



## Zendex Tool Corp.

### Distributor Freight Policy Level 3 & 4

All FTL and LTL freight will be FOB Destination, freight collect and allowed. This means freight fees will be itemized on your final invoice. The shipper maintains liability for the goods until delivery at customer's loading dock.

Purchase orders that satisfy ALL the following conditions will be eligible for a freight allowance invoice credit based on the zone table listed below.

- 1) Order is shipping to a single authorized distributor location.
- 2) Sub-total of sales order before shipping cost **meets or exceeds \$5,000**
- 3) Shipment is within the Continental US
  - a. For shipments to Canada or Mexico, FOB Destination is defined as the US border terminal of choice. Therefore, freight allowance zone determination is based on US border terminal.

Orders that satisfy all these conditions will receive a percentage discount off the invoice based on the below table with a **maximum freight allowance credit value of \$2,500**

Zone	Freight Allowance	LTL Transit Days	States Included
1	1.5%	1-2 Days	CT, DE, IL, IN, KY, MA, MD, ME, MI, NC, NH, NJ, NY, OH, PA, RI, SC, VA, VT, WV
2	3.0%	3 Days	AL, AR, FL, GA, IA, KS, LA, NE, MN, MO, MS, ND, OK, SD, TN, WI,
3	6.0%	4-6 Days	AZ, CA, CO, ID, MT, NM, NV, OR, TX, UT, WA, WY

#### Partial Shipments

If an order satisfies the above three conditions AND is past the stated estimated ship date by more than 14 days, Zendex Tool will give the customer an option to partial ship what is available and apply the respective freight allowance to the partial order, as well as the balance of the order when available.

If an order satisfies the above three conditions but is not past the estimated ship date Zendex and the customer is requesting a partial be sent early Zendex will do so at their discretion. Freight in this case will be the customer's responsibility with no freight allowance.