

Purchase Order Terms and Conditions

1. APPLICATION AND JURISDICTION

- (a) These terms and conditions (Terms) govern all purchase orders (individually a "Purchase Order") issued by Transport Engineering Solutions Pty Ltd ABN 37 006 368 583 and its subsidiaries (with such issuer named on the purchase order being "the Buyer") to the exclusion of all other terms including those provided by any Vendor unless specifically agreed to in writing.
- (b) These terms and conditions shall be governed by the laws in force in the State in which the Buyer is registered and the Vendor submits to the jurisdiction of the courts of that State.

2. SUPPLY

- (a) Any goods supplied under a Purchase Order (Goods) must comply with the specification or description in the Purchase Order and be new and of recent origin, safe, free from defects and fit for purpose.
- (b) Any services supplied under a Purchase Order (Services) must comply with the specification or description in the Purchase Order, be performed safely, skilfully, diligently, on time according to the agreed timetable by fully qualified, competent and suitable people and be fit for purpose.

3. PRICE AND PAYMENT

- (a) Unless otherwise expressly agreed, the price stated in the Purchase Order (Price) is fixed, not subject to adjustment and includes all costs that may be incurred by the Vendor in performing its obligations, and it includes all excise, duties and taxes (excluding GST).
- (b) The Buyer will pay the Price to the Vendor at the end of the month following the month in which a correct invoice is submitted as per clause 3(e).
- (c) If it is a taxable supply, the Buyer will pay to the Vendor the GST in respect of it.
- (d) The Vendor must submit a tax invoice that includes:
 - (i) the Purchase Order number;
 - (ii) the goods and/or services supplied;
 - (iii) the site and date of supply;
 - (iv) if services are charged by time, the time spent by the people; and
 - (v) any other details the Buyer reasonably requires.
- (e) All tax invoices must be submitted by the tenth business day of the month following the month in which the goods are accepted by the Buyer or the services are completed.
- (f) The Buyer may set off, from any monies due to the Vendor, any sum payable by the Vendor to the Buyer.

4. DELIVERY

- (a) Unless otherwise stated in the Purchase Order, the Vendor must, at the Vendor's cost and risk, deliver the Goods at the time and at the location specified in the Purchase Order. Time is of the essence and delivery is taken to occur upon completion of offloading by the Vendor.
- (b) If stated in the Purchase Order, the Buyer will arrange for the Goods to be collected from the Vendor. Delivery

The Vendor must provide sufficient documents to enable the Buyer to identify the Goods being delivered and the Purchase Order number.

- (e) The Goods must be accompanied by all relevant manufacture and supplier instructions and all relevant manufacturer and supplier warranties.
- (f) Payment for the Goods or the signing of delivery documents does not constitute acceptance of the Goods.

5. INSPECTION AND TITLE

- (a) All Goods may be subject to inspection and testing at reasonable times and places nominated by the Buyer, including the period of manufacture.
- (b) The Seller, at its own cost, will provide industry standard testing of all Goods and evidence of such testing to the Buyer prior to delivery.
- (c) All Goods are also subject to final inspection upon delivery notwithstanding any payments or any prior inspections.
- (d) Satisfactory inspection and/or testing of the Goods does not relieve the Vendor of any of the Vendor's obligations under the Terms.
- (e) Title to Goods and risk passes to the Buyer on delivery.

6. RETURN OF GOODS

- (a) In the event that any Goods are found to be defective following inspection, the Buyer may (without prejudice to the Buyer's rights) at its option require prompt repair or replacement of the defective item or part thereof or return it at the Vendor's expense.
- (b) The Buyer may return any Goods to the Vendor that have been incorrectly ordered by the Buyer for a full refund and is only required to pay the freight and handling charges associated with effecting the return of such Goods to the Vendor.
- (c) For any item that is returned under 6(a) or (b), risk will revert to the Vendor upon return and title upon receipt of any refund due.

7. COMPLETION OF SERVICES

- (a) If requested by the Buyer, the Vendor must provide evidence that the Services are in accordance with the Purchase Order.
- (b) The Services are complete when an authorised officer of the Buyer certifies in writing to the Vendor that the Vendor has complied with all of its obligations under the Purchase Order and the Terms.

8. WARRANTIES

The Vendor warrants and represents to the Buyer that:

- (a) all information in brochures, quotes or tenders is accurate;
- (b) it has encumbered title to all Goods and use of them will not infringe the rights of any third party;
- (c) the Buyer will receive

to the infringement of, any intellectual property rights;

- (g) it has examined and considered all information made available by Buyer to the Vendor for the purpose of delivering the Goods and performing the Services;
- (h) it has taken all reasonable measures to ensure that no conflict of interest exists or is likely to arise in the performance of its obligations under the Terms;
- (i) it is not insolvent within the meaning of section 95A of the Corporations Act 2001 (Cth) ("Act");
- (j) it is registered for GST; and
- (k) it has not relied upon any representation of, of information provided by, the Buyer which is not expressly stated or included in this agreement.

9. INDEMNITY

The Vendor indemnifies the Buyer and its personnel and any Related Bodies Corporate (as defined in the Act) against all claims, liabilities, loss, damage or penalties for any loss or damage to persons or property as a result of or contributed to by an act or omission, whether negligent or otherwise by the Vendor or any of its contractors, agents or employees or due to any breach of these terms or any warranty by the Vendor. This indemnity is reduced to extent that the Buyer causes such loss or damage.

10. ASSIGNMENT AND VARIATION

- (a) The Vendor will not without the prior written consent of the Buyer (which may be withheld in the Buyer's absolute discretion) assign or sub-contract the Purchase Order or any part of it or the supply of articles which are not manufactured by the Vendor.
- (b) Where the Vendor does sub-contract any work, all acts of sub-contracts are deemed to be acts of the Seller.
- (c) Any variation to this agreement must be agreed in writing by the parties.

11. TERMINATION

- (a) The Buyer may terminate this agreement immediately by written notice if:
 - (i) the Vendor is unable to pay its debts when they are due or the Vendor is involved in solvency/insolvency proceedings or processes;
 - (ii) there is a change in control in relation to the Vendor; or
 - (iii) the Vendor or the Vendor's workers, in the Buyer's reasonable opinion, endorses