

LABEL ART OF CALIFORNIA TERMS AND CONDITIONS OF SALE

Buyer agrees that the following Terms and Conditions of Sale (“Terms”) shall apply for all purchases of products from Label Art of California (“Seller”) as contemplated in any Quotation requested by Buyer, and are deemed accepted upon receipt of a signed Customer Profile, a Purchase Order from Buyer, signed Order Acknowledgement, or other written acceptance of the Quotation, and are further evidenced by and apply to any Order Acknowledgement, Proof, or Invoice provided by Seller or by Buyer’s receipt of product or payment made to Seller. Seller’s acceptance of any Buyer Purchase Order is expressly conditioned on Buyer’s assent to these Terms. Terms set forth in Buyer Purchase Order or other written correspondence shall not amend, modify or replace these Terms without prior written consent from Seller. Seller reserves the right to modify these Terms and Conditions from time to time, with any previous Terms and Conditions being superseded by those posted most currently, as made available on the website by Seller.

Quotations. Prices are valid for 30 days. Standard turnaround time is measured in business days from receipt of artwork, confirmation of order, and receipt of payment (unless Credit Terms have been extended). Any request for modification to an element of the product as quoted, including but not limited to a change in color, material, product size, or quantity, requires a new quotation to be provided. Buyer Purchase Orders or Buyer artwork that reflect product specifications different than those indicated on the Quotation will result in a new Quotation being provided for acceptance, the issuance of which may impact turnaround times and price expectations. Freight costs, taxes, and insurance costs are not included in the quotation.

Order Cancellation. Buyer may not cancel an order, whether orally or in writing, once work has begun. Seller reserves the right to complete the order and receive full payment for the product as quoted. Seller, at its sole discretion and provided for in writing, may stop production at the request of Buyer and invoice Buyer for materials ordered and work performed to date. Jobs cancelled once an order has been received are subject to be billed for materials ordered and work completed to date. Seller reserves the right to cancel an order or delay shipment due in the event Seller has reason to believe Buyer lacks the ability to pay as agreed, or otherwise meet its obligations to Seller.

Artwork. Buyer-supplied artwork must be provided to Seller in a manner in accordance with Seller’s Prepress Specifications. Artwork that is not supplied in accordance with the Seller’s Prepress Specifications may not be accepted by Seller, but, if accepted, will require costs in addition to those quoted in order to bring to specification. Artwork that reflects product specifications different than those indicated on the Quotation will result in a new Quotation being provided for acceptance, the issuance of which may impact turnaround times and price expectations. Seller will make digital copies of artwork for prepress modification. Modified copies of original artwork are the property Seller and remain so during and after production. Original artwork without prepress modifications may be returned at an additional charge.

Copyrights. Buyer warrants that it has the right to use and reproduce all elements of the artwork, including copy, logos, designs, trademarks and service marks, and that the reproduction of such artwork or elements of the artwork as requested by Buyer is not prohibited by the copyright of any third party in one or more elements of the artwork to be printed. Buyer warrants that no copyright notice has been removed from any material used in preparing the artwork for reproduction. Buyer agrees at its sole expense to indemnify, defend, and hold harmless Seller and its officers, directors, shareholders, employees, representatives, affiliated companies, successors and assigns from and against all liability, damages, costs and expenses including attorney’s fees that may be incurred in any legal action arising from, related to or connected with the actual or alleged copyright infringement involving the product produced or provided by Seller at the request and direction of Buyer, and such defense shall be provided using legal counsel acceptable to Seller.

PDF Proofs. Seller will provide to Buyer an electronic proof in .PDF format for review and approval. Buyer must review and reply to Seller with a signed copy of the proof within 24 hours of receipt to ensure turnaround time may be kept. Late responses will result in delays to the final ship date. Proof must be

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marked as Approved As Shown, as Approved With Changes As Marked, or as Changed As Marked And Show New Proof. Changes to the proof must be clearly described and marked on the returned proof sheet. Changes to the proof that are outside of the specifications of the Quotation and Order Acknowledgment may require additional charges, and at Seller's discretion may require a new Quotation to be issued and the current order to be cancelled and Buyer billed for work performed. The proof is not considered returned without further review and confirmation of changes or acceptance by Seller. No additional work is performed on the Buyer's order during proofing until an approved proof with Buyer signature and date of approval is received and confirmed. Such an approval constitutes the Buyer's intent to proceed with the order as specified and Buyer's agreement to pay for the product once completed to the specification of the proof. Buyer is responsible for any unnoticed errors or modifications that were approved but needed to be changed. Seller is not responsible for undetected production errors if the product is produced per the approved PDF proof.

Color Press Proof. Color Press Proofs may be ordered at an additional cost. All copy, layout, type, and artistic and artwork elements other than color are to be reviewed and considered approved with the approval of the PDF Proof. As with PDF Proofs, Buyer must review and reply to Seller with a signed copy of the Color Press Proof within 24 hours of receipt to ensure turnaround time may be kept. Late responses will result in delays to the final ship date. Color Press Proofs must be marked as Approved, as Approved with Changes, or as Not Approved. Changes to the Color Press Proof must be clearly described and marked on the returned proof sheet. Changes to the Color Press Proof that are outside of the specifications of the Quotation and Order Acknowledgment may require additional charges, and at Seller's discretion may require a new Quotation to be issued and the current order to be cancelled and Buyer billed for work performed. The Color Press Proof is not considered returned without further review and confirmation of changes or acceptance by Seller. If a Color Press Proof is ordered, no additional work is performed on the Buyer's order during proofing until an approved proof with Buyer signature and date of approval is received and confirmed. Such an approval constitutes the Buyer's intent to proceed with the order as specified and Buyer's agreement to pay for the product once completed to the specification of the proof. Buyer is responsible for any unnoticed errors or modifications that were approved but needed to be changed. Seller is not responsible for undetected production errors if the product is produced per the approved Color Press Proof. A reasonable variation in color between Color Press Proofs and the finished product is to be expected due to differences in conditions, materials, and equipment used between Color Proofing processes and Print Production processes. Buyer acknowledges and accepts reasonable variations in color, and does not hold Seller liable for damages resulting from such variations.

Production Tools. Plates, dies, and other tools purchased and used by Seller in the fulfillment of the Order remain the property of Seller, unless clearly identified as a line item charged to the Buyer on the Invoice. Plates, dies, and tools sold to the Buyer will be stored at Seller's production facility free of charge, and may be released to Buyer upon written request and receipt of a signed release of liability. Buyer acknowledges that plates, dies, and tools wear with time and usage, and may require replacement at Buyer's expense for the fulfillment of future orders.

Quantity Supplied. Seller will invoice customer and collect payment on the actual quantity provided to Buyer. Due to the nature of print production, overruns and under runs up to and including ten percent (10%) of the quantity ordered shall be considered acceptable performance of the work by Seller. Orders requiring guaranteed minimum quantities must be clearly identified on Buyer Purchase Orders, may require the acceptance of overruns not to exceed ten percent (10%), and may require additional charges.

Delivery. Buyer shall provide Seller with shipping instructions and date by which product is to be delivered. Seller will use its reasonable business efforts to set the scheduled dates, but does not guarantee to meet such dates. Failure to deliver by the requested delivery date does not constitute a cause for cancellation or for damages. All orders are FOB Oakland, California. Title to product transfers to Buyer 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, subject to the security interest in such product as held by

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Seller as described below. Buyer is responsible for evaluation of received product for final acceptance. All claims for damaged shipments must be made directly with the carrier within 24 hours. Damaged shipments should be held in condition received until inspected by carrier. Claims for incorrect shipments or omissions must be made to Seller within fifteen (15) days of shipment.

Security Interest. Seller hereby reserves for itself a purchase money security interest in all products sold hereunder and the proceeds thereof, in the amount of the purchase price. In the event of default by Buyer in any of its obligations to Seller, Seller will have the right to repossess the products sold hereunder without liability to Buyer. Such security interest will be satisfied by payment in full. A copy of the invoice may be filed with appropriate authorities at any time as a financing statement and/or chattel mortgage to perfect Seller's security interest. Upon request, Buyer will execute such financing statements and other instruments as Seller may request to perfect Seller's security interest herein.

Taxes. Orders shipped to a location within California are subject to sales tax as mandated by the California State Board of Equalization. The actual amount of sales tax will be determined based on the product ordered, quantity shipped, and subject to the current sales tax rate for Oakland, California. Out of state customers will be charged use tax for tools and plates and art creation used in the production of the ordered product, but not on materials used in the product or the product itself.

Returns. Sales are final on all products. Seller's only obligation shall be to replace such quantity of the product proved to be defective. Seller must be notified in writing within fifteen (15) days of delivery if product is proven defective. Failure to notify Seller of defective or noncompliant product within fifteen (15) days of delivery shall be deemed an unqualified acceptance. Seller shall not be liable for any injury, loss or damage, direct or consequential, arising out of the use, or the inability to use the product. Further limitations of liability are provided for below. Product must be returned to Seller at Buyer's expense for inspection and confirmation within five (5) days of notice of defection or noncompliance. At its option, Seller may replace any defective product or offer a full or partial credit, the amount of which shall not exceed the amount Seller has received from Buyer for the product at time of credit.

Terms of Payment. All orders may be paid in U.S. Dollars by check or credit card (Visa / Mastercard / American Express). If payment is not made within stated terms below, customer shall be liable for all costs incurred in collections, including reasonable attorney's fees and court costs. All returned checks subject to a \$25.00 fee. A finance charge of 1-½% per month (18% per annum) will be added to all past due accounts. Terms of payment on all orders are subject to the approval of Seller's credit department. If Buyer does not pay Seller any amount when such amount is due, or if Buyer defaults in the performance of its obligations under these Terms and Conditions, the Order Acknowledgement, Proof or Invoice issued from Seller to Buyer, Seller may, without incurring liability and without prejudice to Seller's other lawful remedies and at Seller's sole option: (i) terminate Seller's obligations under these Terms and Conditions, and/or the Order Acknowledgement, Proof or Invoice issued from Seller to Buyer; (ii) declare immediately due and payable all of Buyer's obligations to Seller; (iii) change credit terms with respect to any further work; (iv) suspend or discontinue any further work until Buyer pays all overdue amounts; and/or (v) repossess the Products. All initial orders, and subsequent orders by Buyers prior to the extension of credit by Seller with an executed Credit Agreement, require a deposit of 50% or one-half the total price prior to the commencement of work, and the balance due to Seller payable prior to shipment of product to Buyer. Seller reserves the right to waive this requirement in writing at its sole discretion. If the deposit payment is dishonored, Seller shall cancel or hold the order placed pending payment in full. If Seller exercises its right to waive the requirement of payment in full before shipping, the order shall be shipped with payment due net thirty (30) days of the date of invoice, subject to the payment terms stated above. Buyers may submit an application for credit at any time after the initial order is paid in full. Additional Terms and Conditions of the Credit Agreement shall then apply.

Limitation of Liability. Buyer shall determine the suitability of the product for the intended use and Buyer shall assume all risk and liability whatsoever in connection therewith. Seller shall not be liable to

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Buyer or any third party for costs of procurement of substitute products, or for any loss of profits or loss of use, including loss or damage to or malfunction of any goods, or for any incidental, consequential, special, punitive, exemplary, indirect or other damages however caused and on any theory of liability, arising out of these terms and any Quotations, Order Acknowledgements, Invoices, Agreements or Contracts attached hereto or to which these Terms and Conditions are attached, whether or not Seller or Buyer has been advised of the possibility of such loss or damage. This exclusion also includes any liability that may arise out of third party claims against the Buyer. In no event shall Seller's liability arising out of these Terms and Conditions and any Quotations, Order Acknowledgements, Invoices, Agreements or Contracts attached hereto or to which these Terms and Conditions are attached exceed the amount Seller has received from Buyer for the product. NO CLAIM BY BUYER OF ANY KIND, AND NO LIABILITY OF SELLER OF ANY KIND, SHALL BE GREATER IN AMOUNT THAN THE PURCHASE PRICE OF THE PRODUCTS IN RESPECT OF WHICH DAMAGES ARE CLAIMED. PURCHASER'S EXCLUSIVE REMEDY IS REPLACEMENT OF PRODUCT OR CREDITING OF PURCHASE PRICE, IN SELLER'S DISCRETION. CLAIMS NOT FILED BY PURCHASER WITHIN 15 DAYS OF SHIPMENT DATE ARE WAIVED AND BARRED. The essential purpose of this provision is to limit the potential liability of Seller arising out of these Terms and Conditions and any Quotations, Order Acknowledgements, Invoices, Agreements or Contracts attached hereto or to which these Terms and Conditions are attached and/or the sale of products to Buyer, and the parties expressly agree with the resulting allocation of risk.

Warranties. ALL STATEMENTS, SERVICES, INFORMATION AND RECOMMENDATIONS (TECHNICAL OR OTHERWISE) ABOUT SELLER'S PRODUCTS, AND THE USE OR APPLICATION OF SUCH PRODUCTS, ARE BASED ON SELLER'S EXPERIENCE AND TESTING AND ARE BELIEVED TO BE RELIABLE BUT DO NOT CONSTITUTE AN EXPRESS OR IMPLIED GUARANTEE OR WARRANTY AS TO ACCURACY, COMPLETENESS OR RESULTS TO BE OBTAINED. WITH REGARD TO PURCHASER'S USE AND APPLICATION OF PRODUCTS, PURCHASER ASSUMES FULL RESPONSIBILITY FOR QUALITY CONTROL, TESTING AND DETERMINING THE SUITABILITY OF PRODUCTS FOR ANY INTENDED PURPOSE. SELLER WARRANTS THAT, SUBJECT TO THESE TERMS AND CONDITIONS OF SALE AND THE TERMS OF ANY QUOTATIONS, CUSTOMER PROFILES, ORDER ACKNOWLEDGEMENTS, INVOICES, AGREEMENTS OR CONTRACTS ATTACHED HERETO OR TO WHICH THESE TERMS AND CONDITIONS ARE ATTACHED, THE PRODUCT WILL BE CONSISTENT WITH THE BUYERS' FINAL APPROVED PDF AND COLOR PRESS PROOF (IF APPLICABLE) OF SUCH PRODUCT, AND THAT ITS PRODUCTS WILL BE FREE FROM MATERIAL DEFECTS IN WORKMANSHIP AND MATERIALS UNDER NORMAL USE AND SERVICE, FOR A PERIOD OF THIRTY (30) DAYS FROM THE DATE OF DELIVERY OF PRODUCT. ALL PRODUCTS ARE PROVIDED AS IS, AS AVAILABLE AND WITH ALL FAULTS, AND SELLER EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS, STATUTORY, OR IMPLIED, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY, FITNESS FOR A PARTICULAR USE, OR ARISING OUT OF A COURSE OF DEALING, TO THE MAXIMUM EXTENT PERMITTED BY LAW. EXCEPT AS PROVIDED HEREIN, SELLER MAKES NO WARRANTIES. There is NO WARRANTY in cases of damage in transit, negligence, abuse, abnormal usage, misuse, accidents, altered products, failure to follow Seller's instructions or improper storage. In no event shall SELLER be responsible for claims beyond the purchase price of the defective Product.

Indemnification. Buyer agrees at its sole expense to indemnify, defend, and hold harmless Seller and its officers, directors, shareholders, employees, representatives, affiliated companies, successors and assigns from and against any and all claims, demands, actions or proceedings brought by any third party arising out of or related to Buyer's use or distribution of the products purchases hereunder, including (i) any claim arising out of or related to any warranty made by or on behalf of Buyer to its customers that expands any warranties provided herein or fails to limit any liability as provided herein or (ii) any breach of these terms and any quotations, order acknowledgements, invoices, agreements or contracts attached hereto or to which these terms and conditions are attached by Buyer; provided, Seller: (a) gives prompt written notice to Buyer of the institution of the suit or proceedings; and (b) permits Buyer through counsel

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reasonably acceptable to Seller to defend Seller and its officers, directors, shareholders, employees, representatives, affiliated companies, successors and assigns and gives Buyer all needed information, assistance and authority to enable Buyer to do so IN EACH CASE EVEN THOUGH CAUSED OR ALLEGED TO BE CAUSED BY THE NEGLIGENCE OR FAULT OF SELLER OR ITS AGENTS (OTHER THAN A LOSS ARISING FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SELLER OR ITS AGENTS), AND EVEN THOUGH ANY SUCH CLAIM, CAUSE OF ACTION, OR SUIT IS BASED UPON OR ALLEGED TO BE BASED UPON THE STRICT LIABILITY OF SELLER OR ITS AGENTS. THIS INDEMNITY IS INTENDED TO INDEMNIFY SELLER AND ITS AGENTS AGAINST THE CONSEQUENCES OF THEIR OWN NEGLIGENCE OR FAULT AS PROVIDED ABOVE WHEN THE SELLER OR ITS AGENTS ARE JOINTLY, COMPARATIVELY, CONTRIBUTIVELY, OR CONCURRENTLY NEGLIGENT WITH CUSTOMER. The indemnities set forth herein shall survive termination or expiration of any agreement between Seller and Buyer. If any proceeding is filed for which indemnity is required hereunder, Buyer agrees, upon request therefore, to defend the requesting Indemnitee in such proceeding at its sole cost utilizing counsel satisfactory to Seller in its reasonable discretion.

Force Majeure. Seller will endeavor to fill all accepted orders as soon as it is practical and consistent with production schedules. Seller shall not be responsible for delay in delivery or failure to fill orders or other default or damage where such has been caused by an act of God, war, major disaster, terrorism, insurrection, riot, flood, earthquake, fire, strike, lockout or other labor disturbance, delay by carriers, shortage of fuel, power, materials or supplies, operation of statutes, laws, rules or rulings of any court or government, demand for goods exceeding Seller's available supply, or any other cause beyond Seller's control affecting production or delivery. In the event of any delay in shipment or nonperformance caused by any of the foregoing, Seller may, at its option and without liability, cancel all or any portion of its obligations to Buyer and/or extend any date upon which performance is due.

Waiver. Failure of Seller to enforce any provision of these Terms and Conditions and any Quotations, Order Acknowledgements, Invoices, Agreements or Contracts attached hereto or to which these Terms and Conditions are attached will not be deemed a waiver. The acceptance of payment by Seller will not waive its right to enforce any provision of these Terms and Conditions.

Severability. If any provision of these Terms and Conditions and any Quotations, Order Acknowledgements, Invoices, Agreements or Contracts attached hereto or to which these Terms and Conditions are attached is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.

Entire Agreement. These Terms and Conditions, along with any Quotations, Order Acknowledgements, Invoices, Agreements and Contracts attached hereto or to which these Terms and Conditions are attached, constitute the entire Agreement between Buyer and Seller and supersede any other agreements or offers, including any purchase orders of Buyer, prior or contemporary oral or written understandings, or communications relating to the subject matter hereof.