

PRODUCTION SERVICES AGREEMENT/TERMS AND CONDITIONS

This PRODUCTION SERVICES AGREEMENT/TERMS AND CONDITIONS ("Agreement") is entered into as of the last date written below by and between you ("you") and THOMSON-SHORE, INC., a Michigan corporation ("Thomson-Shore," "we" or "us"). By signing or approving a price quotation, submitting a purchase order and/or letter of specifications, or by signing or electronically approving this Agreement, you agree that the terms of this Agreement will apply to all services that Thomson-Shore performs for you. (See #24 for details)

Now, therefore, the parties agree as follows:

1. Thomson-Shore will provide you with production services in material conformance with the description of services provided in a Confirmation of Specifications and Price Agreement ("CSP") executed between the parties. Thomson-Shore reserves the right to collect from you any sales or use tax required by a State or other taxing authority.
2. When you submit an order to us, we will use commercially reasonable efforts to acknowledge its receipt within one business day. You can consider the order to be "accepted" by us when we provide you with a job notification which contains your job number and the name of your customer service representative ("CSR") at Thomson-Shore. When your order is scheduled, Thomson-Shore will also contact you with your projected ship date.
3. The CSP contains your final manufacturing specifications. The CSP amount may be different from your original quotation due to specification changes. The price quotation contained in the CSP will supersede those contained in any quotation. If you have any questions contact your CSR.
4. To work efficiently and commit to reliable schedules, we need your entire job and final specifications (including shipping instructions) at time of order. We may elect not to begin production of your order until all information is in our plant.
5. Your schedule could be affected if you require changes during the production process i.e., quantity change, an additional proof, new copy submission. We are not responsible for reasonable delays based on your requested changes.
6. When your job is complete and ready for shipment, we will ship it via method selected by you. If by motor freight: accessorial charges, i.e., inside delivery, residential delivery, lift gate, are additional and will be invoiced accordingly. Shipping time is not included in our production schedule and will usually add from one to five working days to get from Dexter, Michigan to locations in the continental U.S. All goods provided by Thomson-Shore to you will be provided F.O.B. our place of business in Dexter, Michigan. This means that under the terms of sale you will bear all freight and associated charges, be responsible for the goods while in transit and bear the risk for any damage to the goods that may arise as a result of or during transit. Please see our Shipping Terms and Procedures at www.thomsonshore.com for more detailed shipping information.
7. Thomson-Shore will email a delivery confirmation the evening of your shipment. If you have other requirements, please let us know.
8. If you are printing digitally – we print and ship exact quantity ordered. If you are printing offset -- we will ship the quantity you order with a maximum possible overage or shortage of 10% of your requested quantity. These will be charged or credited at the over/under price as stated on your quote.
9. If you are printing digitally the processing fee has been included in your pricing. If you are printing offset the following applies to any non-freight drop shipments (transportation via UPS, FedEx, USPS). These shipments will incur a processing fee of \$5 for each carton and/or package of your finished project. Please contact your CSR for more information regarding distribution vendors or handling charges.
10. You have the option to archive your files with Thomson-Shore. If you are printing digitally you may elect archival and Thomson-Shore will invoice you per year for the archival of your digital files. If you are printing offset, your CSP will include a one-time fee for the archival of your PDF files. The fee includes storing your electronic files in the archive library and providing online reporting. If you prefer not to archive your files with Thomson-Shore for future reprinting, please let your CSR know immediately as files are archived midway through production and charges cannot be reversed once the archive is completed.
11. Any claims for defective workmanship must be filed with your CSR within six (6) months of the original ship date.
12. The prices in the quotation shall remain in effect for thirty (30) days. Thomson-Shore reserves the right to reject any order at any time. These reasons may include, but are not limited to, rejection of content, which Thomson-Shore finds objectionable, illegal or offensive in its sole discretion.
13. Thomson-Shore will charge Customers for non-sufficient fund (NSF) fee.
14. Upon your request Thomson-Shore will provide you with appropriate documentation certifying compliance with any legally required conformity.
15. You represent, warrant and covenant that: (I) you have the full authority to enter into this Agreement; (II) this Agreement is fully binding on any and all subsidiaries, parent companies, and affiliated companies of yours; (III) the materials that you have provided to us do not and will not infringe upon any third party intellectual property rights; (IV) all obligations owed to third parties with respect to the materials to be published are or will be fully satisfied by you so that Thomson-Shore will not have any obligations with respect thereto; and (V) you have granted to us all rights and licenses required for us to perform the services as described in the CSP.
16. You will indemnify, defend and hold harmless Thomson-Shore, its directors, officers, employees and agents with respect to

any claim, demand, cause of action, debt or liability, including reasonable attorneys' fees, to the extent that it is based upon a claim that if true, would constitute a breach of any of your representations, warranties or agreements hereunder.

17. THOMSON-SHORE WARRANTS, FOR SIX (6) MONTHS FROM THE DATE OF DELIVERY, THAT ANY BOOKS DELIVERED TO YOU WILL BE FREE OF MATERIAL DEFECTS THAT DESTROY THE VALUE OF THE BOOKS. IF YOU RECEIVE ANY SUCH MATERIALLY DEFECTIVE BOOKS, THOMSON-SHORE MAY, IN ITS SOLE DISCRETION AND AS YOUR SOLE REMEDY, EITHER REFUND YOUR PAYMENT FOR THE DEFECTIVE BOOKS AT A RATE CALCULATED ON OVER/UNDER PRICING, OR FURNISH YOU WITH REPLACEMENT BOOKS. EXCEPT FOR THE PRECEDING EXPRESS LIMITED WARRANTY, THE ONLY WARRANTIES MADE BY THOMSON-SHORE ARE THAT THE SERVICES AND MATERIALS TO BE PROVIDED BY THOMSON-SHORE ARE PROVIDED "AS IS," AND THOMSON-SHORE MAKES NO ADDITIONAL WARRANTIES, EXPRESS OR IMPLIED, ARISING FROM COURSE OF DEALING, USAGE OF TRADE OR STATUTE, AS TO THE SERVICES OR MATERIALS PROVIDED HEREUNDER, OR ANY OTHER MATTER WHATSOEVER. IN PARTICULAR, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY, TITLE, SATISFACTORY QUALITY AND FITNESS FOR A PARTICULAR PURPOSE ARE HEREBY DISCLAIMED BY THOMSON-SHORE.

18. In no event will Thomson-Shore be liable for any special, indirect, incidental or consequential damages, or damages for loss of profits or business interruption, that may arise in connection with this Agreement or any matter whatsoever, regardless of whether such claims are based or remedies are sought in contract, tort (including negligence), strict liability or otherwise, even if Thomson-Shore has been advised of the possibility of such damages. Under no circumstances will Thomson-Shore's aggregate liability to you in connection with this Agreement exceed the lesser of either: a) the amount of fees paid by you under the CSP that gives rise to your claim; or, b) the cost to replace any non-conforming product. The foregoing limitations of liability will survive and apply notwithstanding the failure of essential purpose of any remedies specified herein.

19. This Agreement, together with any CSP, constitutes the entire understanding between the parties with respect to the subject matter of this Agreement and supersedes any prior discussions, negotiations, agreements and understandings. Moreover, this agreement shall not be superseded by any subsequent agreement

Thomson-Shore:

THOMSON-SHORE, INC.,
a Michigan corporation

By: _____

Print Name: _____

Its: _____

Dated: _____

unless Thomson-Shore expressly agrees that the subsequent agreement supersedes the present one, and the present agreement is expressly referred to by name and date in the subsequent agreement.

20. This Agreement will be governed and controlled in all respects by the laws of the State of Michigan, including interpretation, enforceability, validity, and construction, without regard to any conflict of law provisions.

21. The parties submit to the exclusive jurisdiction and venue of the state or federal courts having jurisdiction over Washtenaw County, Michigan of any claims or actions arising, directly or indirectly, out of or related to this Agreement. The parties stipulate that the venues referenced in this Agreement are convenient.

22. Thomson-Shore's failure to exercise a right or remedy or Thomson-Shore's acceptance of a partial or delinquent payment will not operate as a waiver of any of Thomson-Shore's rights or your obligations under this Agreement and will not constitute a waiver of Thomson-Shore's right to declare an immediate or a subsequent default.

23. The terms of this Agreement may not be varied or modified in any manner, except in a subsequent writing executed by an authorized representative of both parties.

24. This Agreement may be executed as one or more counterparts, each of which will be deemed an original agreement, but all of which will be considered one instrument and will become a binding agreement when one or more counterparts have been signed by you and delivered to Thomson-Shore. A signed facsimile of this document, electronic agreement or a printed copy of the original signed document shall have the same legal force and effect as an original of such signature and shall be treated as an original document for evidentiary purposes.

25. Thomson-Shore will not be deemed to be in default or otherwise responsible for delays or failures in performance resulting from acts of God, acts of war or civil disturbance, epidemics, governmental action or inaction, fires, earthquakes, unavailability of labor, materials, power or communication, or other causes beyond Thomson-Shore's reasonable control.

You:

By: _____

Print Name: _____

Its: _____

Dated: _____

For more information or assistance please contact us directly or visit our web site at www.thomsonshore.com.

NOTE:

If Customer is an individual and not an entity, use the following signature block instead of the one above:

Thomson-Shore:

THOMSON-SHORE, INC.,
a Michigan corporation

You:

By: _____

By: _____

Print Name: _____

Print Name: _____

Its: _____

Address: _____

Dated: _____

Dated: _____