

Cyril-Scott: Terms and Trade Customs

OWNERSHIP OF FILM, COPY, PLATES, CYLINDERS, ETC.

Copy, electronic data files and any film furnished by you will be used solely for your work and will remain your property. Film, electronic data files, prints, reproduction mediums, plates, dies and cylinders made by us will be used solely for your work but will remain our property.

INTELLECTUAL PROPERTY, MATERIALS & PURCHASED SERVICES

Unless otherwise provided, we will supply the materials (paper, ink, binding materials, etc.) or purchased services specified herein or their equivalents. You shall supply any needed intellectual properties or licenses. It is understood and agreed that should we be unable to obtain required intellectual property rights, licenses, materials or services or their equivalents in necessary quantities, the parties shall select mutually agreeable substitutes. Should the use of such substitutes increase or decrease the cost of performing the work, the price will be adjusted to fairly reflect any such increase or decrease in cost. In addition, should such change result in our inability to use any materials on hand or ordered for you in the production of your work, you will pay us reasonable costs associated with such materials and their disposition. The unavailability of intellectual property, licenses, materials or services will not be considered a breach of this Agreement. Should any volume or trade discounts be earned on materials or services, they will be retained by us. All scrap and by-products will become our property.

Any paper that is unused due to a quantity decrease or is unused due to a job cancellation will be charged storage costs of \$.50/cwt per month if paper is not paid for and collected by customer within 30 days of job cancellation or job completion. Storage costs will be waived if paper is allocated to another project that is to occur within 45 days of job completion or notice of job cancellation and a signed purchase order is obtained for that project

CREDIT PROVISIONS

Should any portion of an invoice become disputed, you agree to pay the undisputed portion according to its terms and you agree to notify us promptly of any dispute. Both parties agree to use their best efforts to resolve the disputed portion of the invoice promptly. If you fail to pay our invoice in accord with these terms, you agree to pay interest at the rate of one and one-half percent (1-1/2%) per month, or the lawful limit if less, on all amounts past due as well as all costs of collection including but not limited to reasonable attorney's fees. Failure to bill for interest due shall not constitute a waiver of our right to charge interest. The provisions of this Agreement may be reviewed by us, and we will have the right to change the terms of payment if there should be a substantial adverse change in your credit standing or in the event that you do not

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comply with the terms of these provisions. In such event, our obligation to perform further work will be subject to reaching mutual agreement on revised terms.

PRINTING OVERRUNS AND UNDERRUNS

Variations in quantity of 3% more or less than quantities ordered will constitute acceptable delivery, and the price will be adjusted at the over/under delivery per thousand copy price. If the work involves more than one version, the over/under percent for each version shall depend upon ordered quantity of that version, as separately quoted.

COLOR PROOFING

Because of differences in equipment, paper, inks and other conditions between color proofing and production press room operations, a reasonable variation in color between color proofs and the completed job shall constitute acceptable delivery.

VARIATIONS IN PAPER

We cannot guarantee against variations in shade, finish, strength, weight and cleanness.

MAILING QUANTITY CONFIRMATION

Variations in imaging or mailing quantities of 5% for up to 10,000, 4% up to 50,000, 3% up to 100,000 and 2% over 100,000 less than quantities ordered will constitute acceptable delivery. If the work involves more than one version, the over/under percent for each version shall depend upon ordered quantity of that version, as separately quoted. USPS 3602(s) will constitute the entire mail quantity and postage cost will be reconciled to the actual reported mail counts. 100% guaranteed mailings will be priced separate from this contract and will constitute a separate agreement as needed.

GUARANTEE AND LIMITATION OF LIABILITY

We will perform the work in a good and workmanlike manner and in accordance with the specifications and production schedule. In the event the work is defective or delayed due to our fault (including negligence), we shall not be liable for special or consequential damages, including, but not limited to, lost profits or business. Further, we shall not be liable for any damages whether direct, indirect, special or consequential, associated with our shipment of any of your work on contract or common carriers. If in the event litigation is required, said litigation will be held in the state of Ohio and it's governing laws.

INDEMNIFICATION

The customer shall indemnify and hold us harmless from any and all loss cost, expense and

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damage on account of any and all manner of claims, demands, actions and proceedings that may be instituted against us on grounds alleging that the manufacture and printing of this order violated any patent, trademark, copyright or any other proprietary right of any person, or that it contains any matter that is libelous or slanderous, or invades any persons rights to privacy or other personal rights, except to the extent that we have actively contributed to the matter. The customer agrees to, at the customer's own expense, promptly defend and continue the defense of any such claim, demand, action, or proceeding that may be brought against us, provided that we shall promptly notify the customer with respect thereof, and provided further that we shall give to the customer such reasonable time as the exigencies of the situation may permit in which to undertake and continue the defense thereof.

ASSIGNMENT

Neither party to this Agreement shall assign any right or rights here under without the prior written consent of the other party, except that we may assign payments due us to our wholly-owned subsidiaries without consent. Subject to this consent, this Agreement shall inure to the benefit of and shall bind the successors and assigns of the parties hereto.

INSURANCE

We will carry at our expense fire, sprinkler leakage and extended coverage insurance, subject to the usual exclusions, limitations and conditions of such policies, on the actual cash value of all our materials, work in process and all production completed and not shipped and on the actual cash value of all positives, copy, artwork, paper and other materials furnished by you, while in our care, custody and control. If your property is damaged as a result of an insured peril under the applicable insurance policy, then, at our option, we will either replace your damaged property or reimburse you for the actual cash value of the damaged property. If we elect to reimburse you for the damaged properties actual cash value, the amount payable to you shall be limited to the proceeds of such policy plus any related deductible, if any, applied to the claim for damage to your property. For positives and other media our insurance coverage and our liability shall be limited to the cost of blank film or other media and the cost of duplication from an original or other copy.

GOVERNING LAW, PASSING OF TITLE, EDITING OF COPY

This Agreement shall be governed by the internal laws of the State of Ohio. Title and possession of all printed material shall pass to you upon delivery or upon the date of print invoicing, whichever is earlier, f.o.b. our final plant of manufacture. Subsequent services, if any, will be invoiced upon completion. The price quoted does not, unless otherwise stated, include the editing of copy.

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FREIGHT

Unless you request otherwise, we will arrange for shipment of your finished materials from our plant of manufacture. In such event, you shall pay all distribution charges, and we shall be entitled to retain any brokerage commissions or other service charges earned by us or our wholly-owned subsidiaries.

SALES AND USE TAXES

Any sales, retailer's occupation, service occupation, value added, or use tax imposed on account of this transaction will be added as an extra charge.

EXPIRATION OF PRICES

Paper prices will be adjusted to reflect changes in the paper market. Except as otherwise set forth herein all other prices will remain firm and in effect for 30 days from the date which this pricing was submitted as noted earlier.



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