

Standard Terms & Conditions of Purchase of Goods or Services

These standard terms and conditions ("Standard Terms") apply by default, some clauses herein may be succeeded by separately negotiated major supplier agreements or project specific contracts:

- 'Day/s' means business day for Nerang, Queensland.
- 'Goods' means goods ordered by PTAS from the Supplier under an Order;
- 'Order' means an order for goods or services placed by PTAS;
- 'Privacy Law' means the Privacy Act 1988 (Cth)
- "PTAS" means P.T. Automation Solutions Pty Ltd [ABN 33 100 795 999]
- 'Services' means any services to be provided by the Supplier under an Order; and
- 'Supplier' means the party on which an Order is placed.

1. APPLICATION OF TERMS AND ORDERS

- 1.1 In consideration of PTAS placing an Order, the Supplier agrees to these Standard Terms. These Standard Terms apply to, and are incorporated into, an Order to the exclusion of any other terms and conditions contained in any purchase order, letter or any other document of the Supplier, unless otherwise agreed in writing by the parties.
- 1.2 PTAS may provide the Supplier with Orders.
- 1.3 The Supplier must:
 - (a) notify PTAS of its acceptance of any Order; or
 - (b) notify PTAS of its refusal to accept an Order because it is unable to satisfy any of the terms of the Order (including by specifying which terms it is unable to satisfy and, where appropriate, alternative terms which it would be able to satisfy), within one business day of receipt of an Order.
- 1.4 If the Supplier fails to notify PTAS in accordance with clause 1.3, the Order is deemed to be accepted by the Supplier on these Standard Terms.
- 1.5 The Supplier must supply Goods or Services in accordance with the terms of any Order accepted under these Standard Terms.
- 1.6 Subject to PTAS bearing any reasonable cost increase, PTAS may revise an Order, including changing the delivery point or deferring the delivery date, by notice to the Supplier before the delivery date specified in the Order.
- 1.7 PTAS may cancel an Order by at least 5 business days' notice to a Supplier before the delivery date specified in the Order.

2. PRICE AND PAYMENT

- 2.1 Unless otherwise notified in writing by PTAS, all prices specified in an Order are fixed and include all delivery charges, excises, duties, labelling, cases, crates or other packaging materials.
- 2.2 All invoices for Goods or Services must bear the Order number. Supplier invoices receipt cut-off is 3 business days after end of applicable month. Unless otherwise specified in an Order, PTAS pay the Supplier's invoice 30 business days from the end of the month in which the invoice is received and accepted by PTAS.
- 2.3 The Supplier will ensure that each invoice includes adequate information for PTAS to verify that the invoice is accurate, it matches detail requested in the PTAS Order, and will provide supporting documentation reasonably requested by PTAS. PTAS will use its best endeavours to resolve missing or inaccurate information with the Supplier, noting these efforts may delay timely payment of any invoice.
- 2.4 PTAS is entitled to set off from any amount owed by PTAS to the Supplier any amount the Supplier owes PTAS, whether under these Standard Terms or otherwise.
- 2.5 PTAS may withhold payment for Goods or Services supplied that it disputes in good faith until the dispute has been resolved. PTAS must notify the Supplier if it intends to rely on this clause.

3. DELIVERY AND ACCEPTANCE

- 3.1 The Supplier will deliver the Goods to the delivery location and provide the Services in accordance the directions and any time frames set out in the Order or any accompanying correspondence with the Order and in this respect, time shall be of the essence.
- 3.2 The Supplier must notify PTAS as soon as it becomes aware that Goods or Services may not be delivered by the time specified in an Order and must use its best endeavours to provide PTAS with an alternative acceptable to PTAS. The Supplier is responsible for any extra costs involved in delivery if the Supplier's failure to comply with an Order requires goods to be sent or Services to be delivered by a more expeditious method than is usual. A notice under this clause does not relieve the Supplier of its obligations or affect PTAS's rights under these Standard Terms.
- 3.3 The Supplier must provide PTAS a copy of the dispatch note at the time the Goods are shipped. The original of the dispatch note quoting the Order number and any other information reasonably required by PTAS must accompany each delivery of Goods. PTAS may refuse to accept delivery of Goods without a delivery docket.
- 3.4 Payment for the Goods or Services or signing delivery receipts before inspection does not constitute acceptance of the Goods or Services.
- 3.5 Delivery of Goods is deemed to have occurred only when Goods have been unloaded at the delivery location and the delivery has been accepted by PTAS pursuant to clause 3.8.
- 3.6 Delivery of Services is deemed to have occurred only when a duly authorised representative of PTAS has approved the Services in writing.

- 3.7 In the event of delays in delivery by the Supplier which are not attributable to an event of force majeure or a default by PTAS, Supplier shall pay PTAS liquidated damages for delay calculated on the total amount of the Order at a rate of 1% per calendar week of delay up to a maximum of 15% of the Order amount. The parties agree that this is a genuine pre-estimate of loss that may be suffered by PTAS as a result of Supplier's delay.
- 3.8 The Supplier will verify and ensure that all Goods will comply with any specifications which are referred to by PTAS in the Order. If on inspection PTAS finds that the Goods do not conform to the requirements of these Standard Terms or such specifications referenced in the Order or are otherwise defective, PTAS may reject the defective Goods in which event the provisions of clause 3.9 will apply.
- 3.9 If the Supplier supplies any Non-Compliant Goods which are rejected in accordance with clause 3.8, without limiting PTAS's rights:
 - (a) PTAS may notify the Supplier that it rejects the Non-Compliant Goods, giving details of the non-compliance;
 - (b) PTAS may, at the Supplier's cost, dispose of or destroy the Non-Compliant Goods, return them to the Supplier or require the Supplier to dispose of or destroy the Non-Compliant Goods; and
 - (c) if requested by PTAS, the Supplier must give PTAS a credit for the Non-Compliant Goods or repair or replace the Non-Compliant Goods within a period specified by PTAS.
- 3.10 The Supplier must comply with all lawful and reasonable requests of PTAS in connection with any product recall of Goods.

4. PACKAGING AND SHIPMENT

- 4.1 PTAS is only responsible for returning cases or other durable packaging to the Supplier if this is specified in an Order. Such cases or packaging must be clearly marked 'returnable' by the Supplier and display the Supplier's name and return delivery address. All costs incurred by PTAS in the returning the cases and packaging must be borne by the Supplier. If the Supplier does not comply with the requirements of this clause 4.1, PTAS is not responsible for the return of the cases or packaging.
- 4.2 The Supplier must ensure that all Goods are secured and packed in a manner that protects them against damage and deterioration during transportation to, and storage in, the delivery location. PTAS will open packaging with care, and Suppliers will accept returned goods with minor damage and marking of packaging associated with reasonable handling.

5. TITLE AND RISK

- 5.1 Title and risk in Goods passes to PTAS on delivery in accordance with clause 3.6. PTAS accepts no responsibility for any Goods that are not delivered in accordance with that clause.
- 5.2 The Supplier is responsible for all transport and unloading costs, and must insure Goods to their full insurable value and with a reputable insurer, against all risks of damage or loss prior to delivery in accordance with clause 3. Goods must be delivered free of any encumbrances.

6. PRE-DELIVERY INSPECTION AND TESTING

- 6.1 In addition to PTAS's right to inspect Goods on delivery, the Supplier must permit PTAS and its representatives' access to the Supplier's premises (and if applicable any subcontractor's premises) on 1 business days' notice to inspect and test Goods, inspect the premises and audit the Supplier's compliance with any Order.
- 6.2 The Supplier must comply with any reasonable requests of PTAS arising out of its inspection or testing of the Goods, including rectifying any non-compliance with an Order.
- 6.3 Nothing in this clause 6 relieves the Supplier of any of its obligations under an Order.

7. CONFIDENTIALITY

- 7.1 The Supplier must keep the terms of an Order and any other confidential information of PTAS (including all technical information and drawings, data, specifications, business data and other commercially valuable information) confidential and not disclose it to any other person except as required to fulfil an Order, or use PTAS's confidential information in any manner which may cause injury or loss to PTAS or in any manner other than contemplated by these Standard Terms. The obligations in this clause 7 do not apply to confidential information which is lawfully in the public domain or required by law to be disclosed.

8. INTELLECTUAL PROPERTY

- 8.1 The Supplier acknowledges that PTAS owns all intellectual property in any specifications, technical data, drawings, designs and other materials provided by PTAS in connection with an Order ('PTAS Intellectual Property').
- 8.2 PTAS grants the Supplier a non-exclusive, non-transferable licence to use PTAS Intellectual Property solely for the purpose of fulfilling an Order.
- 8.3 The Supplier must take any action required to give effect to or confirm PTAS's ownership of its Intellectual Property.
- 8.4 The Supplier must not copy PTAS Intellectual Property except to the extent necessary to fulfil an Order.
- 8.5 The Supplier warrants that the distribution, sale or use of Goods (except any part of the Goods based on PTAS Intellectual Property) or the Developed Intellectual Property (as defined in clause 9.1) will not infringe the intellectual property rights of any person.
- 8.6 The Supplier must, on the request of PTAS, immediately return, and/or confirm secure disposal of PTAS Intellectual Property and any copies of it.

9. DRAWINGS, SPECIFICATIONS AND DESIGNS

- 9.1 If any specifications, technical data, drawings, designs and other materials in connection with an Order ("Developed Intellectual Property") are prepared by the Supplier, its employees or any other person commissioned by the Supplier for the purpose of fulfilling an Order, the Supplier must assign all intellectual property rights in these to PTAS, and take any action required by PTAS to give effect to this clause, including obtaining any assignment from its employees or a third party.
- 9.2 The Supplier must not copy or use any Developed Intellectual Property for any purpose other than fulfilling an Order.
- 9.3 The Supplier is responsible for any errors or omissions in the Developed Intellectual Property, regardless of whether they have been approved by PTAS.
- 9.4 The Supplier warrants that Goods manufactured, or Services performed in accordance with the Developed Intellectual Property will comply with all relevant laws and regulations, including all product safety laws and standards.

10. MATERIALS

- 10.1 If specified in an Order that the Supplier is to manufacture or otherwise obtain from any other source, including PTAS, dies, tools, component parts, raw materials and patterns specifically for the purpose of manufacture of Goods ('Materials'), or in the case of general utility Materials where they are to be charged to the Supplier as a specific priced item:
 - (a) title in the Materials (if not previously vested in PTAS) will vest in PTAS when they are obtained by the Supplier; and
 - (b) any price quoted by the Supplier for the Goods must include the price of Materials and, if no separately priced item is included in the quotation for Materials, the Supplier must not make any separate or further charge for Materials.
- 10.2 The Supplier must, at any time on PTAS's request, immediately deliver to PTAS all Materials belonging to PTAS, which are in the possession of the Supplier or any other person.
- 10.3 The Supplier must not use, or permit any other person to use, Materials for any purpose other than fulfilment of an Order.
- 10.4 The Supplier is responsible for ensuring the safekeeping, insurance and proper maintenance of all Materials belonging to PTAS until such time as they are provided to PTAS.

11. OTHER SUPPLIER OBLIGATIONS

- 11.1 If the fulfilment of the Order requires PTAS to have any licence or other permit from any government or other authority, the Supplier must ensure that it holds such licence or permit.
- 11.2 The Supplier must not communicate directly with any authority in relation to PTAS, any of its related bodies corporate, the Goods or the Services without PTAS's prior written approval except as required by law, nor may it refer to the name of PTAS or the Goods or Services for its own promotional, advertising or publicity purposes without PTAS's prior written approval.
- 11.3 The Supplier must not, without the prior written consent of PTAS, sub-contract any of its obligations under an Order. Any subcontracting of its obligations under this clause 11.3 does not relieve the Supplier of any of its obligations under an Order or these Standard Terms.
- 11.4 The Supplier must comply with all reasonable and lawful directions of PTAS and all applicable laws, regulations, requirements of any relevant authority and requirements of any industry codes of practice and PTAS's corporate business principles from time to time when performing its obligations under an Order, including all laws relating to occupational health and safety and the environment.
- 11.5 The Supplier must inform PTAS in writing of any major changes made to the Goods supplied under an Order or to its manufacturing process affecting the processes, the procurement of critical components, the design of the Goods, the location of the plant(s), provided such changes impact or may impact on the Goods' technical specifications, compliance with standards, lifecycle, reliability or quality. The Supplier shall inform PTAS in writing nine (9) months prior to the date scheduled for the implementation of any major change. PTAS reserves the right to refuse any major change. All major changes remain under the full responsibility of the Supplier. The Supplier shall repay to PTAS all the costs borne by the latter during, or in the context of, the reclassification of the Goods and/or components affected by the major change.

12. WARRANTIES

- 12.1 The Supplier warrants that:
 - (a) All Goods will comply with and operate in accordance with their specifications and be free from any design, manufacturing and/or material defect affecting the Goods for a period of twenty-four (24) months commencing on the delivery date referred to in clause 3.5. If PTAS notifies Supplier of a defect in the Goods during the warranty period the Supplier undertakes to rectify, repair or replace the Goods at the site (including any deinstallation or reinstallation) at its expense (including any staff travel, dismantling / reassembly expenses) so that the latter operates in full compliance with the provisions of the Order and the use for which it is intended.
 - (b) In addition to the warranty set out in paragraph (a), all Goods supplied under an Order: (i) are of good and merchantable quality, fit for their purpose or for any specific purpose PTAS has communicated to the Supplier; (ii) conform to any sample of a Good provided to the Supplier; (iii) are made with high quality materials; (iv) are made with relevant best industry practice and a high level of care, skill and diligence;
 - (c) all Services provided under an Order are supplied in accordance with best industry practice and performed with a high level of skill, care and diligence; and
 - (d) it, its officers, employees, agents and contractors have the necessary experience, skill and ability to properly fulfil its obligations under each Order.
 - (e) It will perform its obligations and protect any personal information disclosed by PTAS during the course of the performance of the Services by the Supplier in accordance with the Privacy Laws.

12.2 The Supplier shall compensate PTAS for all costs, damages and losses borne by PTAS and/or for which it is found liable under third-party claims, owing to the Supplier's breach of any of the warranties in this clause 12. Moreover, should the Supplier decide to stop marketing the Supply and/or should it decide to change the composition thereof, it shall advise PTAS at least nine (9) months prior to the marketing end date and/or the date when such change becomes effective.

13. INDEMNITY AND INSURANCE

13.1 The Supplier indemnifies PTAS and its directors, officers, employees and agents against all damages, losses, costs and expenses incurred by any of them arising out of:

- (a) any breach by the Supplier of an Order; and
- (b) any act or omission of the Supplier or its directors, officers, employees, contractors or agents in connection with the Goods, the Services or an Order.

13.2 The Supplier will at all times maintain:

- (a) Comprehensive General Liability insurance covering all liabilities in respect of any injury to, or death of, any person or any loss, damage or destruction to property however caused. Such insurance must provide a cover to an amount of not less than AUD\$5,000,000 per occurrence.
- (b) Professional Indemnity insurance in the event the Supplier is providing Services pursuant to an Order for an amount of not less than AUD\$5,000,000 per occurrence.
- (c) The Supplier will provide PTAS copies of certificates of insurance for the insurances described in clause 14.2(a) and (b) if requested by PTAS. The Supplier shall be solely responsible for ensuring that its subcontractors maintain insurance coverage at levels no less than those required of the Supplier under this clause.

14. TERMINATION ON SUPPLIER'S DEFAULT

14.1 Without prejudice to any other rights or remedies to which it may be entitled, PTAS may terminate an Order by notice to the Supplier if:

- (a) the Supplier becomes or is in jeopardy of becoming bankrupt or going into liquidation, has a receiver or receiver and manager appointed to it or any part of its assets, enters into a scheme or arrangement with creditors or suffers any other form of external administration;
- (b) the Supplier commits any breach of its obligations under an Order and fails to remedy such breach within 7 days of receipt of notice from PTAS requiring it to do so; or
- (c) the Supplier commits a breach of its obligations under these Standard Terms which is incapable of remedy.
- (d) If the Supplier does not deliver Goods or Services on time in accordance with an Order, PTAS may cancel the Order in whole or in part. Unless agreed to in writing by PTAS, PTAS will be deemed not to have waived any rights under these Standard Terms of the Order with respect to a delay notwithstanding its failure to exercise its rights upon being made aware of the delay.

15. GST

All prices quoted in an Order are inclusive of GST, unless otherwise stated. In relation to any GST payable for a taxable supply under these Standard Terms, the recipient of the supply must pay the GST subject to the supplier providing a valid tax invoice. Terms used in this clause 16 which are defined in the GST Act have the same meaning as in the GST Act. In this clause 16, GST Act means the A New Tax System (Goods and Services Tax Act) 1999.

16. FORCE MAJEURE

Neither party will be liable for a failure to perform its obligations under an Order if such failure results from circumstances beyond the party's reasonable control, except that labour and industrial disputes (including disputes between the Supplier and its own employees) and lack of Goods, equipment or materials will not be taken to be matters outside their control.

17. CONFLICT OF INTEREST

The Supplier warrants that after making diligent inquiry at the date of each Order, no conflict of interests exists or is likely to arise in the performance of the Order.

18. SEVERANCE

Any part of these Standard Terms that is illegal or unenforceable may be severed and the remaining provisions of these Standard Terms continue in force.

19. ASSIGNMENT

The Supplier must not assign or novate an Order without the prior written consent of PTAS. PTAS may assign or novate an Order without the prior written consent of the Supplier.

20. GOVERNING LAW AND JURISDICTION

Unless otherwise agreed in writing between the parties, these Standard Terms are governed by the laws of Queensland, Australia and the parties agree to submit to the non-exclusive jurisdiction of the courts of Queensland, Australia