Freight Policy Equipment and Spare Parts

Operations SAMSUNG

Overview

This policy defines the specifics of when freight charges will be applied to equipment and spare parts orders with Samsung HVAC. This updated policy takes effect April 1, 2022, and supersedes all previous versions.

Assumptions and Rules

- This policy supersedes any existing freight agreements and handling charges with Samsung HVAC.
- A signed and current Distributor or Spec Rep agreement must be completed with Samsung HVAC for the free freight allowed rules to be effective. Otherwise, freight will be pre-pay and added to the invoice.
- All terms of sales for shipping are F.O.B. origin, which means all shipments are invoiced at the time of shipping and any shipping issues are the responsibility of the buyer; however, Samsung HVAC is willing to assist as a courtesy.
- It is the responsibility of the consignee to inspect the shipment upon receipt to verify the correct model(s), quantity and condition of goods. If an error is detected, the consignee is responsible for noting the discrepancy on the Bill of Lading (BOL). THIS MUST OCCUR AT THE TIME OF DELIVERY OR THE CLAIM MAY BE DENIED.
- Damaged product must be notated on the BOL and accepted at the point of delivery.
 - o For timely and efficient processing of your credit, do not refuse delivery of the damaged unit. Please reference the <u>Order Return and Damaged Unit policy</u> on the extranet.
 - o Pre-pay and add shipment freight claims may be filed by Samsung HVAC. If the freight claim is approved, a credit will be issued against the original customer purchase order.
- Samsung HVAC:
 - o Reserves the right to ship from multiple locations
 - Determines the freight company, invoices pre-pay and adds 10% of the total purchase value to the invoices
 - A minimum charge of \$350 for LTL freight shipments and \$50 for small parcel shipments will apply.
 - Is responsible for freight shipments within the continental 48 states and Canada, provided the free freight threshold is met
 - Covers freight charges on all backordered product and reserves the right to ship with new purchase orders.
 - Backordered equipment will ship via LTL using the carrier of Samsung HVAC's choice
 - Expedited shipping will require a purchase order for freight to be pre-pay and added to the invoice.
 - Will add accessorial charges as needed including but not limited to lift-gates or construction site delivery charges.
 - Ships compressors, condensing units and air handlers via LTL carriers of Samsung HVAC's choice.

Assumptions and Rules (cont.)

- o Will ship warranty shipments via ground service
 - Expedited shipping will require a purchase order for freight to be pre-pay and added to the invoice.
 - Customers will be responsible for all import customs duties and fees for warranty shipments exported from the US.

Free Freight Allowed (FFA) Rules

Applies to all product families

- \$30K \$100K on a single order
 - o One (1) shipping location and must ship as one (1) release
- \$100K or greater on a single order
 - o One (1) shipping location with a maximum of two (2) releases
 - o Add one (1) additional shipping release for every \$100K

Damages and Returns

• Please refer to the Order Return and Damaged Unit policy on the extranet.