

Pre-Pay & Hold Policy

Upon receiving a hold-for-release inquiry, the following will take place:

1. Quotes: Quotes will include the language, "Due to the risk of rising prices in the industry, orders must be given a release date that is within 10 business days of order placement. The purchase of this material is not eligible for indefinite hold-for-release without prepayment."
2. Eligibility:
 - a. Stock items are eligible for Pre-Pay & Hold. Unusually large quantities of stock items will be treated as non-stock.
 - b. Non-Stock Items Options:
 - i. Pre-Pay & Hold Orders require written (e.g. e-mail) approval by the I/S or O/S Manager to order material from the manufacturer.
 - ii. Pre-Pay & Hold *must be grouped and placed on their own separate order*. All special-order items are subject to the manufacturers return terms.
3. Pre-Pay & Hold Orders:
 - a. Prepayment must be received before order placement with the manufacturer. Wire transfer or ACH payment will help facilitate order placement.
 - b. This material will be stored at Pipe Valves for a maximum of 90 days at the rate of \$20 per pallet per month (or equivalent). Written approval to extend the hold period must be received. Material on-site beyond the agreed upon hold period will be considered abandoned and scrapped.
 - c. Your payment will be posted as a pre-payment to your account and applied as released.
 - d. Cancelled orders will be subject to MFR cancellation fees and costs. Some vendors are non-cancellable, non-returnable; as such, costs can exceed 100%. (e.g. cost of material, freight, disposal). Beware of manufacturer's "return opportunity window" - these windows are typically from the date the manufacturer ships the material, not when the customer takes physical possession.
 - e. A down-payment invoice will be sent via the PV office manager to the customer for the entire contents of the hold-for-release order; payment receipt will be required to place the order. The invoice will have a copy of the order acknowledgement attached when e-mailed to the customer.
 - f. As items are received and placed in storage, the resulting pick ticket(s) will be given to the office manager so that the storage location is recorded in P21; the pick ticket is then returned to the inside salesperson for follow-up and subsequent release.
 - g. Monthly review will take place to determine that the terms of the agreement are followed. Cancelled special order items are subject to cancellation fees and costs associated with the return to vendor. Items cancelled by the customer on hold-for-release orders are NOT to be de-allocated or cancelled: Bring them to the attention of the inside sales manager and he or his designee will communicate the available alternatives to the customer and start the RMA process.