

TERMS AND CONDITIONS

OF

SALES OF PRODUCTS BY TROJAN LITHOGRAPH CORPORATION

1. **“Trojan Lithograph Corporation”** Trojan Lithograph Corporation, and all subsidiaries thereof.

2. **“Buyer”** means all purchases of the Products and if any Products are thereafter sold, any users, of the Products.

3. **Acceptable Quantity.** Buyer agrees that industry standards regarding acceptable shipment quantity are +/-10% of the Purchase Order (“Acceptable Quantity”). Trojan Lithograph Corporation may vary the quantity in the Purchase Order, provided that the Products delivered are within the Acceptable Quantity, unless a separate agreement for quantity has been made in writing at the time of submission of the Purchase Order. Notwithstanding anything herein to the contrary, Buyer shall pay for all Products delivered and accepted.

4. **Acceptance.** Buyer shall have ten (10) days after receipt of the Products to inspect and, if Buyer contends that the Products are nonconforming, reject the Products (“Inspection Period”). All Products shall be accepted by Buyer unless, within the Inspection Period, Buyer provides Trojan Lithograph Corporation with written notice of its rejection of the Products and also detailed reason(s) for the rejection of the Products (“Rejection Notice”). If Buyer rejects a Product, Buyer shall allow Trojan Lithograph Corporation, in its sole discretion, the opportunity to (a) cure the alleged defect or nonconformity, (b) replace the Product with a conforming Product; or (c) refund all or a portion of the price already paid by Buyer that relates to the nonconforming Product. Upon request by Trojan Lithograph Corporation, Buyer shall return to Trojan Lithograph Corporation, at Trojan Lithograph Corporation’s expense, all nonconforming Product, provided that if Trojan Lithograph Corporation determines the Product was improperly rejected, Buyer shall reimburse Trojan Lithograph Corporation for all of its return expenses. Notwithstanding anything herein to the contrary, Trojan Lithograph Corporation shall not be liable for any costs, expenses or liabilities related or arising from the Product, unless Trojan Lithograph Corporation has timely receive a Rejection Notice and has been provided an opportunity to cure as provided in this Section.

5. **Conflicting Terms:** The terms and conditions set forth herein govern the sale of all products and services (“Products”) by Trojan Lithograph Corporation. The term and conditions apply notwithstanding any previous or subsequent conflicting, contrary, modifying, or additional terms, and conditions in any purchase order of buyer (“Purchase Order”), other document, correspondence, or other communication from buyer. These terms and conditions may only be waived or modified only by a written agreement signed by an authorized representative of Trojan Lithograph Corporation and neither Trojan Lithograph Corporation’s acknowledgment of a Purchase Order nor its failure to object to conflicting, contrary, or additional terms and conditions in a Purchase Order shall be deemed an acceptance of such terms and conditions or a waiver of any of these provisions.

6. **Credit Approval.** All sales of Product shall at all times be subject to the approval of the credit department of Trojan Lithograph Corporation. Trojan Lithograph Corporation may invoice Purchaser and recover for each shipment made pursuant to these Terms and Conditions as a separate transaction without regard to any other order or agreement with Trojan Lithograph Corporation, or if, in the sole judgment of Trojan Lithograph Corporation, the financial responsibility of Buyer is or becomes unsatisfactory, then Trojan Lithograph Corporation may, at its option and without prejudice to any of its other remedies, (a) defer or decline to make any shipments hereunder except upon receipt of satisfactory

security or cash payments in advance, and / or (b) terminate all Purchase Orders of Buyer. The terms of the "Application for Credit Agreement," if entered by Buyer, shall be incorporated herein.

7. Delivery and Title: All shipments of Product by Trojan Lithograph Corporation shall be F.O.B. Destination, unless otherwise agreed to in writing by Trojan Lithograph Corporation and Buyer. If Trojan Lithograph Corporation consents to delivery of F.O.B. Origin, delivery of the Products to the common carrier shall constitute delivery to Buyer and risk of loss shall thereupon pass to Buyer; provided that title shall remain in Trojan Lithograph Corporation until Buyer makes payment in full for the Products. If Trojan Lithograph Corporation insures the Products delivered by F.O.B. Origin shipments, the cost of such insurance shall be paid by Buyer. The selection of the carrier and delivery route shall be made by Trojan Lithograph Corporation, unless specified by Buyer; provided that Trojan Lithograph Corporation shall use reasonable efforts to initiate shipment and schedule delivery as close as possible to the requested delivery dates of Buyer. Buyer acknowledges that delivery dates provided by Trojan Lithograph Corporation are estimates only and that Trojan Lithograph Corporation is not liable for failure to deliver on such dates. Unless otherwise designated by Buyer in the Purchase Order, Trojan Lithograph Corporation may make deliveries of the Product in installments, and a reasonable delay in delivery of one installment of Product shall not entitle Buyer to cancel other installments of the Product.

8. Force Majeure. Trojan Lithograph Corporation shall not be liable for failure to fulfill its obligations herein or for delays in delivery due to causes beyond its reasonable control, including, but not limited to, acts of God, natural disasters, acts or omissions of other parties, acts or omissions of civil or military authority, Government priorities, changes in law, material shortages, fire, strikes, floods, epidemics, quarantine restrictions, riots, war, acts of terrorism, delays in transportation, or inability to obtain labor or materials through its regular sources. Trojan Lithograph Corporation's time for performance of any such obligation shall be extended for the time period of such delay or Trojan Lithograph Corporation may, at its option, cancel any order or remaining part thereof without liability by giving notice of such cancellation to Buyer.

9. General. As used herein, terms appearing in the singular shall include the plural and terms appearing in the plural shall include the singular. No rights, duties, agreements, or obligations hereunder may be assigned or transferred by either party, by operation of law, merger, or otherwise, without the prior written consent of the other. Any attempted or purported assignment shall be void. The obligations, rights, terms, and conditions hereof shall be binding on the parties hereto and their respective successors and assigns. The waiver of any provision hereof or of any breach or default hereunder shall not be deemed a waiver of any other provision hereof or breach or default hereunder. Any provision hereof which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof in that jurisdiction or affecting the validity or enforceability of such provision in any other jurisdiction.

10. Governing Law/Jurisdiction/Venue. This Agreement and performance hereunder shall be governed by and construed in accordance with the laws of the State of Washington. Venue for any action under this Agreement shall lie in King County, Washington.

11. Indemnification. Buyer shall indemnify and hold Trojan Lithograph Corporation harmless from any damage, loss, expense, or liability resulting from any misrepresentations contained herein, or any default in the performance of any of the terms, covenants, and conditions herein.

12. Intellectual Property. If Buyer has retained Trojan Lithograph Corporation to manufacture Products based upon artwork, images, designs, or other content provided, directly or indirectly by Buyer, or any representative thereof ("Content"), then the Buyer warrants and represents to Trojan Lithograph Corporation that: (i) Buyer has legal authority to use such Content; (ii) Buyer has the authority to engage

Trojan Lithograph Corporation to manufacture Products using or incorporating the Content; (iii) the use by Trojan Lithograph Corporation of the Content in the manufacturing of Products shall not infringe upon any copyright, patent rights, or trademark rights of a third party. Buyer also grants Trojan Lithograph Corporation the license to use samples of the Product to demonstrate to other potential clients, customers, and other interested parties the manufacturing and other capabilities of Trojan Lithograph Corporation.

13. Limitation of Liability.

13.1 BUYER SHALL NOT IN ANY EVENT BE ENTITLED TO, AND TROJAN LITHOGRAPH CORPORATION SHALL NOT BE LIABLE FOR, ANY INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY NATURE INCLUDING, WITHOUT LIMITATION, BUSINESS INTERRUPTION COSTS, LOST PROFIT, REPUTATION DAMAGE, OR CUSTOMER LOSS, EVEN IF TROJAN LITHOGRAPH CORPORATION HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

13.2 Notwithstanding anything herein to the contrary, BUYER'S RECOVERY FROM TROJAN LITHOGRAPH CORPORATION FOR ANY CLAIM SHALL NOT EXCEED THE PURCHASE PRICE FOR THE PRODUCT GIVING RISE TO SUCH CLAIM IRRESPECTIVE OF THE NATURE OF THE CLAIM, WHETHER IN CONTRACT, TORT, WARRANTY, OR OTHERWISE. Buyer specifically agrees and warrants that this limitation of liability is reasonable and appropriate in consideration of the transaction and relationship between Trojan Lithograph Corporation and Buyer.

14. Notwithstanding any contrary statute of limitations, any cause of action for any alleged breach of these terms and conditions shall be barred unless commenced by Buyer within the Rejection Period.

15. Limited Warranty. Trojan Lithograph Corporation represents and warrants that the Products shall materially comply with specifications, if any, provided with the Purchase Order and accepted in writing by Trojan Lithograph Corporation in connection therewith and that the Products shall be materially free from defects in materials and workmanship. Subject to only the foregoing, Trojan Lithograph Corporation makes no warranty, express or implied, with respect to the Products and without limiting the foregoing, Trojan Lithograph Corporation **MAKES NO WARRANTY RESPECTING THE MERCHANTABILITY OF THE PRODUCTS OR THEIR SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE.**

16. Orders: All orders for Products shall be initiated by Buyer issuing Purchase Order or another order for Products. Notwithstanding anything herein to the contrary, all orders for Products are subject to acceptance by Trojan Lithograph Corporation in its sole discretion.

17. Packing Services [Discuss].

18. Payment Terms. Payment for all Products shall be net thirty (30) days from date of invoice ("Invoice") or as otherwise specified by Trojan Lithograph Corporation in the Invoice. Buyer shall pay the entire amount of each Invoice pursuant to the terms of each such Invoice without offset or deduction of any kind. Buyer agrees that Buyer shall pay interest on the balance of any Invoice not paid when due, from the due date to the date of payment, at the rate of one and one-half (1-1/2%) percent per month, or the highest permissible rate allowable by law, whichever is less. If Buyer fails to make any payment when due, at the option of Trojan Lithograph Corporation, any remaining balance due Trojan Lithograph Corporation shall immediately become due and payable.

19. **Prices:** All prices for Products shall be as specified by Trojan Lithograph Corporation from time to time in writing to Buyer ("Quote"). All prices for Products set forth in a Quote shall be applicable only for the period provided in the Quote; provided, however, that if no time period is specified in the Quote, the prices for the Products shall be applicable only for the shorter of (i) thirty (30) days from the date of the Quote or (ii) the withdrawal of the Quote by Trojan Lithograph Corporation. All prices for Products are exclusive of taxes, impositions, and other charges of any kind, including, without limitation: (i) sales, use, excise, value added, duties, fees, gross receipts, or other taxes or similar charges imposed by any foreign, federal, state, or local government authority ("Taxes"); (ii) shipping charges and expenses, including, insurance agent's and broker's fees, document fees, and other similar or related costs ("Shipping"); and (iii) Tooling, as defined below.

20. **Purchase Order Cancellation:** Any Purchase Order that is accepted by Trojan Lithograph Corporation may not be cancelled, terminated, withdrawn, or materially modified, delayed, or rescheduled without Trojan Lithograph Corporation's prior written consent ("Cancellation"). If Trojan Lithograph Corporation, in its sole discretion, consents to a Cancellation, without limiting any other remedy which Trojan Lithograph Corporation may have, Buyer shall pay Trojan Lithograph Corporation a cancellation and restocking charge of twenty-five percent (25%) of the Purchase Order cancelled, which Buyer agrees is reasonable and appropriate in consideration of the cost, expense, and damage imposed on Trojan Lithograph Corporation due to such Cancellation.

21. Tooling.

21.1 If Buyer places a Purchase Order for Products that, in the determination of Trojan Lithograph Corporation, requires cutting dies, plates, or other similar items to produce the Product (collectively "Tooling"), Trojan Lithograph Corporation, in its sole discretion, may procure such Tooling at the sole cost and expense of Buyer. If Trojan Lithograph Corporation procures Tooling through purchase, manufacture, or otherwise, Trojan Lithograph Corporation will issue an Invoice to Buyer for the Tooling at a price reasonably determined by Trojan Lithograph Corporation. If Buyer has paid for the Tooling, then the Tooling shall be owned by the Buyer. If Trojan Lithograph Corporation has paid for the Tooling, then the Tooling shall be owned by Trojan Lithograph Corporation. If Trojan Lithograph Corporation and Buyer have each paid in part for the Tooling, Trojan Lithograph Corporation shall jointly own the Tooling. Trojan Lithograph Corporation may, but shall have no obligation to, maintain and store the Tooling for as long as Trojan Lithograph Corporation determines that the Tooling is used in the manufacturing of Products for Buyer.

21.2 Any Tooling not used in manufacturing of Products by Trojan Lithograph Corporation for twenty-four (24) months ("Retention Period") or more shall be conclusively considered inactive, outdated, or obsolete and may, in the sole discretion of Trojan Lithograph Corporation and without liability to Trojan Lithograph Corporation, be destroyed without notice to Buyer. Trojan Lithograph Corporation may also at any time return all Tooling to the Buyer, at the expense of the Buyer. If Buyer desires that Trojan Lithograph Corporation retain any Tooling after the Retention Period, Buyer must provide a written request and agree to Trojan Lithograph Corporation's then storage terms and conditions. Notwithstanding anything herein, the sole liability of Trojan Lithograph Corporation for any Tooling in the possession of Trojan Lithograph Corporation shall be, in the sole determination of Trojan Lithograph Corporation, to either replace the Tooling, or refund the cost of the Tooling. Except for the foregoing, Trojan Lithograph Corporation shall have no liability for any Tooling in its possession.