

All Direct Mail Services, Inc.

TERMS AND CONDITIONS

MAILING LISTS

1. All lists are sold on a one-time use, unless otherwise indicated on invoice. Customer cannot or will not copy, duplicate or transfer any portion of a list for any reason unless otherwise authorized in writing by list supplier.
2. When lists must be purchased from an outside source, All Direct Mail Services acts solely as a list broker in these transactions and makes no guarantee of accuracy. All Direct Mail Services assumes no liability for losses incurred through their use, and such circumstances shall not justify holding up any payments to All Direct Mail Services.
3. Customer mailing list(s) in All Direct Mail Services possession, for storage or otherwise, is the exclusive property of the customer and shall be used only at the customer's instructions. All Direct Mail Services shall provide reasonable and prudent protection against the loss of a customer's list, in much the same manner that the customer would itself. This includes adequate backup procedures for files and programs. All Direct Mail Services shall pay for the cost of replacing such lists in the event of systems failure, loss by fire, vandalism, theft, or other such causes (excluding destruction of the list due to customer's negligence or willful misconduct), provided that the customer has a duplicate list or has the source material from which the list was compiled, and then only to the extent of the costs involved in replacing the lost list. All Direct Mail Services shall not be liable for compiling such lists for an intangible or special value attached thereto.
4. All Direct Mail Services is not responsible for the accuracy or integrity of lists or other data supplied by the customer or a list broker.

PRODUCT/STORAGE

1. All Direct Mail Services will attempt to meet all pre-scheduled delivery dates. However, All Direct Mail Services assumes no responsibility for failure to meet schedules for any reason and will not be liable for customer's loss resulting from any such failures. In addition, mailers have no control over United States Postal Service, United Parcel Service, or common carriers' delivery schedules and cannot guarantee when mail or shipments deposited or released to these carriers will be delivered. The customer shall accept the date which mail was deposited with or released to these carriers as the date of delivery.
2. Any material stored at All Direct Mail Services whether prior to or after the completion of an order, for a period of 10 working days, shall become subject to storage charges. (Minimum storage charge is \$25.00 per pallet.)
3. Any shipping or delivery expenses incurred for the disposition of leftover or non-used material is the sole responsibility of the customer.
4. All Direct Mail Services shall not be held liable should any discrepancies arise in relation to counts, shortages, damages to, losses of, and/or conditions of materials.

CREDIT – ADVANCES – and PAYMENTS

1. All (100%) postage expense must be paid in advance of delivery to post office. While All Direct Mail Services will make every effort to provide the client with an accurate estimate of required postage, the mailer is not responsible for any additional postage charged by the United States Postal Service. All Direct Mail Services reserves the right to hold mailings for which postage has not been paid or until postage payment has been verified.
2. A service charge of 1 ½% per month will be added to all past due or delinquent accounts.
3. All Direct Mail Services reserves the right to discontinue any pending work for a customer whose invoice(s) are delinquent – without notice of any kind - and the customer shall be liable for all expenses incurred to such dates.
4. Customer agrees to pay interest of 18% per annum on all sums outstanding and also agrees to pay all collection costs and reasonable attorney's fees incurred in enforcing any provision of this agreement.
5. The individual guarantor authorizing the work described to be performed on the face of this order whether acting as an individual, on behalf of a company, or his capacity as officer of a corporation, guarantees that he will be personally responsible for the payment of all invoices for this order on which he, as an individual, the company, or the corporation may be in default, including but not limited to any sum owing for postage, services, service charges, interest, collection, costs and attorney's fees incurred in the enforcement of any of the provisions of the contract. This guarantee applies to subsequent orders, which may be either written, oral and/or authorized by said consenting guarantor or any member of his firm if said guarantor is acting on behalf of a company or corporation.

QUOTATIONS

1. All Direct Mail Services stipulates that all quotations are subject to acceptance within 30 days. Quotations are based on the cost of services, labor and materials on the date of the quote. If changes occur in cost of materials, labor, or other costs prior to acceptance, or if the customer requires changes in the mailing schedule subsequent to acceptance, the right is reserved to change the price quoted. Subsequent orders will be subject to price revision if required. Quotations do not include applicable taxes, shipping costs or deliveries unless specifically stated. Quotations are only valid when in writing.

2. Price Breaks: Pricing parameters are based upon the following quantity segments: 0-4,999, 5,000-9,999, 10,000-49,999, 50,000-99,999, 100,000-499,999 and 500,000+. All Direct Mail Services reserves the right to adjust invoicing to reflect price breaks, should actual quantities differ from quantities quoted.

CANCELLATION OR CHANGES

1. Orders may be canceled by the customers at any time by providing notice in writing or via e-mail with the understanding that All Direct Mail Services will be compensated in full for any work or services performed prior to cancellation in addition to the cost of any goods or services purchased for the order and postage. Because mailing requires advance scheduling of equipment and labor which often cannot be replaced by other jobs, All Direct Mail Services reserves the right to assess a cancellation fee to reflect the opportunity cost associated with a job being canceled.
2. Alterations: Prices quoted are based upon the mailer's understanding of the client specifications submitted, if there was/is a change in specifications or instructions to the original quotation and these changes result in additional costs, the work performed will be billed at the prevailing rates and the mailing date may be delayed.

VERBAL ORDERS

1. Written or e-mail orders are strongly recommended. Verbal orders are accepted with the provision that the final specifications will be those faxed or mailed and understood by All Direct Mail Services at the time the work was started. Client holds All Direct Mail Services harmless of misinterpretations. All Direct Mail Services will give its best effort and attempt to interpret client instructions.

POSTAGE

1. Quotations may include postage estimates. All Direct Mail Services will notify the customer in writing or by e-mail of the required postage as soon as this amount is known and will notify the customer of the date when the postage is needed in order to complete the mailing prior to the agreed upon mailing date. While All Direct Mail Services will make every effort to provide the customer with an accurate estimate of required postage, All Direct Mail Services is not responsible for additional postage charges. Payment of postage in advance is required on all orders and is the responsibility of the customer. All Direct Mail Services reserves the right to hold mailings for which sufficient postage had not been paid or until postage payment has been verified. The customer will provide the postage payment in adequate time for the mailer to complete the mailing prior to the previously agreed upon mail date.

ACCEPTANCE OF ORDER

1. All Direct Mail Services may refuse at any time to mail any copy, photographs or illustrations of any kind that in All Direct Mail Services sole judgment is an invasion of privacy, degrading, libelous, unlawful, profane, obscene, pornographic, tends to ridicule or embarrass, in bad taste or which in All Direct Mail Services' sole judgment is an infringement on a trademark, trade name, service mark or copyright belonging to others.
2. The customer will defend and hold the mailer harmless in any suit or court action brought against All Direct Mail Services by others for alleged damages, costs, expenses (including reasonable attorney's fees), liabilities or losses resulting from circumstances where All Direct Mail Services, acting as the customer's agent, uses copy, photographs, or illustrations that are believed by others to be degrading, libelous or harmful to their reputations, images, or standing in the community or which in All Direct Mail Services' sole judgment is an infringement on a trademark, trade name, service mark, copyright belonging to others, or in a suit or court brought against All Direct Mail Services for actions of the customer's employees which may occur as a result of any mailing.

MATERIALS

1. All Direct Mail Services assumes in all quotations that all material provided will permit efficient handling on automated equipment and meets equipment manufacturer's published specifications. Materials furnished within manufacturer's published specifications, but which are not acceptable operational standards due to poor folding, facing, trimming, packing, sticking together of material, insufficient leeway between enclosures and envelopes, square envelope flaps or other causes, will be subject to pricing at special rates. Customer will be notified when a deficiency is discovered and approval will be obtained for handling at special rates before proceeding with work. A new delivery schedule may result when deficient materials are used.
2. All Direct Mail Services is not responsible for identifying errors in preprinted copy on customer-furnished materials and assumes no liability for damages resulting from the mailing of materials which contain erroneous information. When performing mailings for not-for-profit customers, All Direct Mail Services is not responsible for content in mailed materials which causes a customer to lose their non-profit status.
3. The handling and processing of every direct mail application involves spoilage. Spoilage of up to three (3) percent of customer's material is typical. Allowances for spoilage should be taken into consideration in ordering material. Every effort will be made to handle a customer's material with frugality and to prevent undue spoilage. Nevertheless, All Direct Mail Services cannot accept responsibility for shortages of material as a result of normal spoilage in processing. All stock and materials belonging to a customer will be held and stored only at the customer's risk and the customer shall be responsible for insurance on their material.
4. Printer delivery tickets must accompany the material delivered and should show the number of skids or cartons, the quantity per skid or carton and the total delivery quantity. Each incoming carton or skid must bear and identify, item code, quantity and a sample clearly

visible. Each skid should have only one material version, unless clearly marked and separated. Multiple items should not be included within a single carton, skid or container unless clearly marked on packaging and on accompanying paperwork. All Direct Mail Services will apply a surcharge for any rework necessary for materials received not meeting these specifications.

5. All Direct Mail Services will make reasonable effort to verify printers' count but assumes no responsibility for shortages at any time during or after mailing process. Customer is expected to provide All Direct Mail Services with sufficient inventory or adequate sources of supply to meet anticipated demand. Cost for backorders, delay notices, canceled orders and increases customer service resulting from out of stock conditions will be billed additional to customer.
6. Collection shipment will be accepted by All Direct Mail Services only if clearance is obtained in advance and a service charge will be added to the actual freight charges. All Direct Mail Services is not responsible for the condition of shipped overs, unless customer has been billed for packing and/or shipping.
7. Customer retains title to and the insurable interest in its materials. Because of this, All Direct Mail Services is held harmless for acts not of its doing that create losses. It is the responsibility of All Direct Mail Services to carry insurance to protect against acts or negligence on the part of its employees in the normal course of business. If specific additional insurance coverage is desired, such coverage must be specified by agreement or by separate insurance rider and premium. In such instances, the liability for losses will be limited to the agreed upon insurance amount.

LABELS

1. Paper labels must be within equipment manufacturers' published specifications for labeling equipment. For paper labels, as well as those which are electronically generated, quoted prices assume that label placement will be in the position most advantageous to production speed or additional charges will be billed.

INSERTING SEQUENCE

1. All Direct Mail Services will make every effort to insert material in the sequence and facing the direction the customer requests, but quoted price assumes the most advantageous production speeds. Specified sequence or facing may result in additional charges.

OVERAGES

1. The customer must provide All Direct Mail Services with the disposition of overs in advance of job processing. Overs may be returned to the customer, stored or destroyed. If items are stored or returned, applicable storage and delivery charges will be added. Additionally, All Direct Mail Services option and without liability to All Direct Mail Services, material may be automatically destroyed after 90 days if customer has failed to respond to a disposition request or failed to pay for storage starting 30 days after the mail date. Retail storage rates will be applied to old materials for which disposition has not been designated.

DELIVERY SCHEDULES

1. All Direct Mail Services will make every reasonable effort to meet scheduled delivery and mailing date(s), but because of the many factors outside its control, accepts no liability for failure to meet scheduled date(s). In addition, All Direct Mail Services has no control over the United States Postal Services or common carriers' delivery schedules and cannot guarantee when mail or shipment deposited with or released to these carriers will be delivered. The customer shall accept the date which mail or shipments were deposited with or released to these carriers as the date of delivery.
2. All orders are accepted contingent to fire, accident, acts of God, mechanical breakdown or other causes beyond All Direct Mail Services' control. Since the time element is an integral part of the mailing business, quoted prices are based upon a specific set of time schedules for completion. Any requested deviation from the schedules described or agreed upon by both parties at commencement of order may alter the quoted price. Late material may affect the completion of the date of the order by a greater degree than the actual elapsed time the material is late.

ERRORS IN MAILING

1. All Direct Mail Services shall be liable only to the extent of remailing correction or corrected job as soon as possible to rectify the mistake. Damages shall be limited to the value of the work performed. In no case is All Direct Mail Services liable for loss of business, incidental or consequential damages or the costs of billing for services related to the specific job.

DELIQUENT INVOICES

1. If money is owed, All Direct Mail Services may, at its option, withhold future mailings or other property against payment of delinquent invoices. "Delinquent" is defined as "past the agreed or specified payment date." After suitable credit has been established, unless otherwise specified in writing by All Direct Mail Services, terms are net with interest as allowed by law applied to delinquent invoices. Customers are responsible for any related collection costs, legal fees and interest.

BROKERAGE/AD AGENCY/RESELLER

1. When contracting with an intermediary such as broker, ad agency or reseller for work on behalf of their clients, All Direct Mail Services will hold intermediary fully responsible for timely payment of invoices and for related collection costs, legal fees and interest. This will be done without regard to whether the intermediary has been paid by their client for services rendered.

TAXES

1. 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 official proof of the customer's exemption is on file with All Direct Mail Services or such documentation accompanies the order. If, after the customer has paid the invoice, it is determined that additional required taxes are due to the taxing authority, All Direct Mail Services will be immediately reimbursed for any additional taxes paid.

MISCELLANEOUS

1. The rights and obligations of the parties hereunder shall in all respects be governed by and construed in accordance with the internal laws of the State of California (without regard to the conflict of laws principles of such state), including all matters of construction, validity and performance, regardless of the location of the client.