

**Lofton Label, Inc. includes, and makes a part of every agreement or contract for work, the following  
GRAPHIC COMMUNICATIONS TRADE CUSTOMS AND BUSINESS PRACTICES**

Graphic Communications Trade Customs and Business Practices have been in general use in the industry throughout the United States and Canada for more than seventy years. These trade customs and business practices were formally promulgated at the annual convention of the United Typothetae of America in 1922. They were revised and updated in 1945 and 1974, and were updated and adopted by the Graphic Arts Council of North America in 1985. A consortium of the Graphic Arts Technical Foundation (GATF), National Association of Printers and Lithographers (NAPL), and Printing Industries of America (PIA) revised them in 1994.

- 1. QUOTATION:** A quotation not accepted within 30 days may be subject to revision.
- 2. ORDERS:** 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 provider's control. Cancelled orders require compensation for incurred costs and related obligations. Graphics charges on label work, which did not result in a production order, will be billed out within 90 days.
- 3. PRICING:** The price(s) specified in this contract are subject to change based on component cost increases actually incurred by Lofton Label, Inc. during the term of this contract. Components used to manufacture products will be reviewed on a quarterly basis. Lofton Label, Inc. will then provide the buyer with a 30 day advanced notice of any change to the contract price.  
Lofton Label, Inc. will use a best faith effort to leverage its purchasing power and processes to minimize any price fluctuations.
- 4. EXPERIMENTAL WORK:** Experimental or preliminary work performed at customer's request will be charged to the customer at the provider's current rates. This work cannot be used without the provider's written consent.
- 5. CREATIVE WORK:** Sketches, copy, dummies, and all other creative work developed or furnished by the provider, are the provider's exclusive property. The provider must give written approval for all use of this work and for any derivation of ideas from it.
- 6. ACCURACY OF SPECIFICATIONS:** Quotations are based on the accuracy of the specifications provided. The provider can re-quote a job at time of submission if copy changes/construction changes or other input materials do not conform to the information on which the original quotation was based.
- 7. PREPARATORY MATERIALS:** Artwork, type, plates, electronic files, and all other items supplied by the provider remain the provider's exclusive property unless otherwise agreed in writing.
- 8. ELECTRONIC MANUSCRIPT OR IMAGE:** It is the customer's responsibility to maintain a copy of the original file. The provider is not responsible for accidental damage to media supplied by the customer or for the accuracy of furnished input or final output. Until digital input can be evaluated by the provider, no claims or promises are made about the provider'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 customer-supplied files will be charged at prevailing rates.
- 9. ALTERATIONS/CORRECTIONS:** Customer alterations include all work performed in addition to the original specifications. All such work will be charged at the provider's current rates.
- 10. PRE-PRESS PROOFS:** The provider will submit pre-press proofs along with the original copy for the customer's review and approval. Corrections will be returned to the provider on a "master set" marked "O.K." or "Revised Proof Required" and signed by the customer. Until the master set is received, no additional work will be performed. The provider will not be responsible for undetected production errors if:  
\* proofs are not required by the customer:    \*the work is printed per the customer's O.K.,    \*requests for changes are communicated orally.
- 11. PRESS PROOFS:** Press proofs will not be furnished unless they have been required in writing in the provider's quotation. A press sheet can be submitted for the customer's approval as long as the customer is present at the press during makeready. Any press time lost or alterations/corrections made because of the customer's delay or change of mind will be charged at the provider's current rates.
- 12. COLOR PROOFING:** Because of difference 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.
- 13. OVER-RUNS or UNDER-RUNS:** Over-runs or under-runs will not exceed 10 percent of the quantity ordered. The provider will bill for actual quantity delivered within this tolerance. If the customer requires a guaranteed quantity, the percentage of tolerance must be stated at the time of the quotation.
- 14. CUSTOMER'S PROPERTY:** The provider will only maintain fire and extended coverage on property belonging to the customer while the property is in the provider's possession. The provider's liability for this property will not exceed the amount recoverable from the insurance. Additional insurance coverage may be obtained if it is requested in writing and if the premium is paid to the provider.
- 15. DELIVERY:** Unless otherwise specified, the price quoted is for a single shipment, without storage, F.O.B. PROVIDER'S PLATFORM. Proposals are based on continuous and uninterrupted delivery of the complete order. If the specifications state otherwise, the provider will charge accordingly at current rates. Charges for delivery of materials and supplied from the customer to the provider, or from the customer's supplier to the provider, are not included in quotations unless specified. Title for finished work passes to the customer upon delivery to the carrier at shipping point: or upon mailing of invoices for the finished work or its segments, whichever occurs first.
- 16. PRODUCTION SCHEDULES:** Production schedules will be established and followed by both the customer and the provider. In the event that the customer does not adhere to production schedules, delivery dates will be subject to renegotiations. 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 provider. In such cases, schedules will be extended by an amount of time equal to delay incurred.
- 17. CUSTOMER-FURNISHED MATERIALS:** Materials furnished by customers or their suppliers are verified by delivery tickets. The provider bears no responsibility for discrepancies between delivery tickets and actual counts. Customer -supplied paper must be delivered according to specifications furnished by the provider. These specifications will include correct weight, thickness, pick resistance, and other technical requirements. Artwork, film, color separations, special dies, tapes, disks, or other materials furnished by the customer must be usable by the provider without alteration or repair. Items not meeting this requirement will be repaired by the customer, or by the provider at the provider's current rates.
- 18. OUTSIDE PURCHASES:** Unless otherwise agreed in writing, all outside purchases as requested or authorized by the customer, are chargeable.
- 19. TERMS/CLAIMS/LIENS:** Payment is net cash 30 calendar days from date of invoice. Terms of sale include a service charge of 1-1/2% per month on unpaid balances after 30 days from invoice date.

Claims for defects, damages, or shortages must be made by the customer in writing no later than 10 calendar days after delivery. If no such claim is made, the provider and the customer understand that the job has been accepted. By accepting the job, the customer acknowledges that the provider's performance has fully satisfied all terms, conditions, and specifications.

The provider's liability will be limited to the quoted selling price of defective goods, without additional liability for special or consequential damages. As security for payment of any sum due under the terms of an agreement, the provider has the right to hold and place a lien on all customer property in the provider's possession. The 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 customer is liable for all collection costs incurred.

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

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

(a) Copyrights: The customer also warrants that the subject matter to be printed is not copyrighted by a third party. The customer 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 customer 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 customer agrees to indemnify and hold the provider 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.

(b) Personal or economic rights. The customer also warrants that the work does not contain anything that is libelous or scandalous, or anything that threatens anyone's right to privacy or their personal or economic rights. The customer will, at the customer's sole expense, promptly and thoroughly defend the provider in all legal actions on these grounds as long as the provider:

\* promptly notifies the customer of the legal action    \* gives the customer reasonable time to undertake and conduct a defense.

The provider reserves the right to use his or her sole discretion in refusing to print anything he or she deems illegal, libelous, scandalous, improper or infringing upon copyright laws.

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

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

**Lofton Label, Inc.**

Specs for supplied art (Digital)

Design applications (Macintosh):

- Illustrator, Quark, InDesign, Photoshop (Illustrator preferred!)

Design considerations:

- Border must be .0625" minimum thickness to edge of die if it bleeds.
- Border must be .0625" from edge of diecut if it does not bleed.
- If art bleeds, please allow .0625" on linked images.
- Type - minimum size 4 pt regular, or 5 pt reverse (avoid reversing serif type if possible).
- Stroke - minimum size .5 - reverse stroke 1.0
- Barcode minimum size 80%. BWR -.0015. We can generate your barcode if you supply the numbers.

Please allow .125" quiet zone space on left and right of bar code

- TM and ® minimum .03125".

- Screen - no minimum or maximum.

- Trap - do not add trap.

Supporting colors and varnish:

- White - White on separate layer.
- Varnish - Separate layer for pattern varnish.

Placed images:

- Provide a copy or embed all placed images
- Images - 300dpi cmyk. If you can not supply 300dpi please state this so we know not to request it.

Fonts:

- Send a copy of the fonts used unless type is outlined.
- Do not apply font attributes within an application. Ex: Bold, Italic, etc.

Colors:

- Use spot colors whenever possible instead of cmyk. Use Pantone Coated library unless Uncoated is required.
- Indicate Pantone color instead of generic color names.
- Remove unused colors in color palette.

Flexible Packaging:

- Provide layout, front and back positioning, seal areas, eye mark size and location.

artwork submission: [graphics@loftonlabel.com](mailto:graphics@loftonlabel.com) or call your CSR for Prepress Web Portal information

651-457-8118 • [www.loftonlabel.com](http://www.loftonlabel.com)

**Lofton Label, Inc.**

Specs for supplied art (Flexo)

Design applications (Macintosh):

- Illustrator, Quark, InDesign, Photoshop (Illustrator preferred!)

Design considerations:

- Border must be .0937" minimum thickness to edge of die if it bleeds.
- If art bleeds, please allow .0625" on linked images.
- Type - minimum size 4 pt regular, or 6 pt reverse (avoid reversing serif type if possible).
- Stroke - minimum size .5 - reverse 1.5.
- Barcode minimum size 80% BWR -.0015. We can generate your barcode if you supply the numbers.

Please allow .125" quiet zone space on left and right of bar code

- TM and ® minimum .0625".

- Screen - no minimum, maximum 75%.

- Reverse type out of process - put a 1pt. black rule on a layer behind the type for press registration.
- Trap - do not add trap, this will be done in our prepress process.

Supporting colors and varnish:

- White - White on separate layer.
- Varnish - Separate layer for pattern varnish.

Placed images:

- Provide a copy or embed all placed images
- Images - 300dpi cmyk. If you can not supply 300dpi please state this so we know not to request it.

Fonts:

- Send a copy of the fonts used unless type is outlined.
- Do not apply font attributes within an application. Ex: Bold, Italic, etc.

Colors:

- Use spot colors whenever possible instead of cmyk. Use Pantone Coated library unless Uncoated is required.
- Indicate Pantone color instead of generic color names.
- Remove unused colors in color palette.

Flexible Packaging:

- Provide layout, front and back positioning, seal areas, eye mark size and location.

artwork submission: [graphics@loftonlabel.com](mailto:graphics@loftonlabel.com) or call your CSR for Prepress Web Portal information

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