

THE PM GROUP TERMS AND CONDITIONS

Trade Customs have been in general use of the graphic arts industry throughout the United States and Canada for more than 70 years.

1. **QUOTATION** A quotation not accepted within sixty (60) days is subject to review. All prices are based on material costs at the time of quotation. Estimates (unlike quotations) are for budgetary purposes only and can vary greatly dependent upon final specifications.
2. **ORDERS** Orders regularly placed, verbal or written, cannot be canceled except upon terms that will compensate The PM Group against loss incurred in reliance of the order.
3. **EXPERIMENTAL WORK** Experimental or preliminary work performed at the customer's request will be charged at current rates and may not be used until The PM Group has been reimbursed in full for the amount of the charges billed.
4. **CREATIVE WORK** Creative work such as sketches, copy, dummies, and all preparatory work developed and furnished by The PM Group shall remain its 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 PM Group, and not expressly identified and included in the selling price.
5. **CONDITION OF COPY** Upon receipt of original copy or manuscript, should it be evident that the condition of the copy differs from that which had been originally described and consequently quoted, the original quotation shall be rendered void and a new quotation issued.
6. **PREPARATORY MATERIALS** Working mechanical art, digital files, negatives, positives, flats, plates, and other items when supplied by The PM Group shall remain its exclusive property unless otherwise agreed in writing.
7. **ALTERATIONS** Alterations represent work performed in addition to the original specification. Such additional work shall be charged at current rates and be supported with documentation upon request.
8. **PRE-PRESS PROOFS** Pre-press proofs shall be submitted with original copy. Corrections are to be made on "master set," and returned marked "OK" or "OK with Corrections" and signed by customer. If revised proofs are desired, request must be made when proofs are returned. The PM Group cannot be held responsible for errors under either or both of the following conditions: if the customer has failed to return proofs with indication of changes, or if the customer has instructed The PM Group to proceed without submission of proofs.
9. **PRESS PROOFS** Unless specifically provided in The PM Group's quotation, press proofs will be charged at current rates. An inspection sheet of any form can be submitted for customer approval, at no charge, provided 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. If you elect not to

be at press side, The PM Group will act as your agent in the press approval process. Our approval is your acceptance of the final printed product.

- 10. COLOR PROOFING** Because of differences in equipment, processing, proofing substrates, paper, inks, pigments, 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.
- 11. OVER-RUNS AND UNDER-RUNS** Over-runs or under-runs not to exceed 10% on quantities ordered, or the percentage agreed upon, shall constitute acceptable delivery. The PM Group will bill for actual quantity delivered within this tolerance. If customer requires guaranteed exact quantities, the percentage tolerance must be doubled.
- 12. CUSTOMER'S PROPERTY** The PM Group will maintain fire, extended coverage, vandalism, malicious mischief and sprinkler leakage insurance on all property belonging to the customer while such property is in The PM Group's possession. The PM Group's liability for such property shall not exceed the amount recoverable from such insurance. Customer's property of extraordinary value shall be insured through mutual agreement.
- 13. DELIVERY** Unless otherwise specified, the price quoted is for a single shipment, without storage. F.O.B. local customer's place of business or F.O.B. the printer's platform for out-of-town customers.

Proposals are based on continuous and uninterrupted delivery of complete order, unless specifications distinctly state otherwise. Charges related to delivery from customer to The PM Group, or from customer's supplier to The PM Group, are not included in any quotations unless specified. Special priority pickup or delivery service will be provided at current rates (+ 17.65% handling) upon customer's request. Materials delivered from customer or his suppliers are verified with delivery ticket as to cartons, packages, or items shown only. The accuracy of quantities indicated on such tickets cannot be verified and The PM Group cannot accept liability for shortage based on supplier's tickets. Title for finished work shall pass to the customer upon delivery to carrier at shipping point or upon mailing of invoices for finished work, whichever occurs first.

- 14. PRODUCTION SCHEDULES** Production schedules will be established and adhered to by customer and The PM Group, provided that neither shall incur any liability or penalty for delays due to 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 customer or The PM Group. Where production schedules are not adhered to by the customer, final delivery date(s) will be subject to renegotiation.

15. CUSTOMER FURNISHED

MATERIALS Paper stock, inks, camera copy, film, digital files, color separations, and other customer-furnished material shall be manufactured, packed, and delivered to The PM Group specifications. Additional cost due to delays or impaired production caused by specification deficiencies shall be charged to the customer.

16. TERMS Payment shall be whatever was set forth in quotation or invoice unless otherwise provided in writing. Claims for defects, damages, or shortages must be made by the customer in writing within a period of ten (10) 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 the order fully complies with terms, conditions, and specifications.

17. LIABILITY The PM Group's liability shall be limited to stated selling price or any defective goods, and shall in no event include special or consequential damages, including profits (or profits lost). As security for payment of any sum due or to become due under terms of any agreement, The PM Group shall have the right, if necessary, to retain possession of, and shall have a lien on, all customer property in The PM Group's possession including work in process and finished work. The extension of credit or the acceptance of notes, trade acceptance, or guarantee of payment shall not affect such security interest and lien.

18. INDEMNIFICATION The customer shall indemnify and hold harmless The PM Group from any and all loss, cost, expense, and damages (including court costs and reasonable attorney fees) on account of any and all manner of claims, demands, actions, and proceedings that may be instituted against The PM Group on grounds alleging that the said design/printing violates any copyrights or any proprietary right of any person, or that it contains any matter that is libelous or obscene or scandalous, or invades any person's right to privacy or other personal rights, except to the extent that The PM Group contributed to the matter. The customer agrees, at the customer's own expense, to promptly defend and continue the defense of any such claim, demand, action, or proceeding that may be brought against The PM Group, provided that The PM Group shall promptly notify the customer with respect thereto, and provided further that The PM Group shall give the customer such reasonable time as the exigencies of the situation.

Originally formally promulgated, Annual Convention. United Typothetae of America, 1922. Revised and updated and repromulgated, Annual Convention. Printing Industries of America. Inc., 1945 & 1974. Updated and adopted by the Graphic Arts Council of North America, 1985. Modified and adopted by The PM Group, 1998.