



TERMS AND CONDITIONS OF SALE ~~ updated 02/26/2020

No one is authorized to make any representation or impose terms and conditions of sale binding upon Obsidian Manufacturing Industries, Inc. All sales of Obsidian Manufacturing Industries, Inc. products and services are subject only to the following terms and conditions of Obsidian Manufacturing Industries, Inc. Any proposal or quotation of Obsidian Manufacturing Industries, Inc. products/services shall be deemed an acceptance, and any terms and conditions therein contained in addition to or inconsistent with the following shall not be binding upon Obsidian Manufacturing Industries, Inc. The obligation of Obsidian Manufacturing Industries, Inc. and the following terms and conditions shall be governed by and construed according to the laws of the State of Illinois.

- 1) All quotations are subject to change at any time without notification and subject to confirmation and acceptance by Obsidian Manufacturing Industries, Inc.
- 2) Any quotation made by Obsidian Manufacturing Industries, Inc. shall in no event be effective more than 30 days from date thereof unless noted.
- 3) Obsidian Manufacturing Industries, Inc. reserves the right to limit quantities on all orders.
- 4) Amounts listed on price lists are subject to change without notice.
- 5) Minimum order total is **\$100**, excluding freight/shipping.
- 6) Obsidian Manufacturing Industries, Inc. offers no resale or dealer discounts or commissions, regardless of any prior agreements with our brand.
- 7) Prices do not include any taxes. Payment and reporting of any and all use, sales, privilege or other tax levied with respect to the goods under any federal, state or local law are the responsibility of the purchaser.
- 8) For new customers, first order terms shall be **prepaid** if shipment is required immediately. Subsequent orders shall be offered our standard terms, Net 30, if a credit application is submitted, processed and approved by us. If no credit application is submitted by you, Net 30 terms will not be established for future orders. If immediate shipping is not needed and customer wishes to establish terms, a minimum holding period of 3 weeks will be placed on the order to provided time for processing credit application.
- 9) Terms for orders totaling **\$500** or less are prepaid only, regardless of previous terms established with customer.
- 10) **Prepaid terms** include the following forms of payment: credit card, electronic bank transfer, check and cash or guaranteed COD. Under no circumstance will a prepaid order ship before payment is processed.
- 11) All shipments are FOB Rockford, Illinois USA. All goods are at risk of purchaser from and after delivery to carrier.
- 12) Shipping dates are not a guarantee of a particular day of shipment and are approximate being based upon production schedules existing at time of receipt of purchase order and are subject to change. Obsidian Manufacturing Industries, Inc. shall not be responsible for any delay in shipment for causes beyond its control including, but not limited to, vendor delays, war, riots, strikes, labor trouble causing interruption of work, fires, serious accidents, transportation delays, modification of order, any act of Government priorities, or acts of God.
- 13) All freight costs to and from the customer are the responsibility of the customer. Any shipments we receive collect will be refused. If the shipment is received by mistake, all collect charges will be added to the customer's final invoice for reimbursement. For outgoing shipments, we will only ship collect. We do not prepay and add any shipping, freight costs or trucking fees.
- 14) A purchase order or authorization is required for all orders, including credit card orders. Unfortunately, we cannot accept verbal phone orders. If it is not your company's policy to produce purchase orders, then a simple email or fax will suffice as long as it states the following:
 - (a) The purchasing company name and legal address
 - (b) Contact person's name and phone number
 - (c) Item you'd like to purchase including quantity and agreed upon price
 - (d) Shipping method and address
 - (e) Payment terms of order
- 15) For credit card orders, an Obsidian Manufacturing Industries, Inc. quote may be used as your purchase authorization if all information is current on the quote and it is signed and dated by an authorized purchasing agent.
- 16) No credit card orders will be shipped until the credit card is processed and approved.
- 17) All orders will be invoiced the day they are shipped, except as noted.
- 18) **Net 30 terms** are our standard terms for established customers, in good standing, with a current credit application on file. Full payment is due in 30 days from date of invoice. For established customers in good standing a 2% discount of the invoice total will be given if payment is **received** within 10 days of the invoice. This discount option will be stated on the invoice if offered.
- 19) All terms are calculated on the invoice date. We can fax, email or snail mail your invoice, whichever you prefer.
- 20) Orders must be received and processed by 12pm (noon) Central Standard Time in order for them to ship the same day.
- 21) For larger orders, generally those with production times greater than 4 weeks and/or those totaling in excess of \$10,000 and less than \$100,000, special terms will apply as outlined below. Orders exceeding \$100,000 terms shall be negotiable with purchaser and in written agreement with Obsidian Manufacturing Industries, Inc. and purchaser before production will begin.
 - (a) 35% down payment when order is placed and will be due upon receipt, no discounts. Production and Engineering do not begin until down payment is received by Obsidian Manufacturing Industries, Inc.
 - (b) 35% due upon receipt of second invoice before final shipment is prepared. We will issue an invoice when shipment is near completion with an estimated shipment date. This invoice shall be due upon receipt, no discounts. Items will not ship until second payment is received by Obsidian Manufacturing Industries, Inc.
 - (c) Remaining 30% payment due within 30 days of final shipment date. The 2% 10 day discount option is available for established customers in good standing on the final invoice.



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- 22) All products and services are covered under our 2-year warranty unless stated on our invoice. Used items are as is with no warranty, unless noted. Electrical parts not installed at our facilities by our technicians are not covered under our warranty. All spare electrical components are tested by our technicians before shipment.
- 23) ALWAYS READ AND FOLLOW INSTRUCTION MANUALS AND SAFETY WARNINGS.
You must be particularly careful when dealing with electricity. Stay aware of potential hazards and understand the importance of electrical safety. Always respect the power of electricity. Certain areas require securing a permit for any electrical work. Consult your local authorities regarding the laws in your area before beginning any electrical service. Any advice, guidance or other information provided by Obsidian Manufacturing Industries, Inc. or within any of our publications, including websites, cannot completely anticipate your situation. If you are at all unsure about completing any aspect of the installation or any other electrical troubleshooting, consult a qualified electrical contractor to perform the service(s) for you. Testing and analysis of electromagnetism and electricity should only be done by trained electricians that are qualified and trained to do so.
- 24) By signing the approval drawing(s) provided by Obsidian Manufacturing Industries, Inc., you are stating your authorization of the specifications as noted on the drawings so that manufacturing may proceed. Please review carefully, and note that production will not begin on product until signed approval drawing(s) is received by Obsidian Manufacturing Industries, Inc.
- 25) Descriptions and specifications listed on quotations, sales order acknowledgements, packing slips and invoices may be general descriptions used for informational purposes only. Specifications listed on approval drawings, product identification tags and manuals provided with the specific products should be used for installation, reference, set up and use of the product.
- 26) A copy of our warranty is available at www.obsidianmfg.com
- 27) Continually making untimely payments may lead to Obsidian Manufacturing Industries, Inc. suspending further shipments and/or credit terms until acceptable payment practices and good standing can be once again established.
- 28) An updated credit application may be requested by Obsidian Manufacturing Industries, Inc. and any questionable order may be held until updated credit application is processed and approved.
- 29) By customer providing a purchase order or similar documents as described in item 14 above, it is understood by customer and Obsidian Manufacturing Industries, Inc. that all above listed payment terms supersede any payment terms provided by customer.
- 30) Accounts not paid within stated terms of the invoice are subject to a 1.5% (18% APR) monthly finance charge.
- 31) Obsidian Manufacturing Industries, Inc. reserves the right to claim interest and compensation for debt recovery costs on any past due balance if it is not paid according to the stated credit terms.
- 32) Failure to make timely payments resulting in a past due balance totaling more than 10% of the total value of the property and extending beyond 15 days of the due date of any invoice may result in recovery of the property listed on said invoice. All recovery costs of the property are the responsibility of the customer.
- 33) No action shall be brought against Obsidian Manufacturing Industries, Inc. for any breach of its contract of sale more than one year after the accrual of the cause of action therefor, and, in no event unless the purchaser shall first have given written notice to Obsidian Manufacturing Industries, Inc. of any claim of breach of contract, within 30 days after the discovery thereof.
- 34) No accepted purchase order may be modified except by written consent of Obsidian Manufacturing Industries, Inc. nor may it be cancelled except by prior payment to Obsidian Manufacturing Industries, Inc., the following sums as liquidated damages therefor:
 - (a) If cancellation is prior to commencement of production and prior to the assumption of any obligations by Obsidian Manufacturing Industries, Inc. for any materials or component parts, a sum equal to 15% of the total purchase price.
 - (b) If cancellation is after the commencement of production or after the assumption of any obligations by Obsidian Manufacturing Industries, Inc. for any materials or component parts, a sum equal to the total of the direct, out-of-pocket expenses incurred to the date of cancellation for labor, machine time, materials and any charges made to us by suppliers for cancellation, plus 30% of the total purchase price. All charges and expenses shall be as determined by Obsidian Manufacturing Industries, Inc.
- 35) All returned items are subject to a 25% restocking fee.
- 36) Shipments of used equipment with payments made via check will be held for no more than 10 business days for payment verification from customer's bank.
- 37) Any discounting on spare parts will be offered and clearly stated on quotations and current price lists. Any prior discounting offered to a customer is subject to change without notification and should not be assumed for future orders.
- 38) Obsidian Manufacturing Industries, Inc. reserves the right to revoke or refuse any discounting when customer's account becomes past due and is consistently not kept current with terms.
- 39) Handling fees will be charged for all orders based on weight of package, value of shipment, size of package, time and materials used to create shipment. Handling fees will be calculated at time of quotation and customer is responsible for those charges if order is placed. Orders will be held, and production will not begin until purchase order correctly reflects order total including all handling fees.
- 40) Obsidian Manufacturing Industries, Inc. does not sell, or ship batteries used in lift magnets. Furthermore, we do not accept shipments containing batteries. All new battery-operated lift magnets are sold without a battery. It is the responsibility of the customer to acquire the battery.
- 41) Obsidian Manufacturing Industries, Inc. reserves the right to back charge any customer for any fees imposed on them for shipping and/or freight including address corrections, handling charges, etc. that pertains to customer's order.