

## Terms and Conditions

**1 Fees.** In consideration of the services to be performed by Designer, Client shall pay to Designer fees in the amounts and according to the payment schedule set forth above, and all applicable sales and use taxes, even if calculated or assessed subsequent to the payment schedule.

**2 Expenses.** Incidental and out-of-pocket expenses incurred in connection with this Agreement, including but not limited to printed proofs, stock artwork, delivery services, and production services, are not included in the above fees and will be billed to Client at cost plus Designer's markup of fifteen percent (15%).

**3 Payment Terms.** Advances are due on receipt; work will not begin until payment has been received. All other payments are due net 15 days from issuance of invoice. A one-and-one-half percent (1.5%) monthly service charge is payable on overdue balances. Grant of copyright is conditioned upon receipt of final payment.

**4 Changes.** Client shall pay additional fees for revisions requested by Client that are outside the scope of the Deliverables, and for substantive changes to project scope. Any such Changes will be mutually agreed upon by Designer and Client.

**5 Client Responsibilities.** Client is responsible for coordinating decision-making and final proof-reading in a reasonable and timely manner. In the event that Client has approved Deliverables, but errors, such as, but not limited to, typographic errors or misspellings, remain in the finished product, Client shall incur the cost of correcting such errors.

**6 Permissions and Releases.** The Client agrees to indemnify and hold the Designer harmless against any and all claims, costs, and expenses, including attorney's fees, due to materials included in the Design at the request of the Client for which no copyright permission or privacy release was requested, or for which uses exceed the uses allowed pursuant to a permission or release.

**7 Designer Warranty.** Designer represents, warrants and covenants to Client that the Final Art provided by Designer does not infringe on the rights of any party, and use of same in connection with the Project will not violate the rights of any third parties. If Client or third parties modify or otherwise use the Deliverables outside of the scope of this Agreement, all representations and warranties of Designer shall be void.

**8 Limitation of Liability.** DELIVERABLES ARE SOLD "AS IS." THE MAXIMUM LIABILITY OF DESIGNER TO CLIENT FOR DAMAGES, AND CLIENT'S MAXIMUM REMEDY, SHALL BE LIMITED TO THE NET PROFIT OF DESIGNER.

**9 Termination.** In the event of termination or a delay of more than one month, Designer will be compensated for services performed through the date of termination or interruption in the amount of a prorated portion of the fee; and Client shall pay all expenses incurred through the date of termination or interruption. The initial advance payment is non-refundable. Upon termination all rights to the artwork revert to the Designer and all original art must be returned, including sketches, comps, or other preliminary materials.

**10 Preliminary Designs.** Designer retains all rights in and to all Preliminary Designs. Client shall return all Preliminary Designs to Designer within thirty (30) days of completion of the project and all rights in and to any Preliminary Designs shall remain the exclusive property of Designer.

**11 Rights to Final Art.** Upon completion of the Deliverables and full payment of all fees and expenses, Designer assigns to Client all right, title and interest, including without limitation copyright and other intellectual property rights, in and to Final Art. Client shall have sole responsibility for ensuring that any proposed trademarks or Deliverables intended to be a trademark are available for use in commerce and federal registration and do not infringe the rights of any third party.

**12 Miscellaneous.** This Agreement shall be binding upon the parties, their heirs, successors, assigns, and personal representatives. This Agreement constitutes the entire understanding of the parties. Its terms can be modified only by written Agreement between both parties. Any dispute arising out of this agreement will be resolved by negotiation between the parties. If they are unable to resolve the dispute, either party may commence mediation and/or binding arbitration through the American Arbitration Association or other forum mutually agreed to by the parties. A waiver of a breach of any of the provisions of this Agreement shall not be construed as a continuing waiver of other breaches of the same or other provisions. This Agreement shall be governed by the laws of the United States and the state of Maryland, and courts of such state shall have exclusive jurisdiction and venue.