Quad/Graphics, Inc.

Terms and Conditions of Purchasing Goods & Services

- 1. All purchases by Quad/Graphics, Inc. and/or its affiliates ("us" and "our") are subject to these terms and conditions. We object to any additional or different terms contained in any of your quotations, invoices, or other forms, or in any other correspondence from you. These terms and conditions, as supplemented by the agreed prices and delivery dates, are the entire agreement between the parties on the subject of purchases by us from you, superseding all prior communications and negotiations.
- 2. You will return an order confirmation within 48 hours of receipt of a purchase order from us. You will deliver the quantities of goods ordered by us and/or provide the services as agreed: (i) on time, (ii) in accordance with the specifications, and (iii) at the fixed prices. The prices will include all applicable design, labor, materials, tools, equipment, software, transportation, supervision, testing, programming, engineering, supply, packaging and delivery. Price increases or extensions of time for delivery or any other changes will not be binding on us unless evidenced by a written notice issued and signed by one of our authorized representatives. Your invoice will include, as applicable, the purchase order number, line item, item description, our part number, unit price, list price, discount, quantity, manufacturer part number, a copy of the shipping documents (including bill of lading) and any other information we request, including the packing list. The payment terms and/or method of payment will be as set forth on our purchase order or as otherwise agreed by us in writing. We will not be liable for any taxes, duties, or customs, relating to the sale, purchase, transportation, or use of the goods or services ordered by us.
- 3. Unless otherwise specifically agreed to by the parties, Quad/Graphics will pay on itemized invoices submitted by the Service or Product provider under this agreement within seventy-five (75) days from the date the invoice is received by Quad/Graphics.
- 4. Unless otherwise specifically agreed to by the parties the shipping terms for all goods purchased by us are D.D.P. (Delivered Duty Paid) the Quad designated location (Incoterms 2010). Regardless of shipping terms, all risk that the ordered goods may be lost, damaged or delayed in transit will be upon you.
- 5. All goods and related work-in-progress will be subject to inspection and testing by us at any reasonable time and from time to time. Even if we pay you, no goods are deemed accepted until our final inspection and approval. Our inspection before, during, or after manufacture and delivery will not constitute a waiver of the right of subsequent rejection by reason of any undiscovered or latent defect. In the event there is a material change to the goods we purchase you will provide us with 30 days prior notice.
- 6. You warrant that: (1) you will convey to us good and marketable title to the goods, free and clear of all liens and encumbrances, (2) the goods and services will be free from any defects (latent or otherwise), will be of good and merchantable quality, will conform to our specifications or the sample approved by us, will conform with the quality standards of the industry, will conform with written representations or specifications previously made by you, to the extent applicable, (3) the services provided by you will be performed by personnel eligible to perform services in applicable country/jurisdiction that have the necessary expertise and you and your employees are fully licensed, certified and bonded by you as customary or required by law or industry practice, (4) you will not violate or infringe or contribute to any infringement of any intellectual property rights, and (5) the goods and services comply with and have been produced, delivered and sold in conformity with all applicable laws and regulations and you have obtained all applicable licenses and permits. To the extent applicable, you assign to us all warranties of third parties relating to the goods and services. These warranties will survive inspection, delivery and payment and will run in favor of us and our customers.
- 7. If the goods or services do not conform to the above warranties, we may, at our option and in addition to our other remedies, retain such goods or services at an adjusted price, return the goods to you for replacement, require reperformance of services, credit or refund, as we will direct. You will reimburse us for all of our costs and expenses in

- connection with the defective or otherwise nonconforming goods and services (including return delivery of the goods), and you will assume all risk of loss or damage in transit to goods we return.
- 8. We will have the right to cancel any order in whole or in part with or without cause, at any time, and our liability for any such cancellation will be limited to your out-of-pocket cost for the work and materials applicable solely to the cancelled order, which were incurred prior to your receipt of the notice of cancellation, reduced by the fair market resale value of such work-in-process, and in no event exceeding the quoted price.
- 9. You are an independent contractor and your personnel performing services will not be considered our employees. You agree not to subcontract without our prior written consent, and you will be liable for the performance of any such subcontractor in the same manner as if the goods and services were provided by you. You will comply with all requirements of our Supplier Code of Conduct, safety manual, data security, and any other reasonable requirements that we provide to you. You will perform background checks on your personnel when services are performed near any of our QuadMed or Day Care locations and ensure such personnel are not prohibited by law to work in such location.
- 10. We and our agents will have the right to audit all aspects of the goods and services you provide, including, but not limited to, legal and regulatory compliance related to any operation where FSC, SFI or PEFC certified materials are manufactured, used, modified, labeled, re-labeled, packaged or re-packaged.
- 11. You will indemnify, defend, and hold us harmless, and each of our officers, directors, agents, contractors, and employees, from and against, any and all claims, damages, liabilities, losses, costs and expenses (including attorneys' fees and other costs of defending any action) arising out of or resulting from (1) any actual or alleged breach by you of your representations, warranties, covenants or obligations; (2) your acts or omissions or the acts or omissions of your subcontractors, or (3) infringement of your goods or services, in the event of a claim of infringement of any third party proprietary right, you will promptly, at your expense, either procure for us the right to continue using the goods or services or replace the goods or services with substantially equal, non-infringing goods or services acceptable to us.
- 12. You may not transfer or assign this agreement, including through a merger or the sale of a majority of your stock or equity, or any rights or obligations of yours without our prior written consent. Each sale by you to us will be governed by the laws of the State of Wisconsin without regard to conflicts of laws and venue will be within the state of Wisconsin. The United Nations Convention on Contracts for the International Sale of Goods will not apply to this agreement. Our rights and remedies in these terms and conditions will be in addition to any rights or remedies we may have.
- 13. If applicable, you and any subcontractor shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability.
- 14. By entering into this transaction you agree that your provision for goods and/or services will be in accordance with Quad's <u>Supplier Code of Conduct</u>, including, but not limited to compliance with the United States Foreign Corrupt Practices Act and any foreign equivalent or anticorruption laws.