

Terms & Conditions of Sale

For Adcraft Products Inc. d.b.a./ Adcraft Labels, herein referred to as the "Company"

1. **Quotations/Estimates:** A quotation not accepted within 30 days prices may be changed.
2. **Orders:** Acceptance of orders is subject to credit approval and contingencies such as fire, water, strikes, theft, vandalism, act of God, and other causes beyond the company's control. Canceled orders require compensation for incurred costs and related obligations.
3. **Experimental Work:** Experimental or preliminary work performed at the customer's request will be charged to the customer at the company's current rates. This work may not be used without the company's written consent.
4. **Creative Work:** Sketches, copy, dummies, and all other creative work developed or furnished by the company are the company's exclusive property. The company must give written approval for all use of this work and for any derivation of ideas from it.
5. **Accuracy of Specifications:** Quotations are based on the accuracy of the specifications provided. The company can re-quote a job at the time of submission if copy, film, tapes, disks, or other input materials do not conform to the information on which the original quotation was based.
6. **Venue:** In the event of suit regarding this contract, the venue and jurisdiction therefore shall be in either the Superior or Municipal Court, as appropriate, of the County of Orange California. The parties agree and stipulate that the essential terms of this contract are to be performed in said County.
7. **Electronic Manuscripts/Images:** It is the customer's responsibility to maintain a copy of the original file. The company is not responsible for accidental damage to media supplied by the customer or for the accuracy of furnished input or final input. Until digital input can be evaluated by the company, no claims or promises are made about the company'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:** Customer alterations include all work performed in addition to the original specifications. All such work will be charged at the company's current rates.
9. **Prepress Proofs:** The Company will submit prepress proofs for the customer's review and approval. Corrections will be returned to the company on a "master set" marked "Approved", "Approved With Changes" or "Revised Proof Required" and signed by the customer. Until the master set is received, no additional work will be performed. The company will not be responsible for undetected production errors if:
 - Proofs are not required by the customer
 - The work is printed per the customer's Approval
 - Requests for changes are communicated verbally instead of in writing

10. **Press Proofs:** *Press proofs will not be furnished unless they have been required in writing in the company's quotation. A press sheet can be submitted for the customer's approval as long as the customer is present at the press during make ready. Any press time lost or alterations/corrections made because of the customer's delay or change of mind will be charged at the company's current rates.*
11. **Color Proofing:** *Because of differences in equipment, paper, inks, and other conditions between color proofing and production pressroom operations, a reasonable variation in color between color proofs and the completed job is to be expected. When a variation of this kind occurs within accepted industry standards, it will be considered acceptable performance.*
12. **Overruns/Under runs:** *Overruns or under runs will not exceed 10 percent of the quantity ordered. The company will bill for the actual quantity delivered within this tolerance. If the customer requires a guaranteed quantity, the percentage of tolerance must be stated at the time of quotation.*
13. **Customer's Property:** *The Company will only maintain fire and extended coverage on property belonging to the customer while the property is in the company's possession. The company's liability for such property will not exceed the amount recoverable from the insurance. Additional insurance coverage may be obtained if it is requested in writing and if the premium is paid to the company.*
14. **Delivery:** *Unless otherwise specified, the price quoted is for a single shipment, without storage, F.O.B. the company's platform. Proposals are based on continuous and uninterrupted delivery of the complete order. If the specifications state otherwise, the company will charge accordingly at current rates. Charges for delivery of materials and supplies from the customer to the company or from the customer's supplier to the company 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 a portion thereof, whichever occurs first.*
15. **Production Schedules:** *Production schedules will be established and followed by both the customer and the company. There will be no liability or penalty for delays due to a state of war, riot, civil disorder, fire, strikes, accidents, action of government or civil authority, acts of God, or other cases beyond the control of the company. In such cases, schedules will be extended by an amount of time equal to the delay incurred.*
16. **Returns (Non-conforming Materials):** *Consistent with the companies Quality Policy, no products may be returned without a formal complaint issued and completion of a brief initial investigation by the company's Quality Assurance Team. After our brief investigation, if a return is approved for further processing. We will issue a Return Material Authorization Number (RMA Number). All shipments and deliveries sent to Adcraft will be rejected without an RMA number to track and trace accurately. Adcraft is not responsible for shipments and/or deliveries without the proper RMA processing information.*

17. **Customer-Furnished Materials:** *Materials furnished by customers or their suppliers, are verified by the delivery tickets. The company bears no responsibility for discrepancies between delivery tickets and actual counts. Customer supplied material must be delivered according to specifications furnished by the company. 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 company without alteration or repair. Items not meeting this requirement will be repaired by the customer or by the company at the company's current rates. The company will not be held liable for customer supplied materials. If the material is destroyed or deemed unusable as a result of our production process or events occurring while material is on the company's property, the company will not be liable for the replacement of the material.*
18. **Outside Purchases:** *Unless otherwise agreed in writing, all outside purchases as requested or authorized by the customer, are chargeable.*
19. **Terms/Claims/Liens:** *Payment is cash in advance on the first order, and shall stay as such until terms have been arranged between the company and customer. Claims for defects, damages, or shortages must be made by the customer in writing no later than 90 calendar days after delivery. If no such claim is made, the company and the customer will understand that the job has been accepted. By accepting the job, the customer acknowledges that the company's performance has fully satisfied all terms, conditions, and specifications. Returned checks are subject to a fifty-dollar fee for all expenses incurred by the company. Repeated returned checks may lead to renegotiations of up to and including revoking of terms with the company. The Company's Liability will be limited to the quoted selling price of defective goods without additional charge for special or consequential damages. As security for payment of any sum due under the terms of an agreement, the company has the right to hold and place a lien on all customer property in the company's possession. 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 within the terms extended by the company, the customer is liable for all collection costs incurred. Financing or late fees will be applied if the customer does not pay the invoice within the agreed terms (see paragraph 25).*
20. **Cancellation of orders:** *Cancellation under *Normal Circumstances the customer is liable for a cancellation/processing fee in the amount of \$100.00 for all orders cancelled after a 24 hour period from the time the order was first received by the company. *Normal Conditions-Are orders placed where the company's standard lead-time applies for the product being ordered. Cancellation or rush orders are subject to the same fees as normal orders \$100.00; however, the allowable cancellation period exempt from fees are determined by the company. The customer, in all cases, will be liable for all costs incurred by the company prior to the time of the cancellation. Chargeable items are as follows: outside purchases, tooling, restocking fees, and printing aids produced at the company or by an approved company vendor.*

21. **Liability:** (1) *Disclaimer of Express Warranties.* The company 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. (2) *Disclaimer of Implied Warranties.* The Company warrants only that the work will conform to the description contained in the purchase order. The company's maximum liability, whether by negligence, contract, or otherwise, will not exceed the return of the amount invoiced for the work in the dispute. Under no circumstances will the company be liable for specific, individual, or consequential damages.
22. **Indemnification:** The customer agrees to protect the company from economic loss and any other harmful consequences that might arise in connection with the work. This means the customer will hold the company harmless and save, indemnify, and otherwise defend the company against claims, demands, actions, and proceedings on all grounds pertaining to subparagraphs 1 and 2 in this section.
- (1) *Copyrights.* 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 not have to bear a copyright notice 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 company 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 or 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 company in all legal actions on these grounds as long as the company:
- Promptly notifies the customer of legal action.
 - Gives the customer reasonable time to undertake and conduct a defense.
- The company reserves the right to use its sole discretion in refusing to print anything the company deems libelous, scandalous, improper, or infringing on copyright law.
23. **Storage:** The Company will retain intermediate materials used until the customer has accepted the related end product. If requested by the customer, intermediate materials will be stored for an additional period at an additional charge. The company is not liable for any loss or damage to stored material beyond what is recoverable by the company's fire and extended insurance coverage.
24. **Taxes:** All taxes and assessments levied by any governmental authority are the responsibility of the customer. All amounts due for taxes and assessments will be added to the customer's invoice. 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 company for any additional taxes paid.

25. **Telecommunications:** *Unless otherwise agreed, the customer will pay for all transmission charges. The company is not responsible for any errors, omissions, or extra costs resulting from faults in transmission.*
26. **Late Payments** - *payment of 3 days past agreed issued credit terms will incur a service charge of 2% per month (24% Per Annum). These Late Charges will be charged on ALL PAST DUE INVOICES, which is a percentage rate of "Past due Invoices". Invoices are deemed Past due if not paid within the terms listed on the Invoice. The interest will be calculated from the date of the invoice until full payment has been made.*

The undersigned acknowledges careful reading, understanding and agreement to the Terms and Conditions of Sale listed above. A facsimile copy received will be considered an original copy.

Officer, President or Owner

Your Title

Print Name

Signature

Date