

2016 OR-FAB Inc. Terms & Policies

TERMS

Standard payment terms: Net 30 days from Date of Invoice
Payments should be mailed to: OR-FAB Inc.
Pricing Effective JANUARY 1, 2016 - Pricing Supersedes All Previously Published Pricing
Export sales, with the exception of Canada, must be paid via WIRE TRANSFER
Customer discounts are subject to annual review and must be agreed to in writing.
Customer discounts apply only to current catalog items.

CREDIT POLICY

- A. Accounts must have a completed, signed credit application on file with OR-FAB Inc. In addition, each customer must submit written acknowledgment of OR-FAB's terms and policies.
- B. Orders for accounts with unpaid invoices past due thirty-one (31) days or longer will not be shipped until the account is current. Past due accounts will incur a one and one-half percent (1-1/2%) monthly finance charge, equal to eighteen (18%) per annum on the past due amount.
- C. In the event of default on your credit account, you will be responsible for payment of reasonable attorney's fees, actual court costs, as well as any other costs incurred in the collection of your account.
- D. Statements are rendered by OR-FAB no later than the 5th of each month.
- E. OR-FAB will not issue any cash or credit card refunds. Refunds will be in the form of merchandise credits only.
- F. Credits must be used within ninety days of issuance or they are subject to forfeiture.

FREIGHT POLICY

- A. Qualifications for Prepaid Shipments:
Freight charges will be prepaid or full freight allowed to points in the contiguous U.S. on all orders in excess of \$4,500. All Canadian orders in excess of \$5,000 (US) will be sent prepaid to a U.S. freight forwarder. All other shipments will be shipped freight collect, or freight prepaid and added to invoice. When the terms are met to qualify for prepaid shipment, but it is necessary to ship merchandise freight collect, the freight charges may be deducted from the invoice if paid within terms.
- B. Specific Carrier:
A customer that specifies a certain carrier is responsible for any excess charges over and above that which OR-FAB would have prepaid in Part A above.
- C. Drop Shipments:
A \$5.00 fee will be added to each drop shipment invoice.

ORDERING

- A. To avoid possible errors, please have your account number on all orders being placed.
- B. Facsimile/Mail/E-mail orders to: OR-FAB Inc.
P.O. Box 3450, Chino Valley, AZ 86323
Phone: (928) 636-3100, Fax: (928) 636-7079
Email: sales@orfab.com

BACKORDERS

- A. Backorders from a prepaid order will be shipped as soon as they are available prepaid by OR-FAB Inc.
- B. Backorders from an order which had not qualified as prepaid will be shipped at the expense of the customer, either collect or prepaid and added to invoice.
- C. It is ORF's policy to ship backorders as soon as the product is available. Please advise the ORF customer service department if you wish to cancel a backorder.

SHORTAGES & DAMAGES

- A. It is the customer's responsibility to check the condition and completeness against the freight bill/packing slip at the time of product delivery. Shortages should be immediately reported or the shipment accepted "subject to inspection".
- B. To expedite processing of claims against the carrier, the customer must note damages and shortages on the delivery receipt at the time of acceptance. Promptly request an inspection by the carrier or his claims agent. Please notify ORF customer service department immediately upon discovery of a shipping discrepancy.
- C. All shortages with the shipment must be reported to ORF within seven (7) days of receipt of the shipment. When reporting the shortage, be sure to refer to the invoice number, item description, part number, and carton count.

DO NOT DEDUCT SHORTAGES FROM INVOICES WHEN MAKING PAYMENT; CREDIT WILL BE ISSUED ACCORDINGLY BY OR-FAB Inc.

DEDUCTIONS

No deductions or credits may be taken from the invoice amount for returned goods or billing errors until a written credit is issued by ORF. Unauthorized deductions will be treated as partial payment of the invoice. This may result in a past due situation and is subject to the Credit Policy described above.

PRICES

Prices are subject to change at any time. Mere possession of any price list does not guarantee purchaser of the prices or product lines contained therein.

RETURNS

- A. Merchandise returned without an approved Return Goods Authorization (RGA) number will be refused and returned to the sender. An RGA will be issued by the Customer Service Department and must appear in a clearly visible position on the Bill of Lading.
 - 1. RGAs are issued for a one-time return. Multiple shipments on one RGA are not allowed.
 - 2. Merchandise to be returned must be received by ORF within 60 days from the issuance of the RGA. **After 60 days, the RGA is void.**

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3. Returned merchandise must be boxed and shipped in a manner so as not to be damaged in transit. Damage to boxes or product due to packaging will result in a re-box charge or loss of credit for the damaged product.
4. Returns due to reasons other than ORF error will be subject to a 20% restocking charge.
5. Authorized returnable ORF products must be shipped to: OR-FAB Inc., 3651 N. Hwy 89, Chino Valley, AZ 86323
All defective merchandise returns must be sent COLLECT via ORF approved carrier (see Part G below) and accompanying Bill of Lading must be marked: "NFMC ITEM # 104600 CLASS 50"
All other merchandise returns must be shipped freight PREPAID.
6. All shipments of returned merchandise must be accompanied by a packing slip. The packing slip must be affixed to the returned shipment, and the pallet which contains the packing slip must be clearly marked to indicate such. The packing slip must show:
 - a. Complete company name, address, and account number
 - b. RGA number issued by ORF
 - c. Reason for return (stock adjustment, damaged items, etc.)
7. The freight bill must include a total piece count of the shipment.
8. Any overages of product received, but not listed on the RGA, will be returned to the shipper freight COLLECT.
9. Returns are to originate from ORF's customers. Any returns erroneously shipped to ORF by a customer's end user without a valid RGA will be charged back to the customer.

B. Shipping Errors

Please notify the ORF customer service department in the event that there is a shipping error with your order. Shipping errors may be returned to OR-FAB Inc. upon assignment of an RGA number by the customer service department. Please note your purchase order number, account number, ORF order number, and original shipping date on the return packing slip. This will help to insure that the proper credit will be given to your account.

Please ship returned merchandise PREPAID, along with a copy of the freight bill attached to your packing slip and ORF will issue additional credit for the freight amount if a shipping error is confirmed. Returns due to reasons other than ORF error will be charged a 20% restocking fee.

C. Warranties/Alleged Defects:

1. ORF warrants all of its products to be free from defects in workmanship or material. ORF's obligation under warranty is limited to replacing or repairing any part or parts when such part or parts are returned to the factory. Warranty does not apply if any item has been altered, abused, used in an incorrect application, or not installed according to manufacturer's instructions.
2. All alleged defects will be handled on an individual product basis by the OR-FAB warranty department.
3. All warranty replacement products will be shipped freight PREPAID via OR-FAB approved carrier.
4. An itemized list of defective merchandise must be provided to the OR-FAB customer service department to obtain an RGA number.
Product returned and not authorized, and subsequently scrapped, is not eligible for credit.
5. All product that is returned as defective, and found to be non-defective, will be subject to a 20% restocking charge.
6. All product returned as defective must be returned to OR-FAB as stated under the terms and conditions in Part A above.

D. Missing parts or Fitment issues:

Contact the OR-FAB Customer Service Department if you discover any OR-FAB item that may be missing parts or if there are fitment issues. OR-FAB resellers are not authorized to accept returned missing parts from their customers.

E. Credits

1. Credits are issued within 15 working days from receipt of returned goods.
2. Credits must not be taken by the customer until authorized and issued by the OR-FAB Accounting Department.
Deductions will not be allowed without prior approval from the OR-FAB Accounting Department.
3. Credit will only be issued after inspection of returned product.
 - a. If an item is determined to be defective per the conditions of Part C.1 above, full credit will be issued to the customer.
 - b. Credit amounts may be deducted if parts are removed from returned products without express permission by OR-FAB.
 - c. Credit amounts will be deducted if product is returned via a freight carrier not listed as a OR-FAB approved freight carriers (see Part G below).
 - d. Credit will not be issued for product that is returned without prior authorization by OR-FAB.
4. In the case of OR-FAB product that comes in multiple boxes, credit will be issued for actual boxes returned, and not for the entire item if returned incomplete.

F. Stock Adjustments

1. Each account is allowed one (1) stock adjustment per calendar year. All stock adjustment requests must be submitted in writing.
2. The maximum value of product return allowed is three percent (3%) of the previous year's net purchases.
4. Customer accounts must be current prior to stock adjustment authorization.
5. Credit will be issued at the previous year's lowest net acquisition price.
6. All stock adjustments must be accompanied by a TWO-FOR-ONE OFFSETTING ORDER. Offsetting orders do not qualify for special promotions. Orders must be identified as offsetting orders at time of order placement and cannot predate the stock adjustment request date. No retroactive reclassification of orders will be allowed.
7. Stock adjustments will only be allowed for merchandise that is identified in the current or previous year's price list.
8. All stock adjustments are to be shipped PREPAID.

G. Call OR-FAB for Approved Carrier