

TERMS AND CONDITIONS

Agreement between JMDGraphX and any business or individual identified on this agreement.

The client/individual listed below is subject to the following terms and conditions.

GENERAL WORKING AGREEMENT – This document defines the terms and conditions of our working relationship. All projects or services that JMDGraphX or any associates of may be contracted to produce/provide for CLIENT will be subject to the following:

WORKING/BILLING PHASES – Based on experience with long-term design communications projects, we have found that it is mutually advantageous to handle each project in logical working/billing phases.

Concept revisions, extensive alterations, or a switch in marketing objectives sometimes makes it impossible to accurately estimate in advance the total cost of a project. Planning the work, cost estimating, and billing in several phases permits JMDGraphX or CLIENT to adjust for such revisions/or halt work before completion if a project is postponed or cancelled. Any cancelled project is billed only through phases and/or portions of phases that were actually completed by JMDGraphX.

For each project, CLIENT (excludes Contract CLIENTS) will receive a proposal/estimate outlining the project specifications and our proposed scope of services and working/billing phases. Each proposal estimate will contain a project budget, which includes estimated fees for professional services and separate itemized costs for anticipated out-of-pocket expenses. JMDGraphX will begin work upon CLIENT'S approval of the written estimate. Your approval (written or oral) will constitute an agreement between us.

PAYMENT/ESTIMATES – CLIENT agrees to pay JMDGraphX in accordance with the terms specified in each proposal/estimate. On accounts that have not submitted a credit application and/or pre-approved by our credit department, will be required to pay 50% of the project cost before any work can begin.

Unless otherwise specified, all subsequent balances due are payable upon art approval. Interest on past due balances is 18% per annum or 1.5% per month. JMDGraphX reserves the right to refuse completion/delivery of work until past due balances are paid.

SALES TAX – Any "hard printed" material(s) and/or any physical design work(s) are subject to NJ State sales taxes, unless: 1) You are a non-profit organization with a tax certification; or 2) the work is for re-sale only and you have submitted a re-sale certificate to JMDGraphX prior; or 3) all project files sent to client are electronically communicated/transferred in "digital only format" and printing and/or any re-distribution is handled solely by client.

OUT-OF-POCKET EXPENSES – Fees for professional services do not include outside purchases such as, but not limited to, printing, photography, color printouts, laminating, illustrations, separations, shipping and handling or courier service. Expenses are itemized on each invoice. Expenses are subject to New Jersey sales tax. If consultant or supervisory services are required at out-of-town locations, we will bill lodgings, meals, and transportation at cost. Reimbursement for mileage is calculated at current allowable IRS rates.

REVISIONS AND ALTERATIONS – New work requested by CLIENT and performed by JMDGraphX after a proposal/estimate has been approved is considered a revision or alteration. If the job changes to an extent that substantially alters the specifications described in the original estimate, we will submit a proposal revision memo to you, and a revised additional fee must be agreed to by both parties before further work proceeds. Author's alterations and other copy changes requested after layouts or mechanicals are completed are billed at standard hourly rates.

OVERTIME – Estimates are based on a reasonable time schedule, and may be revised to take into consideration your "Priority Scheduling" requests requiring overtime and weekends. Knowledge of your deadlines is essential to provide an accurate estimate. In addition, outside suppliers such as service bureaus charge a 100% to 200% mark-up on overtime after 5:30pm and weekends.

NATURE OF COPY – CLIENT agrees to exercise due diligence in its direction to us regarding preparation of materials and must be able to substantiate all claims and representations. You are responsible for all trademark, service mark, copyright and patent infringement clearances. You are also responsible for arranging, prior to publication, any necessary legal clearance of materials we prepare.

ERRORS AND OMISSIONS – It is the CLIENT'S responsibility to check proofs carefully for accuracy in all respects, ranging from spelling to technical illustrations. JMDGraphX is not liable for errors or omissions. Your signature or that of your authorized representative is required on all mechanicals or artwork prior to release for printing or other implementation.

TELECOMMUNICATIONS – CLIENT shall pay for all transmissions charges. JMDGraphX is not responsible for any errors, omissions or extra costs resulting from faults in the telephone, cable, satellite network or from incompatibility between the sending and receiving equipment.

OVER RUNS AND UNDER RUNS – The CLIENT will accept over runs or under runs that do not exceed 10% of the quantity ordered on all jobs. JMDGraphX will bill for actual quantity delivered within this tolerance. If the CLIENT requires a guaranteed quantity, the percentage of tolerance must be stated at the time of quotation.

PLACEMENT OF ADVERTISING – At your request, we will purchase media space on your behalf through our affiliated media division. Space will be billed to you at current rates plus the standard agency commission.

INSPECTION OF BOOKS – Upon reasonable notice, any and all invoices from our vendors, timesheets and any other documentation relating to your account will be available to you. All requests must be submitted in written form. Please allow (5) five business days from receipt of request to process.

PROPERTY AND SUPPLIER'S PERFORMANCE – JMDGraphX will take all reasonable precautions to safeguard the property you entrust to us. In the absence of negligence on our part, however, we are not responsible for loss, destruction or damage or unauthorized use by others of such property. We will use our best efforts to ensure quality and timely delivery of all printed (offset, silk-screened, embossed or otherwise reproduced) pieces. Although we may use our best efforts to guard against any loss to you through the failure of our vendors, media, or others to perform in accordance with their commitments, JMDGraphX is not responsible for failure on their part.

If you select your own vendors, other than those recommended by us, you may request that we coordinate their work. If at all possible, we will attempt to do so, but we cannot in anyway be held responsible for quality, price, performance or delivery.

LIEN – All materials or property belonging to the CLIENT, as well as work performed, may be retained as security until all just claims against the CLIENT are satisfied.

RIGHTS OF OWNERSHIP – Once a project has been delivered by us and is fully paid for by CLIENT, JMDGraphX will assign the reproduction and/or copyrights of the design for the use(s) described in the signed proposal if applicable.

According to the Copyright Law of 1976, the rights to all design and art work, including but not limited to photography and or illustration created by independent photographers or illustrators retained by JMDGraphX, or purchased from a stock agency on your behalf, remain with the individual designer, artist, photographer or illustrator. Unless a purchase of "All Rights" (A Buyout) is negotiated with JMDGraphX and/or any authorized representative, you may not use or reproduce the design or the images therein for a purpose other than the one(s) originally stipulated. If you wish to use the design we have created and/or the images within it for another purpose or project, including a reprint or exhibition, you must contact us to arrange the transfer of rights and any additional fees before proceeding. If printing or other implementation is done through your vendors, you agree to return to us all our original mechanicals and artwork (slides, prints, drawings, separations, etc.) within two (2) weeks, and to provide us with printed samples of each project.

JMDGraphX reserves the right to photograph, distribute and/or publish for our promotional and marketing needs any work we create for you, including mock-ups and comprehensive presentations, as samples for our portfolio, newsletters, brochures, slide presentations and any similar media. We agree to store mechanical boards and computer disks for a period of six (6) months beyond the delivery of a job. Thereupon, we reserve the right to discard them. Electronic design media/project(s) is/are held and stored indefinitely.

TERM AND TERMINATION – The term of this agreement will continue for work in progress until terminated by either JMDGraphX or CLIENT upon thirty (30) days written notice. If you should direct us at any time to cancel, terminate or "put on hold" any previously authorized purchase, we will promptly do so, provided you hold us harmless for any cost incurred as a result.

Upon termination of this agreement, JMDGraphX will transfer to CLIENT all your property and materials in our control and for which you have paid. CLIENT will indemnify and hold JMDGraphX harmless for any loss or expense (including attorney's fees), and agree to defend JMDGraphX in any actual suit, claim or action arising in any way from our working relationship. This includes, but is not limited to assertions made against CLIENT and any of its products and services arising from the publication of materials that we prepare and you approve before publication.

PRODUCTION SCHEDULES – Production schedules will be established and adhered to by both CLIENT and JMDGraphX, provided that neither shall incur any liability, penalty or additional cost due to delays caused by a state of war, riot, civil disorder, fire, labor trouble or strike, accidents, energy failure, equipment breakdown, delays in shipment by suppliers or carriers, action of government or civil authority, and acts of God or other causes beyond the control of the Client or JMDGraphX. Where production schedules are not adhered to by the Client, any final delivery date(s) will be adjusted accordingly.

ADDITIONAL PROVISIONS – The validity and enforceability of this agreement will be interpreted in accordance with the laws of the State of New Jersey applicable to agreements entered into and performed in the State of New Jersey. This agreement is our entire understanding and may not be modified in any respect except in an executed agreement.

If JMDGraphX must retain attorneys to collect any past due invoices or fees, JMDGraphX will be entitled to reasonable collection agency's cost, attorney's cost, court costs, and interest on all past due balances at the maximum rate permitted by law.

Printed Name:

Signature:

Date: