



**Standard Terms and Conditions
For International Sale of Products**
Effective December 2014

These standard terms and conditions shall apply to all sales of products by Holmberg Companies, Inc. ("Holmberg") and Holmberg specifically rejects those provisions of any purchase order, offer, or other communication from buyer which are in addition to or are different from the terms contained herein. Neither Holmberg's delivery of Holmberg's products ("Products") nor any other action at any time on the part of Holmberg shall constitute acceptance of such additional or different terms, unless expressly agreed to by Holmberg in writing. Buyer shall be bound by all of the terms of these Standard Terms and Conditions, which shall prevail over any terms and conditions proposed by Buyer by any statement, act or course of conduct which constitutes acceptance under applicable law, including failure to object in writing hereto within a reasonable time or acceptance of delivery of the Products.

Quotations and Orders

Quotations. Quotations are effective for 30 days, unless otherwise agreed to in writing by Holmberg. Prices quoted exclude shipping, delivery and taxes.

Orders. All orders are subject to the detailed specifications of the Holmberg Written Order Acknowledgement that has been or will be provided by Holmberg to buyer via hard copy, fax or email.

Order Cancellation. Should buyer cancel an order, buyer will be billed for non-recoverable time and material and an order cancellation charge, with a minimum charge of \$100.

Credit & Payment

Payment Terms. Payment terms are 30% down net 60 days for buyers with approved credit. Approved credit is determined by Holmberg in its sole discretion.

Payment. Payment may be made in United States Dollars and by wire transfer. Payment at the time of shipment may be made by credit card. Credit card fees may apply on any credit card payment. Contact the Holmberg credit department for detailed information on each of these payment methods.

Past Due Balances. Finance charges of 1.5% per month (18% APR) may be applied to past due balances or such lesser amounts permitted by law. Buyer will also be responsible for reimbursing Holmberg for all collection costs (including attorneys' fees and expenses) Holmberg incurs to collect past due amounts.

Change in Payment Terms. If buyer fails to make any payment at the time agreed upon between the parties or Holmberg otherwise had reasonable grounds to be insecure with regard to payment from buyer, Holmberg shall have the right to revoke or alter any credit terms extended to buyer by delivery of written notice to buyer. In addition, Holmberg shall have the right to withhold shipments on open purchase orders if buyer is more than thirty (30) days late in making payment on any invoices.

Delivery & Shipping

Freight/Taxes. Unless otherwise agreed to in writing, freight is FCA Holmberg's United States facility (as such term is defined in Incoterms 2000). Holmberg shall deliver the Products in accordance with buyer's instructions. Holmberg shall not be responsible for delays or damages during shipment, and any carrier shall be solely the agent of buyer. Buyer shall pay any and all taxes, fees, duties or other governmental charges (including any customs duties) assessed against the Products and for any and all shipment and shipping insurance costs. If the Buyer fails to pay any such taxes, governmental charges or shipping costs when due, Holmberg shall have the right to pay such expenses on behalf of Buyer and Buyer shall immediately reimburse Holmberg for such expenses.

Title and Risk of Loss. Title and risk of loss for Products shipped passes to the buyer at the time of shipment, or when product is picked up at Holmberg.

Partial Shipments. Prices are based on delivery of the complete order in a single shipment. Pricing for custom orders are based on continuous and uninterrupted production with no inventory or storage. Holmberg reserves the right to make partial shipments.

Quantity Shipped for Custom Orders. Custom orders are shipped with the “overs” or “unders” allowance specified in the Written Order Acknowledgement.

Shipment Dates. Shipment dates are estimates only. Delays due to uncontrollable events do not constitute default.

Force Majeure. Holmberg shall not be liable to buyer for any delay or failure of delivery or other performance caused in whole or in part by any contingency beyond Holmberg's reasonable control, including without limitation, fire, flood, acts of God, acts of any government or any agency or subdivision thereof or shortage or inability to secure labor, fuel, energy, raw materials, supplies or machinery at reasonable prices from regular sources.

Laws Regulating Exports and Imports.

Import Licenses. Buyer shall be responsible for securing and paying for all import licenses required for shipment of the Products into the country of its final destination. Holmberg agrees to provide such reasonable information as requested by buyer to facilitate obtaining the required import licenses.

Export Licenses. Holmberg shall be responsible for securing and paying for all export licenses required for shipment of the Products from the United States to the approved “ship to” country. Buyer agrees to provide such reasonable information as requested by Holmberg to facilitate obtaining the required export licenses. Holmberg reserves the right, immediately and without notice to buyer, to cancel orders for, or to stop in transit, any Products for which Holmberg reasonably believes the necessary export license has not been obtained or which it reasonably believes are about to be exported in violation of any applicable U.S. law or regulation. If such action is necessary due to the inaccuracy of the information provided by buyer or of any breach of any agreement between the parties, Holmberg shall hold any Products stopped in transit for buyer's account and at buyer's expense and shall resell or otherwise dispose of the same in any lawful manner in accordance with buyer's instructions.

Custom Printing and Converting

Proofs. Artwork, press or product proofs will be provided to the buyer to verify custom printing and converting specifications, at a price noted in the quotation. Buyer delays in reviewing and approving proofs may result in additional charges for non-recoverable machine time and may result in delays to the estimated shipment date.

Order Changes. Should buyer request changes to specifications, buyer will be billed for non-recoverable time and material and an order change charge. Buyer changes may result in delays to the estimated shipment date.

Make-Ready Materials. Custom printing and converting materials, such as artwork, type, and plates and custom printing and converting work such as sketches, copy, and dummies supplied by Holmberg remain the exclusive property of Holmberg. Holmberg shall have no obligation to retain or return materials provided to Holmberg if return has not been requested within three months after the delivery of the goods.

Color Matching. Due to differences in equipment, paper, inks and other conditions, a reasonable variation in color between the sample and completed job is normal and should be expected.

Buyer Furnished Materials

Furnished Materials. Materials furnished by the buyer, including paper, must be pre-approved for Holmberg's process, and should be properly packed, free from dirt, torn sheets, bad splices, etc., and of proper quality for converting and printing. Buyer must include purchase order number and mark furnished materials with exact counts. Holmberg should be notified in advance of anticipated delivery dates of furnished items. Additional costs or delayed production due to improper packaging or quality will be charged to buyer. In cases where a mill or supplier claim is involved, it is buyer's responsibility to submit the claim. Holmberg is not responsible for defects caused by materials supplied by the buyer.

Insurance. Holmberg will maintain fire, extended coverage, vandalism, malicious mischief and sprinkler leakage insurance on buyer furnished materials while in Holmberg's possession. Holmberg's liability shall not exceed the amount recoverable from such insurance.

Intellectual Property Violations. Buyer shall indemnify and hold Holmberg harmless from and against any and all claims, actions, liability, damages and penalties arising from intellectual property right violations caused by Holmberg's use in buyer's project of materials or information provided by buyer.

Defects, Claims and Returns

Claims. Any claims, including for defects, damage and shortages, must be made within 30 days from date of shipment from Holmberg. Holmberg represents that the Products shall be free from manufacturing defects at the time of shipment to Distributor. Holmberg's sole obligation and buyer's sole remedy for any defect in a Product shall be for

Holmberg, at its sole option, to replace the Product or refund the purchase price actually paid by buyer to Holmberg for the defective Product.

Reports of Defects. In the event a product is believed to be defective, the following shipment information must be provided to Holmberg: invoice number and date, lot numbers from packaging, description of the problem, and quantity involved. Holmberg may request samples and additional information. Upon review, Holmberg will determine disposition of the Product and the selected remedy.

Returned Goods Policy. Buyers may request the return of standard item, stocked product. Should Holmberg agree to accept the return of standard item, stocked product, a return authorization number will be issued. The product must be returned freight prepaid within 10 days after the issuance of the return authorization number, must arrive in salable condition, and must reference the return authorization number on all shipping paperwork. A restocking charge of 20% will apply, with a minimum of \$50. Holmberg will not accept returns after 90 days. Custom made products may not be returned.

DISCLAIMER. EXCEPT AS SET FORTH IN A WRITING SPECIFICALLY REFERENCED IN A DOCUMENT SIGNED BY AN AUTHORIZED REPRESENTATIVE OF HOLMBERG, HOLMBERG MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO ANY SERVICE TO BE PERFORMED OR GOODS TO BE PROVIDED. ALL OTHER EXPRESS AND IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, NON-INFRINGEMENT, WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE OR ANY OTHER MATTER ARE EXPRESSLY DISCLAIMED AND WAIVED.

LIMITATION OF LIABILITY. HOLMBERG SHALL HAVE NO LIABILITY TO ANY PERSON OR ENTITY FOR, AND BUYER HEREBY EXPRESSLY WAIVES, ALL REMEDIES AND DAMAGES RELATING TO INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES OF ANY DESCRIPTION, WHETHER ARISING OUT OF WARRANTY OR OTHER CONTRACT, NEGLIGENCE OR OTHER TORT, OR OTHERWISE. UNDER NO CIRCUMSTANCES SHALL HOLMBERG'S LIABILITY FOR ANY CAUSE EXCEED THE PURCHASE PRICE PAID BY BUYER FOR THE GOODS.

Governing Terms

Agreement. The transactions between Holmberg and buyer shall be governed by the Written Order Acknowledgement issued by Holmberg and these Standard Terms and Conditions. Such documents are the sole and complete agreement between Holmberg and buyer and supersedes all prior oral and written understandings with respect to the subject matter in the Written Order Acknowledgement. Holmberg expressly rejects the terms of any other communications by buyer except to the extent they reference the Written Order Acknowledgement and are signed by an authorized representative of Holmberg. Neither Holmberg's delivery of the goods or services nor any other action at any time on the part of Holmberg shall constitute acceptance of additional or different terms. Any modification or waiver to these terms must be in a signed writing.

Governing Law. The validity, performance and construction of the transactions between Holmberg and buyer shall be governed by the laws of the State of Minnesota, USA, without application to choice of law considerations. The UN Convention on Contracts for the International Sale of Goods shall not apply.