

# Kao USA Inc. Freight & Payment Terms

**Effective Date:** July 15, 2022

**Purpose:** Define the Kao USA Inc. terms and conditions of sale to domestic customers.

**Process:**

## **1. General**

- a. Kao USA Inc. products are not sold on consignment or trial
- b. Any claims or adjustments to the invoice must be made within 60 days in writing with documentation
- c. All customer orders are subject to acceptance by Kao USA Inc. Kao USA Inc. terms and conditions supersede all conditions stated on accepted Purchase Orders.

## **2. Freight Terms**

- a. Kao USA Inc. minimum order requirement is 500 pounds.
- b. Orders are shipped FOB DESTINATION FREIGHT PRE-PAID to Continental US destination.
- c. For Alaska, Hawaii and Puerto Rico destinations, FREIGHT PRE-PAID to Mainland destination, (FREIGHT COLLECT BEYOND).

## **3. Cash Discount Terms are offered to all Domestic customers in good credit standing**

- a. Payment Terms are 2% 23 DAYS, NET 24 DAYS, RECEIPT OF GOODS, These terms are calculated from the date of receipt. All payments are to be received by Kao USA Inc. by the due date.
- b. Electronic Funds Transfer (EFT) Terms are 2% 27 DAYS, NET 28 DAYS, RECEIPT OF GOODS

## **4. Extended Cash Discount Terms For New Distribution Centers**

- a. Customers may receive an additional 30 days dating to cover the initial stocking of a new warehouse location. The special terms are 2% 53 DAYS, NET 54 DAYS, RECEIPT OF GOODS (EFT - 2% 57 DAYS, NET 58 DAYS, RECEIPT OF GOODS). These terms are available on one initial order, and must be requested on the customer's PO that is submitted to Kao USA Inc.
- b. Any other exceptions to Cash Discount Terms must be jointly approved by General Manager and the Vice-President, Finance Department.

*This Policy supersedes any previously published Policy*

