

JM Engineering Pty Ltd
General Terms and Conditions of Purchase Order

ABN: 82 097 115 958

Goods and services are purchased by JM Engineering Pty. Ltd. subject to the following general terms and conditions of purchase unless otherwise agreed in writing between JM Engineering Pty. Ltd. and the Supplier.

1.0 DEFINITIONS

- 1.1 PURCHASER:** Shall mean JM Engineering Pty Ltd.
- 1.2 SUPPLIER:** Shall mean the organisation, company, firm or person/s to whom are responsible for the supply of goods to the Purchaser as specified in the purchase order and/or their nominated representative/s.
- 1.3 QUOTATION:** Shall mean the offer by the supplier to the Purchaser for the supply of equipment and/or services including, but not limited to, drawings, intellectual property and advice.
- 1.4 GOODS:** Shall mean the goods and/or services, equipment, material, documentation, intellectual property and advice supplied or intended to be supplied by the Supplier to the Purchaser.
- 1.5 DATE OF DELIVERY:** Shall mean the delivery date as specified in the purchase order.
- 1.6 DELIVERY POINT:** Shall mean the delivery point as specified in the purchase order.
- 1.7 NORMAL HOURS OF BUSINESS:** Shall mean between 7am and 3pm Monday to Thursday and between 7am and 1pm Friday, excluding public holidays.
- 1.8 PRICE:** Shall mean the price as specified in the purchase order.

2.0 GENERAL

- 2.1** Acceptance of a purchase order by the Supplier includes acceptance of these terms and conditions as the sole basis of supply by the Supplier, unless alternate terms and conditions are agreed to in writing prior to acceptance of purchase order.
- 2.2** If the Supplier is in breach of any of these terms and conditions, the Purchaser may:
- (a) Cancel the purchase order in part or in full without any fees to the Purchaser.
 - (b) Modify the purchase order without any fees to the Purchaser.
 - (c) Return the goods to the Supplier, without any charge to the Purchaser
 - (d) Charge the Supplier for expenses incurred or resulting from failure or breach of order
- 2.3** The Supplier must not subcontract any of its obligations under these terms and conditions without the prior written consent of the Purchaser.

3.0 VARIATION OF SUPPLY

- 3.1** If the Supplier requires any changes to be made to the purchase order or cannot supply the goods as specified in the purchase order for any reason, it must notify the Purchaser within five (5) days of receipt of the purchase order. In this situation the Purchaser reserves the right to either amend the purchase order and/or cancel the purchase order in full or in part, without incurring any penalty fees. Variation of supply

includes, but is not limited to, quantity and quality of Goods, Date of Delivery, Delivery Point and Price.

3.2 Should the Purchaser request variation, cancellation or suspension or a purchase order, the Purchaser will only be liable for costs incurred up to the time at which the Supplier was notified of such requests by the Purchaser. The Supplier will be liable for costs incurred after this time.

3.3 In the event of such variations as described in Clause 3.2, the Supplier will take all reasonable action to avoid, and if not possible, minimise costs incurred by the Purchaser.

4.0 DELIVERY OF GOODS

4.1 If the Supplier delivers the goods in advance of the Date of Delivery as specified on the purchase order, the Purchaser may accept or reject the goods in its absolute discretion. Rejection of goods shall not incur any penalty fees, including, but not limited to redelivery fees.

4.2 The supplier shall deliver the goods to the Delivery Point as specified in the purchase order. Redelivery as a result of delivering to a point other the Delivery Point shall not incur penalty fees.

4.3 Goods shall be suitably packed or otherwise prepared for transportation in a manner as to avoid damage, to comply with any requirements set forth by the Purchaser and as to minimise transport costs and insurance rates.

4.4 Goods will only be received during Normal Hours of Business unless otherwise specified on the purchase order. Deliveries outside these nominated hours may be rejected without incurring penalty fees.

4.5 All deliveries shall be accompanied by appropriate documentation which includes, but is not limited to:

- (a) the purchase order number and/or a copy of the purchase order.
- (b) a description of the goods and quantity being delivered
- (c) the name of the Supplier
- (d) all relevant user manuals, instructions and warranty documentation regarding the goods.
- (e) certification, letter of conformance and other appropriate quality assurance documentation.

4.6 The Supplier shall specify any special equipment required to receive the goods, including, but not limited to forklift trucks, flat bed trucks and bulky and/or heavy lifting equipment, five (5) days prior to delivery of goods.

5.0 QUALITY AND QUANTITY OF SUPPLY

5.1 The quantity of goods supplied must correspond to those specified on the purchase order or the corresponding Australian Standard, whichever is greater. Variation to the quantity of supply shall be amended by the Supplier at the cost of the Supplier without penalty fees to the Purchaser.

5.3 All goods must correspond to their description, sample, drawings and/or specifications. Failure to conform shall be amended at the cost of the Supplier.

6.0 PRICES

6.1 The Purchaser shall not be liable for any price increase between the Quotation and the acceptance of the purchase order.

6.2 The price is in accordance with valid prices or quotations supplied by the Supplier to the Purchaser and is fixed, firm and not subject to increases for any reason (including foreign exchange fluctuations) for a minimum period of 30 days.

7.0 TERMS OF PAYMENT

7.1 The Supplier may invoice the Purchaser on or after delivery, but not before. Each invoice must specify the goods to which it relates, the relevant purchase order number, number and date of the supplier's delivery docket and associated price and taxes.

7.2 Invoices will be paid by the Purchaser within thirty (30) days from the end of the month of receipt of goods and invoice.

8.0 RISK AND TITLE OF GOODS

8.1 Full title and ownership of supplied goods will be transferred to the Purchaser immediately upon payment of the invoice.

9.0 INTELLECTUAL PROPERTY RIGHTS AND CONFIDENTIALITY

9.1 Any drawings, specifications, patterns, samples, models or any other information supplied to the Supplier in order to quote the goods shall remain the property of the Purchaser.

9.2 The Supplier must take reasonable steps to ensure the security of information and intellectual property provided by the Purchaser remains the property of the Purchaser. The Supplier may only disclose information to third parties on a need to know basis and only to the extent required to supply the proposed goods.

10.0 CANCELLATION AND VARIATION OF ORDERS AND RETURN OF GOODS

10.1 The Purchaser reserves the right to cancel any purchase order up until the time that the good is received by the Purchaser. All costs incurred by the Supplier shall fall with the Supplier.

10.2 Any request for alteration of any order by the Purchaser must be notified in writing to the Supplier. The Supplier shall do all it can to meet the required alterations to original scope. The Purchaser has the right to reject any additional cost that may be incurred that it sees as being unfair or unjust and maintains the right to cancel the purchase order, without any prejudice to itself.

11.0 WARRANTY

11.1 The Supplier warrants that the goods shall be free of any charge, encumbrances and third party interest.

11.2 The supplier warrants that the goods shall, unless otherwise noted in writing:

(a) be new.

(b) be fit for purpose.

(c) correspond with their description, sample, drawing or specifications.

(d) be of merchantable quality and free from cosmetic and functional defects in workmanship and materials.

(e) not infringe the rights (including intellectual property) of any third party.

12.0 LEGAL CONSTRUCTION

Except as may be otherwise agreed in writing between the Purchaser and the Supplier, these terms and conditions shall be governed by and construed in accordance with the laws of and applicable to the state of New South Wales and the parties hereby submit to non-exclusive jurisdiction of the courts of the State in respect to such matters.