

IKAD ENGINEERING PTY LTD

ABN: 34 101 876 037

PURCHASE ORDER TERMS AND CONDITIONS

These Terms and conditions apply to Purchase Orders issued by IKAD Engineering to a supplier.

1. GENERAL

1.1 Every purchase order ('Order') we issue is an offer to acquire products from you subject to these terms and conditions ('Purchase Terms') and any written special conditions that we include with our Order. Where you accept our Order, there is a contract on this basis ("contract"). Any terms and conditions in your quote, offer document, Order acceptance or any other document you supply are excluded except to the extent accepted by us in writing.

2. DELIVERY

2.1 You must supply products as, where and when specified in our Order or otherwise directed by us (at any time) in writing. You must keep us informed of any delays or other matter which may affect the delivery of products.

2.2 Time is of the essence of the Order and we reserve the right to cancel the Order or any portion of it without penalty in the event that delivery is not made within the time specified and agreed.

3. CANCELLATIONS

3.1 We may cancel an Order by written notice to you:

- (a) at any time prior to supply; or
- (b) after supply, if products are not in accordance with our Order (including where wrong quantities are delivered) or if you otherwise breach this contract.

4. QUALITY

4.1 You must, and all products you supply must, strictly comply with all applicable laws, regulations, codes and Australian Standards, and with our Order (including any performance criteria).

4.2 Goods must be new (unless agreed otherwise in writing), fit for the purpose for which they are acquired, free from damage and defects in workmanship and materials and be of merchantable quality. Services must be performed to a high standard of professional care and skill by appropriately trained and qualified personnel.

4.3 Without limiting clause 4.2, you must assign to us the benefit of any warranty or guarantee given by the manufacturer in respect of goods.

4.4 We may reject products which do not comply with our Order or these Purchase Terms, even if we have previously inspected and / or accepted them. Where products are rejected, you must, at our option within 5 days:

- (a) replace, repair or re-supply the products at your expense; or
- (b) refund to us any amount we paid for the rejected products.

4.5 Any expense associated with return of the products is at your cost.

5. PRICE AND PAYMENT

5.1 The price for products is the price stated in our Order.

5.2 Unless the Order expressly states otherwise, the price is inclusive of:

- (a) any applicable GST; and
- (b) all packing, insurance and delivery charges and all taxes and duties.

5.3 You may only invoice us after all products have been delivered or services completed to our satisfaction. Your invoice must:

- (a) be correctly addressed;
- (b) identify our Order number;
- (c) be a valid tax invoice for GST purposes; and
- (d) where we request it, be accompanied by documentation substantiating the amount claimed.

5.4 We will pay all correctly rendered and undisputed invoices within the time stated in the Order or within 45 days from the end of the month after receipt of your properly-issued invoice, whichever is the later.

5.5 If we dispute an invoice:

- (a) payment is suspended until the dispute is resolved; and
- (b) you must give us any information or document we request in relation to the invoice or the dispute.

5.6 As well as any of our other rights, we may deduct or set-off from your invoice any amount you owe us (including under any indemnity).

6. TITLE AND RISK

6.1 Title to and risk in products passes to us on acceptance following delivery.

6.2 You warrant that:

- (a) you have complete ownership of the products free of any encumbrances;
- (b) we will receive clear and complete title to the products free from any encumbrances; and
- (c) no claim of infringement of moral rights will be brought against us by your employees or agents.

6.3 Any intellectual property rights created from your performance of this contract vest in and are assigned to us on creation.

7. OUR MATERIALS

7.1 Any tools, patterns, designs, drawings, dies or other material used in supplying or manufacturing products and that is paid for or supplied by us ('our materials') is our property.

7.2 While our materials are in your possession, you:

- (a) hold them solely as our bailee;

- (b) must store them securely and maintain them in good repair;
- (c) must use them only for the purpose of performing this contract; and
- (d) must return them to us on demand.

8. PRIVACY

- 8.1 You must comply, and must ensure that your representatives (employees, officers, (sub-contractors and other agents) comply, with all applicable privacy laws.

9. INDEMNITY AND INSURANCE

- 9.1 You indemnify us, our officers, employees, agents and customers against all loss, damage, claim, expense or liability incurred in connection with:

- (a) your performance or breach of this contract;
- (b) any products you supply;
- (c) a claim by a third party that the products infringe their intellectual property rights; and
- (d) any negligent or wilfully wrong act or omission by you, your officers, employees, agents and contractors.

- 9.2 You must effect and maintain appropriate insurance policies, taking into account the products you supply. You must provide us with proof of your insurance upon request.

10. SUBCONTRACTING

- 10.1 You must not subcontract the whole or any part of your obligations under this contract without our prior written approval, which we may grant or withhold at our sole discretion. You will remain principally liable for the performance of this contract and any Order and the acts and omissions of any subcontractor.

11. TERMINATION

- 11.1 As well as and without prejudice to our other rights, we may terminate this contract where:

- (a) you fail to supply products by the date required in our Order;
- (b) you breach this contract; or
- (c) you become or threaten to become insolvent or bankrupt or enter into a compromise or arrangement with creditors or any form of external administration or have or are in our reasonable opinion likely to have a controller appointed.

12. MISCELLANEOUS

- 12.1 This contract may only be varied with our written agreement.
- 12.2 You may not assign this contract without our prior written consent, which we may grant or withhold at our sole discretion or subject to conditions.
- 12.3 These Purchase Terms plus our Order constitute the entire agreement between us and you in relation to its subject matter.
- 12.4 We enter into this contract with you as independent contractors. No relationship of employment, agency, partnership or joint venture is entered into or created by this contract.
- 12.5 Our delay or failure to exercise a right under this contract is not a waiver of that right or any other rights. Our consent to a breach of this contract is not a consent to any subsequent breach or different breach.
- 12.6 If a provision of these Purchase Terms is unenforceable for any reason, it shall be read down to

the extent of its unenforceability and the balance of the contract shall continue to apply. These Purchase Terms must not be construed to our disadvantage merely because we prepared them.

- 12.7 This contract is governed by the law of Western Australia. You submit to the jurisdiction of the courts of Western Australia and waive any right to claim that those courts are inconvenient forums.

13. DEFINITIONS AND INTERPRETATION

- 13.1 In these Terms:

- (a) The singular includes the plural and vice versa.
- (b) A person includes a firm, body corporate, unincorporated association or authority and reference to a person includes their executors, administrators, successors, substitutes and assigns.
- (c) A reference to '\$' is a reference to Australian currency.
- (d) 'including' and similar expressions are not words of limitation.
- (e) 'goods' means goods set out in our Order.
- (f) 'products' means goods and / or services and includes any deliverable resulting from a service.
- (g) 'services' means services set out in our Order.
- (h) 'us', 'we' or 'our' means IKAD Engineering Pty Ltd ABN 34 101 876 037.
- (i) 'you' or 'your' means the supplier of products set out in our Order.