

CO-MAIL TERMS & CONDITIONS

These Co-Mail Terms & Conditions, including Schedule 1 attached hereto, govern the supply of Services under the Co-Mail Agreement and are expressly incorporated therein and applicable thereto.

1. DEFINITIONS.

The following defined terms shall have the following meanings:

- a. **"Affiliate"** means an entity controlling, controlled by or under common control with a Party.
- b. **"Agreement"** means the Co-Mail Agreement (including Attachment 1 thereto), together with these Co-Mail Terms & Conditions (including Schedule 1 hereto).
- c. **"Aggregate Data"** means Client-Supplied Data that has been aggregated and de-identified using commercially reasonable practices such that it cannot reasonably be used to identify a particular individual natural person.
- d. **"Co-Mail Agreement"** means the Co-Mail Agreement executed by the Parties.
- e. **"Co-Mail Services"** means Quad's cooperative mailing program which merges individual mail files into large quantity mail pools to create efficiencies in postal pre-sort to help drive postal savings for Quad customers.
- f. **"Co-Mail User's Guide"** means Quad's specifications and guidelines for participation in Quad's cooperative mail program, as may be updated from time to time.
- g. **"Client Product"** means the Client material which is submitted for participation in Quad's Co-Mail Services programs.
- h. **"Client-Supplied Data"** means the data and information supplied by Client under the Agreement, including but not limited to, name and address files for Client customers.
- i. **"Data Delegation Form"** means the Informed Visibility Mail Tracking & Reporting Data Delegation Request Form which is required as part of Client onboarding for the Co-Mail Services program.
- j. **"Effective Date"** shall be the date the Co-Mail Agreement is signed by both parties.
- k. **"Prudent Industry Practices"** means that level of skill and diligence to be expected in the postal optimization industry in performance of activities similar to the Co-Mail Services.
- l. **"Services"** means Co-Mail Services, Transportation Services, and any other services performed by Quad under the Co-Mail Agreement.
- m. **"Transportation Services"** means transportation and associated services, including procurement, management and administration of the transportation of Client Product to and from the location of origination, any Quad processing center, and the applicable USPS destination point.
- n. **"USPS"** means the United States Postal Service.

2. QUAD SCOPE OF WORK.

Quad shall perform the Services for Client as provided in the Agreement.

3. CLIENT OBLIGATIONS.

Client shall provide the Client Product and mail files as outlined in the Co-Mail Users Guide. In addition to the obligations contained in the Co-Mail User's Guide and these Co-Mail Terms and Conditions, Client shall:

- a. Execute a Data Delegation Form;
- b. Obtain and maintain a USPS mail permit;
- c. Ensure USPS mailing indicia is pre-printed on the Client Product or in the mail file (the company indicia must be the same as the permit holder's name);
- d. Ensure there is intelligent mail barcode, mailer ID, and mail owner registration ID for each mailing; and
- e. Fund and maintain an EPS debit account for postage payment.

4. TERMINATION.

- a. *Termination for Default or Insolvency.* Either Party may terminate this Agreement for default if the other Party:
 - i. fails to make any payment when due and fails to cure such non-payment within fifteen (15) days after written notice from the non-breaching Party;
 - ii. makes an assignment in violation of Section 14;
 - iii. materially breaches any non-payment related obligation which does not have a stated remedy and fails to remedy such material breach within sixty (60) days after written notice from the non-breaching Party or, if it is not possible to cure such breach within sixty (60) days, fails to commence to cure the breach within thirty (30) days; or
 - iv. becomes insolvent or bankrupt, assigns all or a substantial part of its business or assets for the benefit of creditors, permits the appointment of a receiver for its business or assets, becomes subject to any legal proceeding relating to insolvency, reorganization or the protection of creditors' rights or otherwise ceases to conduct business in the normal course.

For any default other than a default for payment, the rights under this Section 4.a may only be exercised by notice in writing within ninety (90) days of the event giving rise to the default, effective thirty (30) days from such written notice.

- b. *Other Termination Rights.*
 - i. Either Party may terminate this Agreement as provided in Section 11 or Section 12.
 - ii. Client may terminate this Agreement as provided in Section 5.c.
 - iii. Quad may terminate this Agreement as provided in Section 14.
- c. *Termination Payment Obligations.* In the event of the termination under Sections 4.a or 4.b above, Client shall pay Quad for (i) all Services performed up to the termination effective date, (ii) all amounts due and owing as of the termination effective date, and (iii) for any Services necessary to complete any Services in process.

5. PRICING, ADJUSTMENTS & TAXES.

- a. *Pricing.* During the initial term, Client shall pay Quad for the Services in accordance with the pricing listed in the Co-Mail Agreement, including Attachment 1 thereto, and subject to the terms and conditions of these Co-Mail Terms & Conditions. Each November 1 after the Initial Term Effective Date, Quad shall provide the pricing which will apply to Services performed in the following calendar year, beginning on January 1. Notwithstanding the foregoing, Quad may also implement price adjustments from time to time during a calendar year in accordance with Section 5.b)below.
- b. *Price Adjustments.*

- i. Co-Mail Services Pricing Adjustments. In addition to adjustments in accordance with Section 11 (Changes), the Co-Mail Services pricing may be adjusted from time to time in connection with changes in market conditions (including labor costs) and/or in USPS program rules, requirements, rates and/or regulations, and similar types of changes or impacts. Quad will provide Client a minimum of thirty (30) days prior written notice of any such change.
 - ii. Transportation Services Pricing Adjustments. Quad will periodically review and adjust the Transportation Services pricing in connection with changes in transportation market conditions, Client's distribution pattern, Client's volume, changes in USPS rates or regulations, or similar types of changes or impacts. Quad will provide Client a minimum of thirty (30) days prior written notice of any such change.
- c. *Client Termination for Convenience*. Client may terminate this Agreement, for its convenience, by providing written notice to Quad no later than thirty (30) days after receipt of an adjusted pricing notice under (b) above, provided that, termination shall become effective sixty (60) days after Quad's receipt of the termination notice, and Client's payment of all amounts due for work performed as of the termination effective date. For the avoidance of doubt, in the event Client provides a written notice of termination as provided herein, the original, unadjusted pricing shall remain in effect through the effective date of the termination, unless Client fails to pay all amounts due by the termination effective date, in which case, the adjusted rates will apply up to and including the date when all amounts are paid and the termination becomes effective. In the event of termination as provided herein, Client shall be responsible for all charges related to removal of Client Product existing at an Quad facility at the time of termination, including but not limited to, staging, handling, storage and similar charges.
- d. *Taxes*. Client is solely responsible for payment of any applicable taxes, tariffs and duties on any Services. Quad will invoice, collect and remit such taxes as required by law unless Client provides Quad with documentation that demonstrates to Quad's reasonable satisfaction that Client is exempt by law from the obligation to pay any such taxes.

6. TERMS OF PAYMENT, DISPUTED PAYMENTS.

- a. *Payment for Services*. Client shall pay Quad, without setoff, all amounts due for Services performed under this Agreement within fifteen (15) days of the date of an applicable invoice. The Services are not eligible for early pay discounts, rebates or other types of discounts. Invoices shall be issued as Services are performed. All payments will be made in U.S. dollars by check or electronic transfer to Quad's designated bank account. Quad's obligation to perform Services hereunder is subject to timely payment of all invoices. In addition to Quad's remedies contained in Section 4, if Client fails to pay Quad as required herein, Client agrees to pay interest at the rate of one percent (1%) per month, or the lawful limit if less, on all amounts past due as well as all charges of collection including but not limited to reasonable attorney's fees. Failure to bill for interest due shall not constitute a waiver of Quad's right to charge interest.
- b. *Payment for USPS Charges*. Client shall establish an account with the United States Post Office that can receive electronic funds transfers (such as an Enterprise Payment System ("EPS") account) with sufficient funds to cover all estimated postage charges, in advance of the mailing date of each issue. Client shall be responsible for and shall pay directly to the USPS all amounts due for postage on Client Product sent through the USPS under this Agreement. Client shall also be responsible for, and shall pay directly, all amounts charged by the USPS for permits.
- c. *Disputed Payments*. Should any portion of an invoice become disputed, Client shall promptly pay the undisputed portion of such invoice Client shall notify Quad in writing no later than five (5) business days from receipt of an invoice if Client disputes any portion of an invoice. Both parties agree to use their best efforts to promptly resolve the disputed portion of the invoice. Quad shall have the right to change the terms of payment if there is a substantial adverse change in Client's credit standing or in the event that Client does not comply with the terms of this Section. In such event, Quad's obligation to perform further Services will be subject to reaching mutual agreement on revised terms.

7. PAYMENT SECURITY.

As security for payment of any sum due or to become due to Quad under the terms of this Agreement, Quad shall have the right, if necessary, to retain possession of, and shall have a lien on, all Client Product in Quad's possession.

8. REPRESENTATIONS.

- a. Client represents that it has the right to disclose Client-Supplied Data to Quad.
- b. Client represents and warrants that the Client Product does not (i) violate any applicable laws, including without limitation those concerning labeling, packaging or distribution, (ii) infringe any copyright, or otherwise violate the rights of or will cause damage or injury to other persons, and Client agrees to indemnify and save Quad harmless from all losses, damages and expenses, including attorneys' fees, which Quad may suffer as the result of any such claim, damage or injury.
- c. Client shall comply with the Co-Mail Guide and any applicable USPS requirements. Quad shall not be liable to Client for any damages or claims whatsoever because of USPS rejection of mail by reason of sortation errors in any manner attributable to Client's noncompliance with the Co-Mail Guide, this Agreement and/or applicable USPS requirements.

9. CO-MAIL SERVICES WARRANTY.

- a. *Warranty.* Quad warrants to Client that the Co-Mail Services shall be performed in a competent, diligent and workmanlike manner and in accordance with Prudent Industry Practices. The foregoing warranties shall expire sixty (60) days after Quad's completion of the Co-Mail Services, which shall be the date when Quad delivers the Client Product to the USPS drop point. All warranty claims must be made by Client in writing fully setting forth the nature of the alleged defect no later than thirty (30) days after the expiration of the warranty period.
- b. *Warranty Remedy.* If a failure to meet the foregoing warranties is discovered during the warranty period, Client shall notify Quad in writing and Quad shall correct the defect by, at its option, re-performing the defective Co-Mail Service, or issuing a credit against the next occurring invoice in an amount equal to the Fee Client paid for the Co-Mail Services, provided that, a defect affecting five percent (5%) or fewer of the total Client Product mailed in an applicable Co-Mail pool shall not trigger Quad's obligation to provide a warranty remedy.

The preceding paragraphs of this Section 9 set forth the exclusive remedies for all claims based on failure of or defect in the Co-Mail Services or Quad's performance under this Agreement, whether the failure or defect arises before or during the applicable warranty or guarantee period and whether a claim, however instituted, is based on contract, warranty, indemnity, tort/extra-contractual liability (including negligence), strict liability or otherwise. The foregoing warranties are exclusive and are in lieu of all other warranties, whether written, oral, implied or statutory. NO IMPLIED OR STATUTORY WARRANTY OR WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE SHALL APPLY.

10. RISK OF LOSS.

Risk of loss shall pass to Client upon delivery of the Client Product to the USPS drop point.

11. CHANGES.

Quad's performance of the Services is based on applicable laws, rules, regulations and operating programs of the USPS in effect as of the Effective Date. In addition to the rights under Section 5.b, in the event there are any changes, after the Effective Date, in any laws, rules, regulations, changes in USPS operations, programs and/or requirements which affect the performance of the Services by Quad, including Fees and schedule, Quad may, in its sole discretion, make such adjustments as may be necessary as a result of the same, including but not limited to, changes to the schedule, delivery and other Quad obligations, including termination of the Co-Mail Services program (the "**Changes**"). Quad shall provide Client with at least thirty (30) days advance written notice of such Changes. In the event Client objects in writing to a Change (other than a termination of the Co-Mail Services program), no later than thirty (30) days after receipt of the

Changes Notice (the “**Changes Objection Notice**”), Quad and Client shall meet, within ten (10) days of Quad’s receipt of the Changes Objection Notice (or such other time as the Parties may mutually agree) to negotiate in good faith to reach agreement on the Changes. If the Parties cannot reach mutual agreement on the Changes within thirty (30) days of Quad Changes Notice (or such other date as the parties may mutually agree), either Party may terminate this Agreement as provided in Section 4.b. In the event Quad terminates its Co-Mail Services Program in connection with a change in any laws, rules, regulations, changes in USPS operations, programs and/or requirements, Quad shall not be required to meet with Client and negotiate in good faith and Quad may terminate this Agreement in accordance with Section 4.b.

12. FORCE MAJEURE.

Except for the obligation to make payments, neither Party will be liable for any failure or delay in its performance or be considered to be in breach under this Agreement due to any cause beyond its reasonable control that renders such Party’s performance under this Agreement commercially impractical (a “**Force Majeure Event**”), provided that the delayed Party gives the other Party prompt notice of such Force Majeure Event. If Quad is unable to perform as a result of any such Force Majeure Event, Quad will perform such parts of the Services as it is capable of performing, and if Client places any other part of the work elsewhere, Quad shall be entitled to resume the Services as promptly as practicable. The occurrence of a Force Majeure Event does not excuse any delay or failure by Client to make any payment due under the Agreement except to the extent the Force Majeure Event directly delays or prevents the transmission of the payment itself. In the event of a Force Majeure Event continuing for one hundred eighty (180) days that impacts Quad’s ability to perform the Services, either party may terminate this Agreement as provided in Section 4.b.

13. LIMITATION OF LIABILITY.

THE TOTAL LIABILITY OF QUAD, BASED ON ANY CLAIM OF ANY KIND ARISING OUT OF THE PERFORMANCE OR BREACH OF THIS AGREEMENT, SHALL NOT EXCEED THE TOTAL AMOUNT PAID BY CLIENT UNDER THE INVOICE FOR THE SERVICES GIVING RISE TO THE CLAIM, PROVIDED THAT, QUAD’S TOTAL LIABILITY UNDER THE AGREEMENT, UNTIL THE TIME ALL SUCH LIABILITY SHALL END, SHALL NOT EXCEED THE TOTAL AMOUNT PAID BY CLIENT TO QUAD UNDER THE AGREEMENT.

NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, ALL QUAD LIABILITY SHALL END UPON EXPIRATION OF THE APPLICABLE WARRANTY PERIOD AND, IN NO EVENT, LATER THAN SIX MONTHS FOLLOWING THE TERMINATION OR EXPIRATION OF THIS AGREEMENT, WHICHEVER IS EARLIER.

IN NO EVENT SHALL QUAD BE LIABLE FOR LOSS OF PROFIT, REVENUES OR SALES, LOSS OF USE OF CLIENT PRODUCT, COST OF CAPITAL, COST OF SUBSTITUTE SERVICES, DOWNTIME COSTS, CLAIMS OF THIRD PARTIES FOR SUCH DAMAGES, OR FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, INDIRECT, PUNITIVE OR EXEMPLARY DAMAGES.

THE LIMITATIONS AND EXCLUSIONS IN THIS SECTION SHALL APPLY REGARDLESS OF WHETHER A CLAIM IS BASED IN CONTRACT, WARRANTY, INDEMNITY, TORT/EXTRA-CONTRACTUAL LIABILITY (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE. THE PROVISIONS OF THIS SECTION 13 SHALL PREVAIL OVER ANY CONFLICTING OR INCONSISTENT PROVISION CONTAINED IN ANY OF THE DOCUMENTS COMPRISING THIS AGREEMENT, EXCEPT TO THE EXTENT SUCH PROVISIONS FURTHER RESTRICT QUAD’S LIABILITY.

14. ASSIGNMENT.

Neither Party may assign all or any portion of the Agreement without the other Party’s prior written consent, such consent not to be unreasonably withheld, provided that Quad may assign, without Client’s consent, all or any portion of, or any rights and obligations under, this Agreement to one or more of its Affiliates or to any entity carrying on that part of the business to which the assigned portion of the Agreement relates, including through a direct sale or transfer of all or a controlling interest in Quad or all or a portion of the assets of Quad. This Agreement shall inure to the benefit of and shall bind the permitted successors and assigns of the Parties hereto. Quad may terminate this Agreement in connection with, or any time after, a

sale or transfer of all or a controlling interest in Quad or a sale or transfer of all or a portion of the assets in respect of the Services , which termination shall not be effective prior to the date that is three (3) months after provision of notice thereof.

Notwithstanding anything to the contrary in this Section 14, Quad shall have the right to subcontract any portion of the Services to a third party or Affiliate, provided that Quad shall remain responsible to Client for performance of the subcontracted scope.

15. CONFIDENTIALITY, DATA OWNERSHIP & USAGE.

The Parties hereby agree that the terms of the Agreement, including without limitation, the existence of the Agreement, is considered the Parties' joint confidential information and shall not be disclosed or otherwise revealed to any third party without the express written consent of the other Party, except to the extent required by law, or for the enforcement of this Agreement. Notwithstanding anything to the contrary herein and to the extent permitted by applicable law, Client consents to Quad's use of Client-Supplied Data (i) to perform the Services and (ii) to create and use Aggregate Data, including information derived from and/or generated by the Services. Client acknowledges that Quad will use the Aggregate Data by itself and combined with other sources and types of data, to modify, create, develop and improve the Services and other existing and new Quad products and services.

16. OTHER PROVISIONS.

- a. *Governing Law & Dispute Resolution.* This Agreement shall be governed by the laws of the State of Delaware, without giving effect to any choice of law rules which would cause the application of laws of another jurisdiction.
- b. *Entire Agreement.* The provisions set forth in the Agreement represent the entire agreement between the Parties in relation to the matters contained herein and therein. Any oral or written representation not contained or referenced in the Agreement shall not be binding on any Party. Each Party agrees that it has not relied on, or been induced by, any representations of any other Party not contained in this Agreement. No rights or obligations other than those expressly set forth herein are to be inferred from this Agreement, and the rights and remedies set forth in this Agreement are the exclusive rights and remedies of each Party with respect to this Agreement, its performance or breach.
- c. *Severability.* If any one or more of the provisions of this Agreement should be ruled illegal, wholly or partly invalid or unenforceable by a court or other government body of competent jurisdiction under present or future laws, then (i) the validity and enforceability of all provisions of this Agreement not ruled to be invalid or unenforceable shall be unaffected and remain in full force and effect and (ii) the effect of the ruling shall be limited to the jurisdiction of the court or other government body making the ruling, (iii) the provisions held illegal, wholly or partly invalid or unenforceable shall be deemed amended, and the court or other government body is authorized to reform the provision(s) to the minimum extent necessary to render them valid and enforceable in conformity with the Parties' intent as manifested herein. Notwithstanding the foregoing, if Quad deems the unenforceable provision to be essential to this Agreement, Quad may terminate this Agreement, effective immediately upon notice to Client.

Schedule 1

TRANSPORTATION SERVICES TERMS & CONDITIONS

The following additional terms and conditions shall apply to the Transportation Services:

1. Definitions.

Defined terms used herein shall have the same meaning ascribed to them in the Co-Mail Terms & Conditions.

2. Transportation Services. Quad shall provide Transportation Services as described herein:

- a) Quad shall select all carriers and make all arrangements therewith necessary or for the transportation of Client Product, utilizing Quad's network of qualified, authorized, and licensed motor carriers and rail carriers.
- b) Client shall have reasonable access to and utilization of Quad's client-facing technology systems, which shall include related shipment- specific information in electronic format as reasonably specified by Client and agreed to by Quad.
- c) For all shipments tendered by Client to Quad and accepted by Quad, Quad agrees to arrange for the pick-up, transport, and delivery of the shipments by motor carriers that hold the proper governmental authority to perform the requested services(s). Every shipment handled by Quad for or on behalf of Client while the Agreement is in effect will be deemed tendered to Quad under the Agreement, including the terms of this Schedule 1. Quad has the sole right to select the carriers used to perform Transportation Services, and Quad is solely authorized to make the necessary transportation arrangements with regard to the Client Product.
- d) In performing Transportation Services, Quad shall utilize carriers that meet the following criteria:
 - a. *DOT Authority.* Carriers selected by Quad shall maintain authority from the DOT and any applicable state to perform Transportation Services intrastate, interstate and/or foreign commerce.
 - b. *Safety.* Quad will select carriers that maintain a safety rating from the U.S. Department of Transportation that is either "Satisfactory," "Unrated" or "Conditional" and agree to perform transportation of Client's shipments in compliance with all applicable safety laws and requirements.
 - c. *Carriers' Equipment.* Carriers selected by Quad shall be contractually required to provide equipment that is clean, safe, properly maintained, and hazard free, and that meets all applicable governmental regulatory requirements.
 - d. *Carriers' Drivers.* Carriers selected by Quad shall be contractually required to furnish drivers and other operating personnel, who are fully qualified, licensed, trained and experienced to properly and safely handle and transport Client Product.
- e) Quad represents and warrants that it is duly and legally qualified to operate as a freight forwarder and to provide the Transportation Services contemplated herein, and Quad agrees to comply with all federal, state and local laws regarding the provision of the Transportation Services provided hereunder.

3. Independent Contractor. Quad's relationship to Client is that of an independent contractor, not an agent or employee, and nothing in the Agreement shall be construed as establishing an employment relationship, partnership or joint venture between the Parties.

4. IN NO EVENT SHALL EITHER PARTY OR, IN THE CASE OF QUAD, ITS ARRANGED CARRIERS, BE LIABLE FOR LOSS OF PROFIT OR REVENUES, LOSS OF USE OF ANY CLIENT PRODUCT SUPPLIED BY CLIENT TO QUAD IN CONNECTION WITH PERFORMANCE OF THE TRANSPORTATION SERVICES, COST OF CAPITAL, COST OF SUBSTITUTE SERVICES, DOWNTIME COSTS, CLAIMS OF THIRD PARTIES FOR SUCH DAMAGES, OR FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, INDIRECT, PUNITIVE OR EXEMPLARY DAMAGES.

5. Notification of Accidents or Delays. Quad will notify Client of any accident or other event of which Quad is made aware and which prevents the underlying carrier from making a timely or safe delivery.
6. Carriers' Charges. Provided that Client timely pays Quad's invoices, Quad shall be solely and exclusively liable and responsible for the payment of rates and charges to carriers engaged by Quad that relate to the transportation of shipments tendered by Client to Quad pursuant to the Agreement.
7. Cargo Liability.
 - a) Quad's liability for loss or damage will be in accordance with the Carmack Amendment as currently codified at 49 U.S.C. §§ 11706 and 14706 and exist only for loss or damage which occurred during the time of possession by, and occasioned by the fault or negligence of, the carrier and will cease at the time of delivery. Subject to the limitations set forth in Section (c) below, claims for loss or damage will be paid at Client's actual cost of replacing and reshipping the Client Product (i.e., direct costs associated with reprinting, remanufacturing, packaging, handling and shipping) ("Replacement Costs").
 - b) Client shall notify Quad immediately if it becomes aware of a claim or potential claim for cargo damage, but in no event more than thirty (30) days after the event giving rise to the claim or potential claim. Client shall supply all documentation necessary to support the claim, including but not limited to the signed delivery receipt, listing the nature and cause of the claim for cargo damage. Client shall not offset any claim for loss, damage, or delay from any payment due to Quad. Quad shall act as a representative of Client in the facilitation, administration and resolution of cargo claims with arranged carriers, but shall not be liable for any loss or damage to Client Product while in the care, custody, control or possession of a carrier unless such loss or damage is attributable solely to the negligence or willful misconduct of Quad. Client agrees to cooperate fully with Quad in the assertion and collection of any cargo claim, including but not limited to furnishing the documentation listed above and witnesses, when as necessary to successfully prosecute a claim. The failure of Client to comply with this subsection shall be considered a material breach of the terms of the Agreement which shall require Client to return to Quad any sums that Quad has advanced to Client on account of such claim. Client will also be required to pay to Quad all costs, expenses and attorneys' fees expended by Quad in the prosecution of such claims within fifteen (15) days of presentation by Quad of an itemized statement of all such costs, expenses and attorneys' fees.
 - c) Quad's liability and that of any arranged carrier for loss or damage hereunder (including delays) shall be limited to the Replacement Costs for such impacted shipment, or portion thereof, provided that Quad's and the underlying carrier's liability hereunder shall not exceed the lesser of \$2.50/pound or \$100,000 per impacted truckload. To the extent that multiple shipments are tendered by Client at the same time and are transported at the same time in the same vehicle, this shall be considered a "single shipment" for the purposes of this Section. LTL shipments are further subject to the current governing publications, the NMF-100 at the time of shipment and/or to any rules or Tariffs that are applicable to the engaged motor carrier. Client acknowledges and agrees that (1) rail carriers provide transportation services subject to provisions, restrictions and limitations in their Rail Circulars, and (2) the Rail Circulars address, among other matters, standards for loading, blocking and bracing, prohibitions and restrictions on certain types of commodities, limitations of liability, procedures and limitations on cargo limits and requirements for proper descriptions of commodities, (3) applicable provisions of a rail carriers' Rail Circular in effect on the date of a shipment will apply, as between Client, Quad, the rail carrier and or any other third party, to any shipment transported by such rail carrier, (4) the Rail Circulars are generally available through the rail carriers' website, and (5) persons and entities that use Intermodal transportation by the rail carriers should be familiar and comply with the provisions, restrictions and limitations of Rail Circulars.
 - d) Quad and arranged carriers will not be liable for any failure to perform or for delay in performance of its obligations caused by the act, default or omission of the Client or consignee.
 - e) Quad and arranged carriers shall not be liable in any case or under any circumstances for the face value of any lost or damaged coupons or cash equivalent items. In the event Client includes coupons or cash equivalent items with the shipment, either with or without the knowledge or consent of Quad, it will be solely at the risk of Client.
 - f) All of the liability limitations contained in this Schedule 1 shall survive the termination of any purchase order

or other agreement into which these terms are incorporated or apply.

- g) For purposes of the foregoing Sections (a) – (f), the term “Quad” shall mean Quad, its affiliates, arranged carriers, subcontractors, suppliers, and each of their respective agents and employees, whether individually or collectively.
8. Insurance. Quad shall comply with all insurance and bonding requirements imposed upon it by the DOT and applicable law, including its obligation to maintain a \$75,000 surety bond for the benefit of Client. Quad shall further require arranged carriers to carry the following types and amounts of insurance:
- a) Workers Compensation as required by law;
 - b) Employer’s Liability insurance in the amount of Five Hundred Thousand Dollars (\$500,000);
 - c) Automobile Liability in the amount of One Million Dollars (\$1,000,000) for each occurrence; and
 - d) Motor Truck Cargo Liability insurance in the amount of One Hundred Thousand Dollars (\$100,000) per shipment.