

Ennis Trade Policies

simplifying business,

maximizing success



For Questions, Please Call:

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Trade Policies

Ennis, Inc. follows normal printing industry trade customs as adopted by the Printing Industries of America. Ennis operates a number of plants producing a wide variety of products.

The Ennis Trade and Manufacturer's Policies listed herein are general Trade Policies. Certain Ennis plants may have additional unique job specification needs, production requirements and Trade Policies. Local Ennis plant Trade Policies are incorporated herein by this reference. Ennis is referred to herein as "Ennis" or as "Plant" and buyers of Ennis products are referred to as "Dealer."



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Policy Pertaining to Quotes

Quotes

A quotation not accepted by a Dealer within 30 days from the date of the quote may be terminated or changed by the Plant.

Accuracy of Specifications

Quotations are based on the accuracy of the specifications provided by the Dealer. The Plant can re-quote a job at the time of actual submission of the job if copy, film, tapes, disks or other input materials do not conform to the information on which the original quotation was based.

Policy Pertaining to Orders

General

Acceptance of orders is subject to credit approval and contingencies such as fire, water, strikes, theft, vandalism, acts of God and other causes beyond the control of the Plant. Orders cancelled by the Dealer require compensation to the Plant for incurred costs and related obligations.

All orders are taken subject to Plant approval. Orders should be accompanied by a signed purchase order and should include pricing detail to support unit price or be accompanied by a copy of the Plant quotation or refer to the Plant's quotation number. Changes to orders should be made in writing. Verbal instructions must be confirmed in writing to avoid misunderstandings.

Acknowledgments

All orders for custom products will be acknowledged by the Plant.

It is the Dealer's responsibility to check the specifications listed on the Plant's acknowledgment against the buyer's order to insure the correctness of specifications. The Plant must be notified immediately and supplied with written confirmation of any corrections or changes.

Alterations/Corrections

Dealer alterations include all work performed in addition to original specifications. All such work will be charged at the Plant's current rates.

Camera/Scan Ready Copy or Negative Furnished

The Plant reserves the right to decide if original art, copy, paste-up, negative or digital file is usable.

A camera/scan ready copy or negative allowance will be made if the copy furnished meets the following requirements:

1. The exact size of the finished form or printed document must be furnished.
2. No reduction or enlargement of the copy is permitted.
3. If alterations, corrections or changes are to be made, the camera/scan ready copy or negative allowance will not apply.
4. The copy must be a repro proof, glossy or camera/scan ready paste-up for each color.
5. The copy or negative must be furnished flat or rolled, not folded.
6. Negatives should be furnished unmasked, so press registration marks may be added.
7. If the form or printed document is two or more colors, separate negatives must be provided for each color with the alignment marks clearly indicated.

If the form qualifies for camera/scan ready copy or negative allowance, the Plant will deduct the appropriate (per order) amount from the Basic Price.

See also *Shooting Copy*, page 11

Clear Copy

Clear hand-printed copy should be submitted when possible. When pen or pencil hand-drawn copy is supplied, exact spacing measurements must be given or copy must be mounted on appropriately ruled spacing charts showing horizontal and vertical spacing. Facsimile or photostatic copy is not acceptable for spacing.

Clear Specifications

All orders must contain clear and complete specifications for construction and printing.

Orders will not be processed by the Plant until copy and specifications are clear.

Creative Work

Sketches, copy, dummies and all other creative work developed or furnished by the Plant, including negatives and plates, are the Plant's exclusive property. The Plant must give written approval for all use of this work and for any derivation of ideas from it.

Dealer Furnished Materials

Materials furnished by the Dealer, or the Dealer's suppliers, are verified at the Plant with receiving reports. The Plant bears no responsibility for discrepancies between receiving reports and actual counts.

Dealer-supplied paper must be delivered according to specifications furnished by the Plant. These specifications will include correct weight, thickness, pick resistance and other technical requirements. Artwork, computer files, color separations, special dies, tapes, disks or other materials furnished by the Dealer must be usable by the Plant without alteration or repair. Items not meeting this requirement will be repaired by the Dealer, or by the Plant and the Plant will invoice the Dealer at the Plant's current rates. Plant altered Dealer-furnished materials become the property of the Plant unless prior arrangements are made. Unaltered Dealer-furnished materials are the Dealer's property and will be returned to the Dealer at the request of the Dealer.

Dealer's Property

The Plant will only maintain fire and extended insurance coverage on property belonging to the Dealer while the property is in the Plant's possession. The Plant's liability for this property will not exceed the amount recoverable from insurance. Additional insurance coverage may be obtained if it is requested in writing, and if the insurance premium is paid by the Dealer to the Plant.

Delivery

Unless otherwise specified, the price quoted is for a single shipment, without storage, F.O.B. Plant's platform or warehouse serving the manufacturing Plant. Proposals are based on continuous and uninterrupted delivery of the complete order. If the specifications state otherwise, the Plant will charge accordingly at current rates. Charges for delivery of materials and supplies from the Dealer to the Plant, or from the Dealer's supplier to the Plant, are not included in quotations unless specified. Title for finished work passes to the Dealer upon delivery to the carrier at the shipping point; or upon mailing of invoice(s) for the finished work or its segments, whichever occurs first.

See also *Transportation*, page 12

Electronic Manuscript, Image, or Digital File

It is the Dealer's responsibility to maintain a copy of the original computer file. For verification of colors and placement, a hard copy is required along with the electronic file. Ennis runs to the standard color densities from the values in your files. Do not rely on color monitors for accurate color representation. The Plant is not responsible for accidental damage to media supplied by the Dealer or for the accuracy of the furnished input or final output. Until digital input can be evaluated by the Plant, no claims or promises are made about the Plant's ability to work with jobs submitted in digital format, and no liability is assumed for problems that may arise. Any additional translating, editing or programming needed to utilize Dealer-supplied computer files will be charged at the Plant's prevailing rates.

See also *Telecommunications*, page 13

Experimental Work

Experimental or preliminary work performed at the Dealer's request will be billed to the Dealer at the Plant's current rates. This work cannot be used without the Plant's written consent.

Form Size

The width of a form is measured as follows:

- Books and Guest Checks - parallel to the binding stub.
- Continuous Forms - at right angles to the marginal line hole punching and including both margins.
- Register Forms - side to side (parallel to in-between set perforations).
- Snap-A-Part Unit Sets - parallel to the stub perforation.
- Tags, Single - the punch and/or patch end.
- Tags, Manifold - parallel to the glued perforation.
- Tags, Continuous - at right angles to the marginal hole punching.

Intermediate Materials

The Plant will retain intermediate materials until the related end product has been accepted by the Dealer. If requested by the Dealer, intermediate materials will be stored for an additional period at an additional charge. The Plant is not liable for any loss or damage to stored material beyond what is recoverable by the Plant's fire and extended insurance coverage.

Outside Purchases

Unless otherwise agreed in writing, all outside purchases as requested or authorized by the Dealer, are chargeable by the Plant to the Dealer.

Over-Runs or Under-Runs

Over-runs or under-runs will not exceed 10% of the quantity ordered. The Plant will bill for the actual quantity delivered within this tolerance. If the Dealer requires a guaranteed quantity, the percentage of tolerance must be stated at the time of quotation.

In the event the Dealer requires a guaranteed quantity, the Plant will add an up-charge to compensate the Plant for related wastage. The "Guaranteed Quantity" up-charge will be specified by the Plant when the job is quoted.

The up-charge for "Guaranteed Quantity" is required because of collator and other bindery or finishing wastage. The press must over-run each part of a job in order to provide an adequate supply of each part for collator set-up and run wastage. In addition, bindery and other finishing operations will also incur wastage in the course of set-up and run.

Prepaid Shipments

Prepaid shipments require that the Dealer specify one of the following prepayment methods:

1. The shipment will be made prepaid with the freight charges added to the invoice.
2. The shipment will be made prepaid with the freight charges billed direct to the Dealer by the freight line.

If the Plant receives no instructions, the Plant will handle prepaid shipments in accordance with Item #1 above.

Preparatory Materials

Artwork, type, plates, negatives, positives, tapes, disks, digital files and all other items supplied by the Plant remain the Plant's exclusive property. All materials will be destroyed after two years.

Preparatory Materials supplied by the Dealer for the production of custom printed products will be returned upon request. Preparatory Materials, provided by the Plant or the Dealer, for imprinted products are destroyed and cannot be returned.

Printing Area & Lock-Up Space

If printing must bleed, or does not allow at least 1/2" for lock-up space, contact the Plant's Customer Service Department for a special estimate.

Production Schedules

Production schedules will be established and followed by both the Dealer and the Plant. In the event that production schedules are not adhered to by the Dealer, delivery dates will be subject to renegotiation. There will be no liability or penalty for delays due to state of war, riot, civil disorder, fire, strikes, accidents, action of government or civil authority, acts of God or other causes beyond the control of the Plant. In such cases, schedules will be extended by an amount of time equal to the delay incurred.

Proofs - Color

Because of differences in equipment, paper, inks and other conditions between color proofing and production pressroom operations, a reasonable variation in color between color proofs and the completed job is to be expected. When variations of this kind occur, it will be considered acceptable performance by the Plant. The Plant shall be the sole determinant of the reasonableness of variation.

Proofs - Prepress

The Plant will submit prepress proofs along with original copy for the Dealer's review and approval. Proofs and any corrections will be returned to the Plant on a "master set" marked "OK", "OK with corrections", or "Revised proof required" and will be signed by the Dealer. Until the "master set" is received, no additional work will be performed. The Plant will not be responsible for undetected production errors if:

1. Proofs are not required by the Dealer.
2. Job is printed per the Dealer's "OK".
3. Requests for changes are communicated orally.

Proofs - Press

Press proofs will not be furnished unless they have been required in writing in the Plant's quotation. A press sheet can be submitted for the Dealer's approval as long as the Dealer is present at the press during make-ready. Any press time lost or alterations/corrections made because of the Dealer's delay or change of mind will be charged at the Plant's current rates.

Rights to Promote

The Plant reserves the right to use all products produced by the Plant in the Plant's advertising, promotional literature or other displays and sample programs unless instructed otherwise in writing by the Dealer at the time of the order.

Samples

Samples of each custom printed order will be mailed to the Dealer with the Plant's invoice.

Shooting Copy

The Plant reserves the right to decide if a previously produced document (i.e., an existing printed document) is usable as copy.

Previously produced forms and other printed documents can be used as camera ready copy if the form or document is received by the Plant:

1. Protected by cardboard.
2. Not folded or stapled.
3. With dark ink, black or red preferred.
4. Printed on white paper.
5. With carbon removed or chemical carbonless sets interleaved to prevent smudges.
6. With no screens or process color involved.
7. With 1/2" lock-up space.
8. With printing in stub arranged to miss line holes, perforations, folds and staples.
9. With no changes required in copy.

If the form qualifies as a previously produced form or document, the Plant will deduct the appropriate (per order) amount from the Basic Price.

See also *Camera/Scan Ready Copy or Negative Furnished*, page 5

Storage of Jobs

Contact the Plant's Customer Service Department.

Taxes

All amounts due for taxes and assessments will be added to the Dealer's invoice and are the responsibility of the Dealer. No tax exemption will be granted unless the Dealer's "Exemption Certificate" (or other official proof of exemption) accompanies the Dealer's purchase order or is currently on file at the Plant. If, after the Dealer has paid the invoice, it is determined that more tax is due, then the Dealer must promptly remit the required taxes to the taxing authority, or immediately reimburse the Plant for any additional taxes paid.

Transportation

Orders should state the method of shipping, e.g., Truck, UPS, etc. When not indicated, the Plant will ship "Best Way." Orders will be shipped complete when manufactured. Orders picked up by the Dealer, his customer, agent, or given to a common carrier by the Plant constitutes delivery, transfer of title, and possession to the Dealer. Claims for damaged shipments should originate with the Dealer and should be filed against the carrier making delivery. The Plant is not responsible for goods damaged, lost or delayed in shipment.

Shipment will be made in the Dealer's name, direct to the Dealer freight prepaid, unless otherwise specified on the Dealer's order.

Special Considerations:

1. Inside Delivery
Dealer must provide "inside delivery" instructions at the time the Plant receives the order.
2. Rush Deliveries
Available upon request - Contact the Plant's Customer Service Department.
3. Charges for Taking Forms to an Airport or Bus
Contact the Plant's Customer Service Department for charges. Charges vary by plant.

See also *Delivery*, page 7 and *Prepaid Shipments*, page 9

Policy Pertaining to Other Matters

Compatible Negative Program

If the Dealer sells software compatible custom forms, or other custom printed documents, to several customers, all of which use the same software system or basic document, the Plant will keep the Dealer's base negative on file allowing the Dealer to combine future custom headings with the base negative.

Dealer Credit

Approval from the Ennis Customer Finance Department is required for an open account. The Ennis Dealer Application Form should be submitted as soon as possible so that the Dealer's first order can be processed without delay.

The Ennis Customer Finance Department staff has been trained to serve Dealer needs and are willing to work with a Dealer if a problem should arise. Do not hesitate to call Customer Finance.

Reorder Allowance

A Reorder Allowance may be allowed for custom forms if the change in composition from the previous order does not exceed a change in form number, printing date, address and/or telephone number. The form must have been printed by the Plant within the last 24 months. Please provide the previous order number when placing a repeat order.

Policy varies for all other products. Check with the Plant's Customer Service Department for policy on other products.

Special Pricing or Improved Delivery

Contact the Plant's Customer Service Department.

Telecommunications

Unless otherwise agreed, the Dealer will pay for all transmission charges. The Plant is not responsible for any errors, omissions or extra costs resulting from faults in the transmission.

Note: All Ennis plants have toll free telephone numbers for voice and FAX transmissions, and e-mail addresses. In addition, Ennis provides electronic file transfer capability using the Internet (www.ennis.com). Ask the Plant's Customer Service Department for information.

See also *Electronic Manuscript, Image, or Digital File*, page 7

Terms/Claims/Liens

The Payment terms are 1% 10 Days Proximo, Net 30.

Freight terms are F.O.B. Plant.

Claims for defects, damages or shortages must be made by the Dealer in writing no later than 10 calendar days after delivery. If no such claim is made, the Plant and the Dealer will understand that the job has been accepted. By accepting the job, the Dealer acknowledges that the Plant's performance has fully satisfied all terms, conditions and specifications. The Plant's liability will be limited to the quoted selling price of defective goods, without additional liability for special or consequential damages. All complaints must be made in writing and must be addressed to the Customer Service Department at the Plant of manufacture. The information required will include: the Plant invoice number, production job number, type of product, client name and shipment date. A request for return of forms must be addressed to the Plant of manufacture's Customer Service Department. Please do not return forms without written permission.

As security for payment of any sum due under the terms of an agreement, the Plant has the right to hold and place a lien on all Dealer property in the Plant's possession. This right applies even if credit has been extended, notes have been accepted, trade acceptances have been made, or payment has been guaranteed. If payment is not made the Dealer is liable for all collection costs incurred.

Liability

- 1. Disclaimer of Express Warranties:** The Plant warrants that the work is as described in the Dealer's purchase order. The Dealer understands that all sketches, copy, dummies, and preparatory work shown to the Dealer are intended only to illustrate the general type and quality of the work. They are not intended to represent the actual work performed.
- 2. Disclaimer of Implied Warranties:** The Plant warrants only that the work will conform to the description contained in the Dealer's purchase order. The Plant's maximum liability, whether by negligence, contract or otherwise, will not exceed the return of the amount invoiced for the work in dispute. Under no circumstances will the Plant be liable for specific, individual or consequential damages.

Indemnification

The Dealer agrees to protect the Plant from economic loss and any other harmful consequences that could arise in connection with the work. This means that the Dealer will hold the Plant harmless and save, indemnify and otherwise defend the Plant against claims, demands, actions and proceedings on any and all grounds. This will apply regardless of responsibility for negligence.

1. **Copyrights** - The Dealer also warrants that the subject matter to be printed is not copyrighted by a third party. The Dealer also recognizes that because subject matter does not have to bear a copyright notice in order to be protected by copyright law, absence of such notice does not necessarily assure a right to reproduce. The Dealer further warrants that no copyright notice has been removed from any material used in preparing the subject matter for reproduction. To support these warranties, the Dealer agrees to indemnify and hold the Plant harmless for all liability, damages and attorney fees that may be incurred in any legal action connected with copyright infringement involving the work produced or provided.
2. **Personal or Economic Rights** - The Dealer also warrants that the work does not contain anything that is libelous or scandalous, or anything that threatens anyone's right to privacy or other personal or economic rights. The Dealer will, at the Dealer's sole expense, promptly and thoroughly defend the Plant in all legal actions on these grounds as long as the Plant:
 - A. Promptly notifies the Dealer of the legal action.
 - B. Gives the Dealer reasonable time to undertake and conduct a defense.
3. **Refusal to Print** - The Plant reserves the right to use the Plant's sole discretion in refusing to print anything the Plant deems illegal, libelous, scandalous, improper, or infringing upon copyright law.

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