

## Terms and Conditions of Sale

1. General - any order placed by a purchaser is deemed to be an order incorporating these terms and conditions notwithstanding any inconsistencies which may be introduced in the purchaser's order or acceptance, any amendments unilaterally made by the Purchaser to these Terms and Conditions or any request by the Purchaser that their Terms and Conditions will be applicable to the purchase unless expressly agreed to by Ardoz Holdings Pty Ltd trading as Controlbox (the "Company") in writing.

2. Quotations and Prices - the prices quoted are based on the Company's estimated cost of production, manufacture or supply at the time of quotation and are subject to alteration without notice to the purchaser due to any increase in the Company's costs between the date of quotation and the date or dates of delivery. Unless otherwise expressly agreed by the Company in writing all goods will be charged for at the prices ruling at the date or dates of delivery. All prices quoted are exclusive of sales tax and GST which, if applicable, will be for the purchaser's account.

All prices are expressed in Australian dollars and, unless expressly stated otherwise, prices quoted include import duty at current ruling rates and any variation at the time of entry into Australia shall be to the purchaser's account.

Prices quoted are based on current international monetary exchange rates. Any variation in exchange rates at the time of entry into Australia shall be to the purchaser's account.

Prices quoted include freight from overseas suppliers unless otherwise stated.

A quotation is not an offer by the Company to sell and may be withdrawn without any notice. Any order given in respect of a quotation is not binding on the Company until accepted by the Company in writing.

3. Orders - orders accepted by the Company may not be cancelled or altered in whole or in part without the Company's written consent.

The Company may decline, by written notice to the purchaser, any order in whole or in part, at any time prior to delivery of the goods or performance of the service due to reasonable cause, in which case the Company will be under no obligation in respect of the order.

4. Terms of Payment - payment is to be made on the terms agreed in the quotation of the Company. The Company reserves the right to vary the terms of payment and to require payment in cash in full prior to delivery should the credit worthiness of the purchaser at any time become in the Company's opinion unsatisfactory.

5. Claims - any claim by the purchaser for short or wrongful delivery of the goods MUST BE NOTIFIED TO THE COMPANY IN WRITING WITHIN 14 DAYS after delivery of the goods to the purchaser and any claim which the purchaser does not notify within the time aforesaid (time being of the essence) shall be deemed to have been absolutely waived.

No goods can be returned for any reason without first obtaining written permission from the Company. Goods returned without authorisation are subject to being returned to the Purchaser at his expense.

6. Description - any description of the goods is given by way of identification only and the use of such description shall not constitute the contract of sale by description.

7. Implied Terms - it is hereby acknowledged by the Company that, under the Competition and Consumer Act (Cth) 2010, certain conditions and warranties may be implied in the contract between the Company and the purchaser and rights and remedies conferred upon the purchaser and other parties in relation to goods or services which cannot be excluded, restricted or modified by agreement ("Non-excludable Rights"). The limitations below are subject to these Non-excludable Rights.

Subject to the above, the Company disclaims all conditions and warranties expressed or implied, and all rights and remedies conferred on the purchaser or other parties by statute the common law equity trade custom or usage or otherwise howsoever and all such conditions and warranties and all such rights and remedies are hereby expressly excluded other than any Non-excludable Rights. Where so permitted the liability of the Company for a breach of a Non-excludable Right is limited, at the Company's option, in the case of goods, to the replacement or repair of the goods or the supply of equivalent goods or the

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cost of replacing or repairing the goods or of acquiring equivalent goods and, in the case of services, to the supplying of the services again or the payment of the cost of having the services supplied again.

8. Indirect Loss - Subject to clause 7, the Company excludes any liability for legal costs and disbursements and, without limitation, any indirect or consequential expenses, loss or damage, loss of profits, revenue, use, expectation or opportunity, wasted expenditure, loss production, or similar losses by the Purchaser under or in connection with the contract.
9. Indemnity - Subject to clause 7, the purchaser shall indemnify and keep indemnified and hold the Company harmless from and against all liabilities, losses, damages, costs or expenses incurred or suffered by the Company, and from and against all actions, proceedings, claims or demands made against the Company, arising from any of the following:
  - (a) as a result of the purchaser's failure to:
    - (i) ensure that any safety markings on the goods are adequately displayed;
    - (ii) comply with any legislation as to the labeling or marking of goods;
    - (iii) take any other reasonable precautions either to bring to the attention of any potential users of the goods any dangers associated with goods, or to detect any matters in relation to which the Company may become liable, including, without limitation, liability under Schedule 2 of the Competition and Consumer Act (Cth) 2010; or
    - (iv) otherwise comply with any laws, rules, standards or regulations applicable in relation to the goods or the use of the goods;
  - (b) as a result of any other negligence or other breach of duty by the purchaser; or
  - (c) as a result of any compliance or adherence by the Company with any instructions of the purchaser in relation to the goods or their manner of fabrication.
10. Delivery - unless otherwise expressly agreed by the Company in writing, the goods will be delivered ex-warehouse. Any time quoted for delivery is an estimate only and the Company shall not be liable for any loss or damage howsoever arising as a result or consequence of any failure to deliver or delay in delivery arising from any reasonable circumstances of whatsoever nature including in particular but without limiting the generality of the foregoing fire, flood, explosion, strike, lockout or other industrial act or dispute or the break-down of or accident to plant unavailability or shortage of raw materials, labour, power, supplies or transport facilities or failure or inability to obtain licences or act of God or any order or direction of any local, State or Federal Government or Government authority or instrumentality. If the Company reasonably determines that it is or may be unable to deliver within a reasonable time or at all, the contract may be cancelled by the Company. In the event of cancellation the purchaser shall have no claim against the Company for any damage loss cost or expense whatsoever. The purchaser shall not be relieved of any obligation to accept or pay for goods by reason of any delay in delivery.
11. Property and Risk -
  - (a) Property in the goods shall not pass from the Company to the purchaser until the purchaser has paid all monies outstanding from the purchaser to the Company on any account in full. The risk of loss or of damage to the goods shall pass to the purchaser on delivery.
  - (b) The purchaser agrees to store the goods separately and mark them so as to render them identifiable as being or being made from or with goods which are the property of the Company.
  - (c) The purchaser shall have no right to sell or otherwise dispose of the goods or any new product which is incorporated into a new product until the price of the goods has been paid in full to the Company unless:
    - (i) the goods or the new products are sold for full consideration in the ordinary course of the purchaser's business; and
    - (ii) that part of the proceeds of sales of the goods and the new products as represents

the price of the goods shall be paid forthwith to the Company and until such part of the proceeds are so paid, they shall be held by the purchaser in trust for the Company.

- (d) The power of sale hereby conferred on the purchaser shall automatically cease if a receiver or receiver and manager is appointed over any of the purchaser's assets or if a winding up order is made against or a resolution is passed for the winding up of the purchaser or if the Company at any time revokes the power of sale by notice to the purchaser.
- (e) Upon determination of the purchaser's power of sale under (d) above the Company shall become entitled to possession of the goods and the new products. The purchaser shall place the goods and the new products at the disposal of the Company who shall be entitled to enter upon any premises of the purchaser and remove the goods and the new products.
- (f) The goods are inventory for the purposes of the Personal Property Securities Act (Cth) 2009 and the Company retains a security interest in all goods supplied by the Company to the customer.
- (g) Should the goods (or any part of them) be converted into or incorporated in a new product or products whether or not the admixture of any other goods or thing whatsoever and in whatever proportions is involved, the conversion or incorporation (as the case may be) shall be deemed to have been effected on behalf of the Company and the new product shall be the property of the Company. The right of the purchaser to convert or incorporate the goods in a new product or products shall automatically cease if a receiver or receiver and manager is appointed over any of the purchaser's assets or if a winding up order is made against or a resolution is passed for the winding up of the purchaser or if the Company at any time revokes such rights by notice to the purchaser.
- (h) The purchaser grants to the Company, upon the Company giving notice to the purchaser, the right to bring proceedings in the name of the purchaser to recover monies owing to the purchaser as a result of sales of the goods or the new products. Any amounts recovered as a result of such proceedings shall be retained by the Company to the purchaser.

## 12. Personal Property Securities Act 2009 (PPSA).

The Customer acknowledges that the Terms constitute a Security Agreement for the purposes of the PPSA and creates a security interest in all the customer's present and after-acquired goods supplied by the Company.

The Company and the Customer agree that nothing in Sections 130(1) (a) and 143 of the PPSA will apply to these Terms and Conditions.

The Customer waives its rights as Debtor under Section 92, 93, 94, 95, 97, 118, 121, 132, 135, 137, 140, and 142 of the PPSA.

The Customer further agrees that where the Company has rights additional to those under chapter 4 of the PPSA, those rights will continue to apply.

In this Clause, "Security Agreement" means the Security Agreement under the PPSA created between the Customer and the Company and "Security Interest" has the meaning given to it by the PPSA. The Company may register any actual, impending or likely Security Interest. The Customer may not make any claim against the Company in respect of any registration even if it is determined that the Company should not have registered a Security Interest. The Customer must do anything (such as obtaining consent and signing documents) which the Company requires for the purposes of:

Ensuring the Company's Security Interest is enforceable, perfected and otherwise effective under the PPSA;

Enabling the Company to obtain first priority (or any other priority agreed by the Company in writing) for its security interest; and

Enabling the Company to exercise rights in connection with this security interest.

To avoid any doubt, the Company's Security Interest will attach to goods and proceeds.

The Customer must not dispose or purport to dispose, create or purport to create or commit to be created any security interest in the Goods other than with the express written consent of the Company."

13. Instalments - the Company reserves the right to deliver by instalments and each instalment shall be deemed to be sold under a separate contract. Failure of the Company to deliver any instalment shall not entitle the purchaser to cancel the balance of the order. In the event of the purchaser making default in respect of any instalments, the Company may elect to treat the default as a breach of contract relating to each other instalment.
14. Default in Payment - the Company will treat any default by the purchaser in payment of any moneys due to the Company as a breach of these terms or conditions.
15. Waiver - failure by the Company to insist upon strict performance of any term warranty or condition of the contract shall not be deemed as a waiver thereof or of any rights the Company may have and no express waiver shall be deemed a waiver of any subsequent breach of any term warranty and condition.
16. Competition and Consumer Act 2010 - Where these Terms and Conditions would otherwise be subject to the Competition and Consumer Act 2010 (Act), the Customer agrees that the Customer is acquiring goods for the business purposes and that the Act does not apply to the supply of the goods to the Customer. If the Customer is a Consumer as defined in Section 46 of the Act, and the Customer has not contracted out of the Act in accordance with these Terms and Conditions, nothing in these Terms and Conditions will limit any rights may have under this Act.
17. Intellectual Property Rights - the purchaser warrants that any design or instruction furnished to the Company by the Customer shall not be such as will cause the Company to infringe any intellectual property rights (patents, registered designs, trademarks, copyright, confidential information and the like) in the execution of the purchaser's order and the purchaser agrees to indemnify the Company against any infringement or unauthorised use of intellectual property rights arising out of the manufacture or use of the goods and it is specifically agreed that the sale and purchase of the goods does not confer on the purchaser any licence or rights under any intellectual property rights which is the property of the Company.
18. Subcontracting - the Company reserves the right to subcontract the production, manufacture or supply of the whole or any part of the goods or of any materials or services to be supplied.
19. Notices - any notice to be given by the purchaser to the Company shall be sent to the Company's address. No notice shall be deemed to have been given until it is actually received at such address.
20. Severance - it is agreed that if any provision of these terms and conditions should be determined to be void by any court of competent jurisdiction, then such determination shall not affect any other provision hereof, and each such other provision shall remain in full force and effect.
21. Governing Law - contracts shall be governed by and construed in accordance with the laws of Victoria - Australia.