



STANDARD TERMS AND CONDITIONS GENERAL WHOLESALERS AND DISTRIBUTORS 2018 - updated June 1, 2018

1. **CONTRACT.** The acceptance of any goods purchased from Pearson Education, Inc. or any of its affiliates (collectively, "Pearson") by Purchaser shall constitute agreement to all these terms and conditions (the "Terms") which also appear on our invoices. These Terms constitute the sole agreement between the parties relating to the subject matter, except for specific terms and conditions published by Pearson and agreements, amendments or waivers agreed to in writing by the party against whom they are to be enforced. Any contrary or inconsistent terms appearing on purchase orders, acknowledgments or other documents of Purchaser shall not be binding on Pearson.
2. **MERCHANDISE.** As used in these Terms, "Merchandise" includes all or any portion of the goods described in any of Purchaser's purchase orders to Pearson, Pearson's invoices, and all packaging, instructions and other materials normally included with the goods.
3. **BILLING AND PAYMENT.** All amounts owing from Purchaser to Pearson with respect to the Merchandise shall be paid by Purchaser within the number of days specified on Pearson's invoice, monthly statement and/or the applicable Discount Schedule. Unless a set-off or deduction is specifically provided for by Pearson in a valid credit memo, Purchaser may not charge back to Pearson or make any set-offs or deductions, including but not limited to set-offs or deductions for violations of customer shipping or routing guidelines, anticipated returns deductions or set-offs or deductions for cooperative advertising allowance programs and/or other promotional programs. Pearson shall process any approved credit to Purchaser's account in accordance with Pearson's standard practices and procedures.
4. **PURCHASE ORDER.** Orders for Merchandise are subject to acceptance and availability.
5. **RISK OF LOSS.** Risk of loss passes to Purchaser upon shipment of the Merchandise by Pearson from Pearson's warehouse, unless otherwise indicated in the applicable invoice or discount schedule.
6. **PRICES AND TERMS.** Pearson's prices are subject to change without notice. Resellers are free to charge any prices they choose for the Merchandise. Pearson's discounts, promotional programs and other terms will be periodically announced and are subject to change at Pearson's discretion with notice. (See Appendix A for our current discount schedules and policies). Pearson utilizes EDI (Electronic Data Interchange) for the transfer of business documents whenever possible. Prices transmitted by Pearson on its invoice, POA (purchase

order acknowledgement) and/or ASN (advance shipping notice) are the applicable and current prices of the Merchandise, and Pearson is not bound in any way to any prices appearing on Purchaser's purchase order.

7. **BROKERED INFORMATION.** Purchasers who use information obtained from Information Brokers should be aware that Pearson stands behind **only** product information that is issued directly from Pearson. Purchasers who themselves act as Information Brokers and reformat or process Pearson product information should acknowledge to their customers and to Pearson that they have reformatted or processed the original data.
8. **REJECTION.** Purchaser may, immediately on receipt of the Merchandise, reject and return **prepaid** to Pearson, and at Purchaser's risk, any Merchandise that is defective, or that violates any law, regulation, or court or administrative order, or infringes any patent, trademark, copyright or other right. Pearson will reimburse Purchaser for the documented actual transportation charges for return of any such Merchandise.
9. **RETURNS.** Except for goods subject to the last sentence of this paragraph 9 or sold on a non-returnable basis, Purchaser may return, at Purchaser's risk and expense, Merchandise in accordance with Pearson's standard practices and procedures (See Appendix B for current policy). Purchaser assumes, and shall bear and pay, all risks and expenses of returning any such Merchandise. If Purchaser returns any product that is damaged, used or otherwise ineligible for credit for any reason specified in our policy, Pearson has the right to dispose of it without any further obligation, including, without limitation, notice, credit obligation or obligation to return it to the account. A fee may be assessed for any extra handling Pearson incurs to return to the Purchaser products that are ineligible for credit. Purchaser's account will be charged a 2% returns restocking fee based on the returns value of Pearson Higher Education **print product** from source codes 0, 1, D, G, J, L, M, Q, R, and V, invoiced on or after September 15, 2017. The restocking fee shall not apply to goods that are rejected and returned to Pearson in accordance with Section 8 above or recalled in accordance with Section 10 below.

Source Code	Business Unit
0	WORLD LANGUAGES
1	HUMANITIES & SOCIAL SCIENCES
D	BUSINESS
G	TEACHER EDUCATION
J	INFORMATION TECHNOLOGY
L	ENGR / COMP SCIENCE
M	ACADEMIC SCIENCE
Q	HEALTH SCIENCE AND CAREERS
R	ENGLISH, MATH, AND STUDENT SUCCESS
V	PEARSON CUSTOM PUBLISHING

10. **RECALLS.** In the event the Merchandise is the subject of a recall by Pearson, Pearson shall be responsible only for (a) at Pearson's election, supplying Purchaser with corrected versions of the recalled Merchandise in a quantity equal to the quantity recalled or reimbursing

Purchaser for the costs paid by Purchaser to Pearson for such Merchandise, and (b) reimbursing Purchaser for all out-of-pocket expenses actually incurred and well-documented by Purchaser in connection with returning the recalled Merchandise to Pearson, or, at Pearson's election, destroying it in the field and providing Pearson with certification as to such destruction.

11. **TAXES.** Where appropriate, Purchaser shall provide Pearson with a duly executed resale certificate indicating that Merchandise is for resale and listing Purchaser's sales tax registration number for each state into which the Merchandise will be delivered. Pearson shall have no liability for any tax required to be billed, collected and/or remitted by Purchaser as a result of sales of Merchandise made by Purchaser, and Purchaser shall defend, indemnify and hold harmless Pearson against all losses, penalties, interest and expense (including reasonable attorneys' fees) arising out of any claims relating to such liability for taxes.
12. **CHANGES AND CANCELLATION.** Pearson may make changes in quantities, casepacks, drawings, specifications, delivery schedules, method of shipment and packaging, and may cancel or terminate work on any purchase order for its own convenience, in whole or in part, by written or electronic notice at any time. **In no event shall Pearson be liable to Purchaser for any damages of any kind, nature or description (including, without limitation, special or consequential damages or losses) arising out of Pearson's failure or alleged failure to fill orders from Purchaser in whole or in part.**
13. **FORCE MAJEURE.** Neither party shall be deemed in default of its obligations to the other party to the extent that performance of its obligations or attempts to cure any breach are delayed or prevented by reason of any act of God, fire, natural disaster, accident, riots, acts of government, shortage of materials and supplies, or any other cause beyond the reasonable control of such party; provided, that the party interfered with gives the other party written notice thereof within 10 working days of any such event or occurrence.
14. **COMPLIANCE WITH LAWS AND REGULATIONS.** Pearson and Purchaser each shall comply with all laws and regulations applicable to the sale and purchase of the Merchandise, respectively, and any provisions required to be included in these Terms shall be deemed to be incorporated by reference unless excluded or disclaimed.
15. **HOLD HARMLESS.** Purchaser shall indemnify and hold Pearson harmless from and against any and all loss, damage, cost, charge or expense, including reasonable attorneys' fees, which Pearson may suffer or sustain on account of injury to, or death of, any persons, or damage to or loss of property arising out of the performance of these Terms by Purchaser, its employees, agents or representatives, and/or arising out of the distribution, resale and promotion of the Merchandise by Purchaser.
16. **EQUAL OPPORTUNITY CLAUSE.** Pursuant to Presidential Executive Order 11246, as amended by Presidential Executive Order 11375, the Vietnam Era Veterans' Readjustment Act of 1974 and the Rehabilitation Act of 1973 as amended, Pearson does not and Purchaser shall not engage in any discriminatory practices against individuals based on their status as protected veterans or individuals with disabilities, or based on race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that

covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability or veteran status. To the degree they are applicable, the following provisions are incorporated herein by reference and are binding upon Pearson and Purchaser as if set forth fully at length herein: 41 CFR 60-1.4; 41 CFR 60-250.4, 41 CFR 300.5(a), 41 CFR 60-741.4, and 41 CFR 741.5(a).

17. **OTHER REMEDIES.** The exercise of any remedy herein shall be without prejudice to any other right or remedy available to either party.
18. **COOPERATIVE ADVERTISING PROGRAM AND OTHER PROMOTIONAL PROGRAMS.** Purchaser shall comply with the applicable Pearson cooperative advertising policy, if any, and other promotional or incentive programs that may from time to time be offered in connection with Purchaser's resale of the Merchandise (See Pearson Wholesaler Coop Policy).
19. **COLLECTION FEES AND ACCELERATION.** Purchaser shall be responsible for all attorneys' fees incurred by Pearson in collecting its receivables from Purchaser and for interest on all amounts past due at the rate of 10% per annum, but not to exceed the maximum rate allowable under law. Pearson retains the option to accelerate the entire indebtedness of Purchaser's account if Purchaser is late in making a payment to Pearson.
20. **SOLVENCY.** By ordering and accepting delivery of Merchandise, Purchaser represents to Pearson that Purchaser is solvent and will make payment in full and when due for such Merchandise in accordance with Pearson's Invoice. In the event that Purchaser orders and/or accepts delivery of any Merchandise while insolvent, Purchaser shall immediately return all such Merchandise to Pearson, and any and all Merchandise en route to Purchaser at such time shall be returned immediately upon Purchaser's receipt. Events which shall be deemed to establish Purchaser's insolvency include but are not limited to the filing of a bankruptcy petition by or against Purchaser and/or Purchaser's admission of its inability to pay its debts when due.
21. **CLAIMS.** All claims relating to the shipment and/or the applicable Invoice and/or Merchandise must be made in writing within 90 days of the date of the Invoice. Any request for proof of delivery must be made within 60 days of the date of the Invoice.
22. **DISCLAIMER OF WARRANTIES & INDEMNITIES.** The merchandise is provided on an "as is" basis and all warranties and conditions, whether express, implied or collateral, including without limitation, any warranties of merchantability, fitness for use, data accuracy and non-infringement are hereby disclaimed. Pearson shall have neither liability nor responsibility of any kind arising in any manner hereunder or in connection with the Merchandise to any person or entity with respect to any loss or damage of any kind, nature or description, however caused.
23. **SEVERABILITY.** In the event that any provision of these Terms or the application of any such provision to either Pearson or Purchaser shall be held by a court of competent jurisdiction to be contrary to any state or federal law, or otherwise unenforceable, the remaining provisions of these Terms shall remain in full force and effect as though such

unenforceable provision had not existed.

24. JURISDICTION; VENUE; CHOICE OF LAW; UCITA. The state or United States District Courts of the State of New York sitting in New York County, shall have the sole and exclusive jurisdiction to hear and determine any dispute or controversy arising under or concerning these Terms, and the rights and obligations of the parties with respect to the subject matter shall be construed in accordance with the laws of the State of New York applicable to agreements made and fully performed therein without regard to the State's principles of conflicts of laws. If, however, the Uniform Computer Information Transaction Act is enacted as part of the laws of New York, in no event shall it govern any aspect of these Terms or the Merchandise.

APPENDIX A

Wholesaler Terms and Conditions

2018

Product / Title Type (Code)	Discount off List price
Trade Computing/Mass Market Books (X)	55%
Professional Books (Y)	40%
Brady Fire Science (A)	35%
Professional Reference Books (R)	32%
Textbooks (K) and NCCER Construction (C)	25%
Non Discounted Titles (N)	0%

All orders are subject to acceptance and availability. Discounts are off suggested single copy (list) prices. Prices are subject to change without notice. Resellers are free to charge any prices they choose for Pearson titles.

Order Consolidation Program

Consolidation of shipments leaving a Pearson Education Distribution Facility is available by individual warehouse location only. For additional information regarding our consolidation program, please contact your Pearson Education Sales Representative.

Payment Terms: Net 90 days from invoice date

Freight Terms: FOB Pearson's dock

• **Notes:**

(a) Pearson does not drop ship to wholesalers/distributors' retail customers.

APPENDIX B

General Wholesaler/Distributor Returns Policy

Returns Address

Pearson Education Returns Facility
258 Prospect Plains Road
Cranbury, NJ 08512

Active Titles—Product in condition to be resold as new may be returned for credit without prior authorization in accordance with this policy, unless the product was purchased on a non-returnable basis.

Returns Pricing— Credit for all such returns will be issued at the invoiced amount if invoice information (including the invoice number) is included with the return. If invoice information is not included, Pearson Education will research the account's purchase history and credit the return at the most recent invoiced price and discount.

Superseded Editions/OP Titles— Out of Print titles will be announced quarterly. Superseded editions must be returned by April 30 of the new edition's copyright year or within 90 days of the new edition's publication date, whichever is later, but in no event will credit be issued more than 180 days after the book is announced out of print.

Packages/Multimedia

Individual products sold by Pearson shrink-wrapped together must be returned with the shrink-wrap unopened. Multimedia, including software in the form of floppy discs, CD-Roms, video and audio tapes and CDs, plus access codes for online access, must be returned in the original sealed package.

Titles Ineligible for Return and Credit

- Returns not accompanied by available invoice information (indicating the invoice number).
- Instructor review and complimentary desk copies.
- Used books.
- Counterfeit books.
- Exported copies and international editions not sold by Pearson for resale in the U. S.

These products and any other titles ineligible for credit may not be returned to you.

Damaged Titles

Titles damaged in transit by a Pearson selected carrier should be reported immediately to Pearson Education Customer Service.

If an account returns any product that is damaged, used or otherwise ineligible for credit for any reason specified in this policy, Pearson has the right to dispose of it without any further obligation, including, without limitation, notice, credit obligation or obligation to return it to the account. A fee may be assessed for any extra handling Pearson incurs to return to the account products that are ineligible for credit.

Freight Charges—Returns freight charges are the customer’s responsibility.

Packaging and Shipping Guidelines—Handling, packaging, and shipping requirements for returning products are available from Customer Service or your Pearson Technology Group Sales Representative.

Restocking Fee -- Purchaser's account will be charged a 2% returns restocking fee based on the returns value of Pearson Higher Education **print product** from source codes 0, 1, D, G, J, L, M, Q, R, and V, invoiced on or after September 15, 2017. The restocking fee shall not apply to goods that are rejected and returned to Pearson in accordance with Sections 8 or 10 above.

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V	PEARSON CUSTOM PUBLISHING

Non-Compliance

Pearson reserves the right to review and reduce or suspend returns privileges and ordering privileges for accounts that persist in

- Procuring, offering, or distributing counterfeit copies,
- Procuring, offering, or distributing copies of International Editions and/or Internationally sourced products not sold by Pearson Education for sale in the U.S,
- Selling and/or attempting to return individual valuepack components separately, or
- Attempting to return other product that is ineligible for return.

Note – Prices are subject to change without notice.