



UVP VELTOPK (PTY) LTD

(The Company)

SPOILED JOBS POLICY EFFECTIVE 1ST SEPTEMBER 2018

The Company's Agreement of Trade, by which all its Customers are bound covers to some extent, matters affecting spoiled jobs. But in summary and in the interests of elaboration, updating and clarity, the Company notifies its Customers as follows:

OVERVIEW AND PROCEDURES

1. This notice supersedes any previous spoils policy and is effective from 1st September 2018;
2. The responsibility for initiating a spoils claim rests with Customers;
3. The Company shall use its best endeavours to produce work of the highest quality using the best available machinery, personnel, and consumables to do so. In the unlikely event of defective work arising, its liability shall be limited to the value of the finishing work done and any agreement in this regard **shall be in writing and signed by a Company director or nominee** whose contact details accompany this notice;
4. In making any concessions, namely by agreeing to compensate Customers for amounts greater than the finishing component of any job, the Company shall consider the following in respect of Customers making claims:
 - claims history;
 - account status and payment history;
 - standing with the Company; and
 - the degree of failure directly attributable to the Company's employees, its equipment, and/or consumables;
5. Any compensation resulting from negotiations as described in para 4. above, **shall be enumerated in writing and signed by a Company director or nominee**;
6. In all cases of spoilage, the Company shall have the right to attempt rectification of errors before decisions are made to re-do the job and the customer agrees to apply reasonableness in resolving matters;
7. The Company reserves the right to refer disputes to PrintSA (previously PIFSA) per the terms of the Agreement of Trade;
8. The procedure to be followed in the case of proven spoils is the completion by the Customer of the Company's claim form (sample attached) and the issuance by the Customer of an invoice for wasted costs (see: Exclusions para 2 below). The Customer shall receive from the Company in return, a written acknowledgement of the claim form and supporting invoice;
9. The method by which the Company settles any claim shall be discussed with the Customer and recorded in writing;
10. Under no circumstances shall the Customer be entitled to withhold monies due to the Company for unrelated work in order to coerce the Company to accede to its demands in respect of spoiled jobs;
11. This notice shall be delivered by hand and by email to Customers and a signature sought to affirm the Customers' agreement with the terms;
12. With effect from 1st July 2018 quotations supplied by the Company shall include a cross reference to this notice and any business conducted thereafter shall be deemed to have been conducted in accordance with this notice.
13. **Time line for certain actions:**
 - 5 working days** – the time allowed after receipt by the Customer of a fully completed job inclusive of all part deliveries, for notifying the Company of spoilage;
 - 7 working days** – the time allowed for the return to the Company's floor of a spoiled job;
 - 14 working days** – the time allowed by the Company, after receipt by the Customer of a completed job, to have a spoilage reported. This is relevant in cases of latent defects. In considering a claim, the Company shall take into account the handling, use, storage, weather and any other element which might have a bearing on the reported defect. The Company acknowledges that jobs involving blister pack may require an adaptation in its policy and this shall be the subject of discussion on a case-by-case basis.
14. In principle, where jobs are re-run the Customer shall be charged in full for the re-run.

EXCLUSIONS

1. **No verbal reports of a spoil, nor any verbal arrangements between Customers and Company representatives, notwithstanding that these may be directors, shall be valid;**
2. In cases where the Company's neglect can be proven and agreement is reached to compensate a Customer for wasted costs, such wasted costs shall, at the Company's discretion, be limited to all, or a portion, of direct input costs, ie board, paper, inks and labour;
3. No other charges such as loss of profits, consequential loss of business, courier charges, freight, postage, late delivery penalties etc shall be considered;
4. Any alterations made to the original printed matter, colour or substrate change by the Customer prior to any print finishing re-run, shall render the spoilage claim null and void;
5. Likewise, any instruction which varies the nature and type of the finishing work done when compared to the original job, shall render the spoilage claim null and void;
6. **A requirement in respect of any claim is the return to the Company of spoiled jobs in their entirety unless agreed otherwise by the Company. No claim shall be considered for any portion of jobs which are not returned;**
7. The return of the spoiled job to the Company shall not automatically deem it to be a job for which compensation is assured;
8. As a general rule, the Company will not undertake to do any work where partial finishing is first done by a third party, or the Customer itself, and the Company is required to complete the job. (To illustrate: the Company is required to do spot varnishing on a third party's laminate). In instances where the Company agrees to undertake such work, it shall not accept responsibility for any defective work over which it had no control, nor guarantee the suitability of any substrates for finishing;
9. In instances where the Company is placed under pressure to meet unrealistic deadlines and elects to assist in meeting those deadlines, it shall not be held responsible for defects which arise as a consequence. In such cases, Customers shall be required to sign the Company's indemnity form, copy attached;
10. Customers are cautioned as regards jobs which require lamination or varnish to be applied during winter months or during cold snaps when longer drying periods for inks and varnishes are essential;
11. The Company reserves the right to reject any claim where there are inconsistencies or variations in the substrates making up a job and it shall consider only those claims which are based on the substrates disclosed to it in writing, and processes discussed, at the time of the job being signed-off with the Company;
12. Similarly, the Company reserves the right to reject any claims relating to registration problems in cases where full-size sheets are received and the Company is tasked with cutting them, or where sheets are trimmed by the Customer;
13. In instances where the Company has obtained a sign-off and the job has been completed in accordance with that sign-off, no claim shall be considered;
14. In instances where jobs are completed precisely in accordance with orders from Customers, no claim shall be considered where a Customer is found to have erred in those instructions, notwithstanding the fact that the identical job may have been done previously by the Company;
15. Errors and omissions excepted.

Signed on behalf of UVP Veltopak (Pty) Ltd:

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Arthur Hammond, Director	Date	Werner Weber, Director	Date

Signed on behalf of Customer:

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Name	Customer	Date