

1. DEFINITIONS

"Goods"	includes all goods, services where appropriate and the like the subject of the Order.
"Purchaser" or "GRES"	means GR Engineering Services Limited (ACN 121 542 738) a company incorporated in Australia.
"Supplier"	means the person, business or entity from whom the Goods and or services as detailed in the Order have been ordered.
"Order"	means the Purchaser's order and all documents attached to or incorporated by reference.

The definitions contained in this clause 1 shall also apply to those defined terms in the Order.

2. CONTRACT

- 2.1 The Order, when bearing an order number is the only form that will be recognised by the Purchaser as authority for charging Goods to its account and supersedes all previous communications and negotiations.
- 2.2 No terms stated by the Supplier in making a quotation or accepting or acknowledging the Order which differ from the terms of the Order shall be binding upon the Purchaser or shall be deemed to be any part of the agreement between the Supplier and the Purchaser.
- 2.3 The Supplier may not assign the benefit of the Order without the Purchaser's prior written consent.
- 2.4 No waiver of a breach of any provision of the Order shall constitute a waiver of any other breach or of any other provision.
- 2.5 The Supplier shall not sub-let any work related to the Goods without prior consent, in writing, of the Purchaser. Such consent shall not be unreasonably withheld.

3. FIRM PRICE

All prices/rates stated on the Order are fixed and not subject to escalation unless specified otherwise in the Order. Unless otherwise stated all prices/rates stated on the purchase order are quoted in Australian Dollars (AUD\$).

4. PAYMENT

- 4.1 Unless otherwise stated in these Terms and Conditions, payment for the Goods shall be made within 45 days after the end of the month in which an invoice is issued to the Purchaser.
- 4.2 Where the Purchaser notifies the Supplier at the time the Order is placed that the Order forms part of a contract entered into by the Purchaser requiring a proportionate retention of funds for a period of time, the Purchaser will be entitled to retain for that period a proportion of the price payable for the Goods commensurate with the proportionate amount required to be retained under the contract.
- 4.3 Payment for the Goods does not imply acceptance of the Goods by the Purchaser.

- 4.4 The Purchaser may withhold payment where the Supplier fails to provide adequate documentation or other information required by the Order.
- 4.5 The Purchaser may deduct (set off) from monies due to the Supplier any monies due or which will or may become due from the Supplier to the Purchaser under or in connection with the supply of Goods or Services under this agreement.

5. TAXES

The Goods and Services Tax (GST) and all other taxes payable with respect to the supply of the Goods shall be the subject of the following conditions:

- 5.1 Prices/rates shown on the Order for Goods must clearly show the amount that is net of GST, the amount of GST to be charged and the total charge. Any invoice provided to the Purchaser by the Supplier is to be a valid tax invoice for the purposes of the GST legislation.
- 5.2 Where GST is payable in respect to the Order, notwithstanding any other conditions of supply, the Purchaser shall be under no obligation to pay the Supplier for the Goods until the Supplier has complied with clause 5.
- 5.3 Any amount payable to the Supplier by the Purchaser which results from changes to the GST legislation or any other taxation reform shall, where the amount is an increase in the amount payable, be limited and proportionate to the change and where the amount decreases the amount payable, the decrease will be at least proportionate to the change.

6. DELIVERY

- 6.1 The Supplier shall provide detailed delivery dockets with each shipment. The delivery docket shall include the Order number, Supplier details, quantity dispatched, and any items on back order.
- 6.2 Time shall be of the essence and no extension or variation of the Order shall operate as a waiver of this provision.
- 6.3 The Purchaser reserves the right to charge a penalty for late delivery, this penalty to be agreed between parties and nominated in the text of the Order. If required by the Purchaser the Supplier must report progress of the supply to the Purchaser.

7. SUBCONTRACT

- 7.1 The Supplier may not subcontract or assign any of its rights or obligations under the Order without the consent of the Purchaser.

8. QUALITY AND QUANTITY

The quality and quantity of Goods delivered shall not differ from that specified in the Order unless agreed to in writing by the Purchaser.

9. INSPECTION AND TESTING

- 9.1 The Purchaser shall be the sole judge of whether Goods supplied are in accordance with the Order and are to the standard, quality and finish required. The Supplier agrees that the Purchaser or his designated agent shall have the right to inspect

and/or test any Goods at any stage of engineering, manufacture and delivery with the right to reject any Goods or workmanship performed or being performed that does not conform to the Order whereupon such Goods shall be replaced or corrected or workmanship re-performed at no additional cost to the Purchaser. Any such inspection and/or test shall not relieve the Supplier from full and entire responsibility for the performance of its obligations in accordance with the Order.

9.2 All Goods shall be subject to inspection and/or test within a reasonable time after arrival at the delivery point. The Purchaser shall be entitled to either reject or retain and correct any Goods that are damaged, are defective in materials or workmanship, or otherwise fail to meet the requirements of the Order. The Supplier shall reimburse the Purchaser for expenses incurred in correcting damaged and defective Goods and for any amounts paid on account. Rejected Goods may be returned by the Purchaser for the Supplier at the Supplier's risk and the Suppliers shall be liable for all packing, handling and transportation expenses so incurred.

9.3 The Supplier warrants that clauses 9.1 and 9.2 will be conditions of and apply to any subcontract work.

10. DATA

The Supplier shall furnish all engineering and other data in accordance with the Order and within the time stated. Approval of engineering or other data by the Purchaser does not relieve the Supplier of its responsibilities.

11. INSURANCES

11.1 It is the Supplier's responsibility to indemnify the Purchaser against all risk in respect of injury or death of any persons and in respect of losses or damage to any property arising to connection with the Goods.

11.2 In addition to any insurance which the Supplier is by law obliged to effect, the Supplier shall procure and maintain at its own expense, with a reputable insurance company, such policies of insurance which the Purchaser may reasonably require having regard to the nature of Goods being supplied. In any event, the Supplier shall maintain relevant and prudent insurance cover for its liabilities covering all events that may cause loss of or damage to property or injury or death of a person in the supply of the Goods. Such insurance shall at least include Workers Compensation, Public Liability and Goods in Transit until delivered to the Purchaser.

11.3 The Supplier shall ensure that every subcontractor it engages pursuant to the Order carries similar policies of insurance.

11.4 The Supplier shall produce evidence of such insurance cover when requested by the Purchaser.

12. LICENCES

Unless otherwise specified in the Order the Supplier shall at its cost obtain all requisite licences, permits and authorities required in performance of the Order and shall comply with all applicable laws and regulations in relation to the Goods.

13. PATENTS, TRADEMARKS AND COPYRIGHTS

- 13.1 The Supplier warrants to the Purchaser and its successors in interest that the manufacture, sale or use of the Goods will not infringe or contribute to the infringement of any patents, trademarks, designs or copyrights.
- 13.2 The Supplier shall indemnify and keep indemnified the Purchaser and its successors in title against any loss or damage (including legal fees and costs) arising from breach of this warranty or prevention or hindrance of use of the Goods.

14. TERMINATION FOR DEFAULT

In the event of a breach by the Supplier of any of the terms, conditions or warranties contained in the Order or the failure of the Supplier to remedy any default or if the Supplier becomes insolvent, or a receiver of its business or assets is appointed, or makes any assignment or arrangement for the benefit of its creditors then in any one or more of such cases the Purchaser, without prejudice to any other rights it might have, may cancel any undelivered Goods and shall not be obliged to make any payment therefore or in respect of such cancellation.

15. CANCELLATION

- 15.1 Notwithstanding the terms of clause 14, the Purchaser, at its option, may cancel unshipped Goods without default by the Purchaser or Supplier.
- 15.2 If the Order covers Goods that are standard stock of the Supplier, the Purchaser shall only be obliged to pay for Goods shipped prior to the cancellation.
- 15.3 If the Order covers Goods manufactured or fabricated to the Purchaser's specifications or specifications prepared for the Purchaser, then upon receipt of a notice of cancellation the Supplier shall cease manufacture, supply or work in accordance with and to the extent specified in the notice and shall do everything possible to mitigate any cost after such cancellation, then, provided the Supplier is not in default, the Purchaser shall pay the Supplier:
- a) the costs incurred by the Supplier in connection with the Order prior to the date of cancellation provided that such cost is reasonably proportional to the value of Goods received or work done; and
 - b) Five percent (5%) of the foregoing cost in lieu of profit, provided however, that the total cancellation payment plus any previous payments shall not exceed the total price of the Order.
- 15.4 Upon such payments title to and property in any material or any incomplete Goods shall vest to the Purchaser.

16. TRANSPORTATION

- 16.1 All Goods shall be packed, marked and transported as specified in the Order, but if not specified then in a proper and suitable manner and in all cases in accordance with the proper requirements of the carriers.
- 16.2 The Supplier shall be responsible for delivery of Goods as per instruction on the Order.

- 16.3 The Supplier shall be liable for any difference in freight charges arising from its failure to follow any transport instruction in the Order or properly describe the Goods transported.

17. INSTALLATION

- 17.1 The following conditions also apply where the Supplier, under the terms of the Order or to enable its performance, is required to be present or perform work on or near premises specified by the Purchaser.
- 17.2 Defective or unsatisfactory work may be replaced by the Purchaser at the Supplier's expense.
- 17.3 The Supplier shall supply all labour, tools, equipment, materials and the like necessary to complete the work and to perform the Order.
- 17.4 The Supplier shall not impede work in progress by the Purchaser or third parties.
- 17.5 The Supplier enters the premises on which the work is to be performed at its own risk and indemnifies and shall keep the Purchaser indemnified against any loss, damage, claims and liability arising out of or connected with performance of the Order or presence of the Supplier, its workmen, agents, subcontractors and invitees on the said premises including claims against the Purchaser whether alleging negligence on the part of the Purchaser or otherwise.
- 17.6 The Supplier, its workmen, agents, sub-contractors and invitees shall comply with all safety and other regulations applicable to the said premises and shall obey all instructions of the Purchaser, its manager, Supervisor or authorised officer.
- 17.7 The Supplier performs all work under the Order as an independent contractor.

18. INVOICES

- 18.1 The Supplier's invoice must be forwarded to PO Box 258 Belmont WA 6984 and emailed to ap-mailbox@gres.com.au.
- 18.2 All Supplier's invoices must show the relevant Order number. No invoice will be processed without the official GRES Purchase Order Number.
- 18.3 Duty, excise or other government charges where allowed must be stated separately on the invoice. Invoices not complying shall be returned to the sender for correct resubmission.

19. PROPERTY IN GOODS

- 19.1 The Supplier warrants that all Goods supplied are free and clear of all liens and encumbrances whatsoever.
- 19.2 Title to the Goods is passed to the Purchaser at the point of delivery.
- 19.3 Risk in the Goods pass the Purchaser at the point of delivery subject to all provisions of this contract.

20. WARRANTIES

- 20.1 The Supplier warrants that the Goods:
- a) shall conform with its description, technical instruction and specifications in the Order;
 - b) are free from defects in design and workmanship;
 - c) shall be of good merchantable quality and fit for the known purpose for which it is supplied;
 - d) shall be new (unless otherwise specified); and
 - e) shall be warranted for eighteen (18) months from date of delivery or twelve (12) months from the date of installation, whichever comes first.
- 20.2 Where the Supplier repairs or replaces any Goods pursuant to any warranty the Supplier shall bear all the costs incurred including removal, reinstatement and transport costs of the Goods.
- 20.3 These warranties are in addition to any other warranty specified in the Order or implied by law including, but not limited to, standard trade or manufacturers, Purchaser specified and Supplier assigned warranties.

21. CONFIDENTIALITY

- 21.1 Any engineering and other data furnished to the Supplier by the Purchaser is confidential and shall not be disclosed by the Supplier to any third person without prior written consent of the Purchaser.
- 21.2 Unless otherwise provided in the Order all plans, drawings and specifications prepared or supplied by or on behalf of the Purchaser and any patterns made there from shall be and remain the property of Purchaser and shall be used by the Supplier only in performance of the Order, and shall be returned to it by the Supplier on completion of the Order.

22. PRECEDENCE OF DOCUMENTS

- 22.1 Where the terms of the Order (including any General or Special Conditions of Contract annexed to this form or incorporated in the Order by reference) conflict with these Standard Conditions then the said terms shall take precedence over and be construed as varying these Standard Conditions to the extent to which the conflict occurs.

23. LAW

The law of the State of Western Australia shall be the proper law of and govern The Order and the parties hereto accept and submit to the jurisdiction of the courts of Western Australia, provided however, that the Purchaser may take such proceedings as it sees fit in the courts of any Country, State or Territory in which the Supplier is resident or the work is to be performed and the Supplier in such case accepts and submits to the jurisdiction of those courts.