage.