



SALES TERMS AND CONDITIONS

1. **QUOTATION / ESTIMATE** A quotation / estimate not accepted within thirty (30) days is subject to review for any reason. Printing Industry raw material prices are, at times, subject to gross cost variances over the short term. If these conditions exist, and/or raw material prices to McGrafX, LLC (hereinafter, the "Printer") fluctuate in excess of 3%, the quotation is subject to review and revision. Quoted prices do not include any applicable tax(es). Unless specifically stated, price does not include any shipping costs of any kind.
2. **ORDER ENTRY / ACCEPTANCE** No work shall commence until receipt of (1) signed contract and / or (2) required deposits, as applicable. Any Customer requested deviations from Printer's written quotation or these Terms and Conditions must be documented and agreed to before order entry/acceptance by the Printer. Cancelled orders require compensation for incurred costs and related obligations.
3. **ELECTRONIC MANUSCRIPT OR IMAGE:** It is the Customer's responsibility to maintain a copy of the original file(s) provided to Printer. The Printer 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 Printer, no claims or promises are made about the Printer'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 current rates.
4. **PREPARATORY WORK:** Sketches, copy, dummies and all preparatory work created or furnished by the Printer, including any and all proofs, shall remain Printer's exclusive property and no use of same shall be made, nor any ideas obtained therefrom be used, except upon compensation to be determined by the Printer and subsequently billed to Customer and paid by Customer to Printer.
5. **ACCURACY OF SPECIFICATIONS :** Quotations are based on the accuracy of the Buyer's specifications provided to Printer. The printer can re-quote any project at time of submission of copy, film, tapes, disks, or other input materials do not conform to the information on which the original quotation was based.
6. **PREPARATORY MATERIALS:** Any art work, type, plates, negatives, positives, and/or digital files created by the Printer and other items when supplied by the Printer shall remain the Printer's exclusive property and may not be used without written consent of the Printer until all account billing is settled. Return of Customer property, in bulk when apparently closing an account, is billable for direct costs of shipping and any Customer directed insurance and a handling fee of \$125.00. This does not apply to return of Customer property job-to-job where the common practice is to return any property with proofs.
7. **ALTERATIONS:** Quotations are only for work according to the original specifications as set forth on the Printer's Quotation / Estimate. If, through Customer's error, or change of mind, work has to be done a second time or more, such extra work will carry an additional charge, at current rates for the work performed. If Customer directs additional work or changes in specification that result in additional work, that work will be billed at current rates.
8. **PROOFS:** A signed proof is documented direction by the Customer to the Printer to proceed to press and print strictly according to the Customer's direction as manifested by the approved proof. The printing shall include any of the Customer's errors not changed by Customer but are in the Customer's approved proof. No printing shall be performed without Customer's final proof approval in-hand, as evidenced by the Proof Note, or the Customer's letter (a) directing a go-ahead on printing without a proof and (b) releasing the Printer from any and ALL financial responsibility including reprint costs for any errors introduced by the PRINTER or Customer. Proofs shall be submitted to Customer. Any desired corrections shall be made by Customer on the proof and returned to Printer. Proof Notes shall be marked as appropriate by Customer, signed and returned to Printer. If Customer has changes and revised proofs are not ordered by Customer and the Proof Note is marked to proceed without a proof, or changes are communicated verbally from Customer to Printer and there are errors in the final printed product, the Printer regrets the errors and is NOT responsible for ANY errors of ANY kind in ANY way, financial or otherwise. **PROOFING IS STRICTLY THE CUSTOMER'S RESPONSIBILITY AND RESPONSIBILITY CANNOT BE SHIFTED TO PRINTER IN, OR UNDER, ANY CIRCUMSTANCE(S).** Printing Proof Notes are hereby incorporated by reference into these Terms and Conditions.
9. **PRESS PROOFS / PRESS CHECKS :** Unless specifically provided in Printer's quotation, press proofs will be charged for at current rates, time and materials. A press sheet can be submitted for Customer's approval as long as the Customer is present at the plant during makeready. Any press time lost or alterations/corrections made because of the Customer's delay or change of mind will be charged at the Printer's current rates.
10. **COLOR PROOFING:** The standard for comparison in color printing is the Printer's customer- final-approved color proof ONLY and not any other item, including, but not limited to, the original object, Customer's interim color proof, or color print or transparency made from the original photography . Because of differences in equipment, paper, inks and other variable conditions among color proofing and production pressroom operations, and recognized human variables in color interpretation, a reasonable variation in color between color proofs and the completed job shall constitute acceptable delivery. There is NO guarantee that there will be a perfect resemblance in anyone's interpretation between a color proof and the final printed product. It is recognized that the elements that constitute the proof and the final printed product are different and that, therefore, an exact, precise duplication cannot be rendered.
11. **OVERRUNS OR UNDERRUNS:** Overruns or underruns not to exceed 10% on quantities ordered, unless otherwise agreed to in writing, shall constitute acceptable delivery. Printer may bill for actual quantity overrun delivered within this tolerance at the VARIABLE UNIT COST. The Printer will credit any underrun at the VARIABLE UNIT COST. The variable unit cost is the cost of any additional unit(s) after the TOTAL FIXED COSTS in the given print project have been recouped.

12. **CUSTOMER'S PROPERTY:** The Printer shall charge the Customer, at current rates for handling and storing Customer's stock or Customer's printed matter held more than thirty (30) days. All Customer property that is stored with the Printer, including Digital Files in Printer's archive, is at the Customer's risk, and the Printer is not liable for any Customer loss or damage thereto caused by fire, water leakage, theft, negligence, insects, rodents, failure of electronic media or any equipment failure or any cause beyond the control of the Printer in his day to day operations.
13. **DELIVERY:** Unless otherwise specified, the price quoted is for a single shipment, without storage, at F.O.B. Printer's dock. Quotations are based on continuous and uninterrupted delivery of completed order, unless specifications clearly state otherwise. Charges related to delivery from Customer to Printer, or from Customer's supplier to Printer are not included in any quotations unless specified. Special priority pickup or delivery service will be provided at current rates upon Customer's request. Title for finished work shall pass to the Customer upon delivery, to carrier at shipping point or upon mailing invoices for finished work, whichever occurs first. Payment completes title transfer. Printer is NOT responsible for delays, losses, damages, or any actions resulting from Carrier's handling of Customer's property.
14. **PRODUCTION SCHEDULES:** Estimated Production Schedules will be established and adhered to by Customer and Printer to the maximum extent practicable, 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, equipment break-downs, malfunctions and other causes beyond the control of Customer or Printer. Estimated Production Schedules are ESTIMATED. They are not contractual; they can and do vary due to the myriad variables of producing print media product. There is NO discount available to Customer for a delivery not produced within the Estimated Production Schedule. In addition, Printer does not ask for bonus compensation from the Customer in the event delivery is made prior to the Estimated Production Schedule delivery date. Printer cannot be held to originally established Estimated Production Schedules when Customer does not return proofs within terms of the Estimated Schedule.
15. **WARRANTY AND LIMITATION OF LIABILITY :** Printer will perform the work in a workmanlike manner consistent with materials and processes used. THERE ARE NO OTHER WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Printer's liability for breach of warranty is limited, AT PRINTER'S OPTION, to (i) repairing or replacing the defective pieces at no cost to Customer or (ii) crediting Customer for its Variable Unit Cost (Overrun or Underrun price) for the defective pieces. A per piece credit is at the variable unit cost and NOT the unit cost based on quantity ordered and associated quantity cost. Therefore, the variable unit cost is the per piece price for pro-rated machine running time, paper stock, and ink and does not include fixed costs of design, layout, proofs, film, plates, subcontracted items and any and all machine makeready. In no event will Printer be liable for any indirect, special, consequential, punitive or exemplary damage for any matter arising under this agreement, whether arising in contract or in tort. All claims by Customer under this contract must be made in writing within 10 days after Printer ships the work. Customer's failure to so notify Printer shall constitute a waiver of any special claims.
16. **CUSTOMER FURNISHED MATERIALS:** Paper stock, camera copy, film, color separations, digital files and any other customer furnished materials shall be manufactured, packed and delivered to Printer's specifications. Additional costs due to delays or impaired production caused by specification deficiencies shall be charged to the Customer.
17. **TERMS:** Payment shall be as set forth in the attached quotation, in U.S. Dollars only, per invoice. No statement will be rendered unless requested. A service charge may be billed to accounts thirty (30) days past due, in the amount of one and one half percent (1.5%) per month, or the maximum allowed by law, whichever is less, until such amounts are paid in full. All claims for defects, damage or shortages must be made by the Customer in writing within a period of ten (10) days after delivery. Failure to make such claim within the stated period shall constitute irrevocable acceptance and an admission that the product(s) fully comply with terms, conditions and specifications. Printer's liability shall be limited to stated selling price of any defective goods, and shall in no event include special or consequential damages, including profits or profits loss. As security for payment of any sum due or to become due under terms of any Agreement, Printer shall have the right, if necessary in its sole judgement, to retain possession of Customer's property, including work in process and finished work. The extension of credit or the acceptance of notes or guaranty of payment shall not affect such security interest or lien. The printer's Application for Credit form, with all terms, statements and conditions, forms the basis for any open account.
18. **INDEMNIFICATION:** The Customer shall indemnify and hold harmless the 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 the Printer on grounds alleging that the 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 persons right to privacy or other personal rights, except to the extent that the Printer also 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 the Printer, provided that the Printer shall promptly notify the Customer with respect thereto, and provided further that the Printer 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.
19. **SERVICE BUREAU OR DISK READY COPY:** The Customer shall provide digital data in complete files, either on acceptable transportable media or via FTP or Internet email attachment or otherwise, and compatible with the Printer's existing equipment and software applications. Digital files will include all necessary screen and printer fonts. All dialog boxes will be set by the Customer. All RGB images will be converted to CMYK. Any output that requires re-work as a result of Customer's input will be charged at current rates as additional work. Printer shall not be held responsible for file errors as a result of any preflight activity conducted by Printer on behalf of the Customer. Failure to complete the Printer's PREFLIGHT CHECKLIST, in whole or in part, constitutes non-compliance with established digital data submission.
20. **ORDER OF PRECEDENCE:** In case of a conflict between the quote specification and final proof, the final proof will take precedence. This includes any and all annotations on the Proof Note. It is the Customer's responsibility to understand what is being agreed to in the Proof Note specifications. The Printer is selling under these Terms and Conditions only. No other terms, except as specifically negotiated, documented and signed by Customer and Printer exist or are applicable except as may be set forth in Federal, State, or local statute.

21. **PAYMENT:** Payment will be accepted in U.S.A. dollars only. Please pay from invoice. No statements will be rendered unless requested. There will be 1.5% finance charge per month on all past due accounts.
22. **PERSONAL GUARANTEE:** If the Customer is an incorporated entity and default on debt is made, the undersigned on the Application for Credit personally guarantees the full amount of this obligation. The Printer's Application for Credit and the terms therein, when completed and submitted by the Customer, is hereby incorporated by reference.
23. **TELECOMMUNICATIONS:** Unless otherwise agreed, the Customer will pay for all transmission charges. The Printer is not responsible for any errors, omissions, or extra costs resulting from faults in the transmission.

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