

TERMS, CONDITIONS AND WARRANTY

Asia Pacific Aerospace Pty Ltd

ACN 057 052 025

1. INTRODUCTION

- 1.1 **Definitions.** These terms of trade apply to all goods or services which we provide you with. **Our product** is the applicable goods or service that we provide you with. You cannot vary these terms of trade without our written approval.
- 1.2 **Us.** All references to **us, we, our** etc, refer to Asia Pacific Aerospace Pty Ltd ACN 057 052 025.
- 1.3 **You.** All references to **you, your,** etc refer to the customer placing the order and its representatives and if more than one, each of them jointly and severally.
- 1.4 **Supersede.** These terms of trade supersede and replace any earlier negotiations and representations whether verbal or written, agreement for the same goods and/or services, and terms of trade.
- 1.5 **Changing these terms.** We may change or modify these terms of trade at any time by notice to you. Unless we are required to by law, we will notify you before we make changes to these terms of trade and give you an opportunity to review them before they go into effect. You will be bound by the updated terms:
- (a) 30 days after notice of the change; or
 - (b) if you request a quote, or place an order, after notice of the change, whichever earlier.
- 1.6 **Notice.** You are deemed to have received notice (whether or not you actually receive it) when we:
- (a) send you the changed terms of trade to any address you have advised us of (including an email address);
 - (b) place the changed terms of trade on our website: www.apaero.com.au.
- 1.7 **PPSA.** For the purposes of the *Personal Property Securities Act 2009 (PPSA)*:
- (a) goods and/or services supplied by instalment made under these terms of trade are not a separate security agreement but form part of these terms of trade together with any rental agreement, guarantee or indemnity or other contractual documents;
 - (b) an instalment contract is and is deemed to be a single security agreement for the purposes of the PPSA; and
 - (c) notwithstanding clauses 1.4 and 1.5, these terms of trade form a continuous security agreement with any prior terms and do not constitute a separate security agreement.

2. OUR INFORMATION

- 2.1 **Contact details.** Our contact details are as follows unless we notify you in writing of any changes:

Name: Asia Pacific Aerospace Pty Ltd ACN 057 052 025;
Business address: 750 Macarthur Avenue Central, Pinkenba, Qld, 4008;
Telephone number: 07 3632 7600;
Facsimile: 07 3632 7661;
Email address: info@apaero.com.au and
Postal address: P.O Box 1355 Eagle Farm, QLD, 4009.

3. QUOTES AND ORDERS

- 3.1 **Quotes.** Any quote (including for the scope of works, time to complete, or price) we give you is an invitation to treat and will be valid for 30 days (or such other time stated at the time we give the quote) from the date of that quote. We can withdraw, modify or vary that quote by notice to you. Any quote accepted by you will be an order for the purpose of these terms of trade.
- 3.2 **Your request.** We will not be bound by any request by you for goods or services, until we accept it (and subject to the terms of that acceptance), which we may do by delivering our product to, or providing the service for, you (as the case may be). Any request by you that is accepted by us will be an order for the purpose of these terms of trade.
- 3.3 **Method of request.** You may only make a request for our goods and services by contacting us in writing.
- 3.4 **Orders.** We may suspend, modify or vary an order by notice to you and where you do not expressly object within 24 hours of us giving that notice. If you object, we may: (a) terminate our agreement with you; (b) return your property; and (c) invoice you for any work we had undertaken or services or goods supplied before the objection. We may withdraw an order at any time on reasonable notice to you for our convenience.

- 3.5 **Prevailing terms.** If the terms of your order differ from these terms of trade, these terms of trade will prevail.
- 3.6 **Order form.** You are responsible for checking the prices of our product in any quote or your order and that the quote or your order sets out the goods or service you require. We take no responsibility for any omissions or errors in the description of the goods or service or the prices set out in the quote or order.
- 3.7 **No cancellation.** You cannot cancel any order you place with us without our written consent.
- 4. PRICE**
- 4.1 **Variation.** Prices listed in our quote or our product catalogue or website for the relevant goods or service are fixed until we issue a revised price list or otherwise notify you that the prices have been revised (which may be noted in the quote, catalogue or website). We can vary prices at any time prior to a quote or request becoming an order.
- 4.2 **Amount.** You will pay us according to the applicable prices at the date of delivery of the goods or the provision of our service (as the case may be) without deductions or setoff unless we otherwise advise.
- 4.3 **Statutory charges excluded.** All prices are exclusive of sales tax, goods and services tax and other statutory duties and are net cash at our warehouse unless otherwise stated. You must pay any sales tax, goods and services tax or other statutory charges in addition to the base amount when requested by us. Where goods and services tax is payable we will provide you with an invoice identifying the goods and services component in Australian dollars calculated in accordance with the trade-weighted index for the Australian dollar as calculated by the Reserve Bank of Australia at 4:00pm on either the earlier of:
- (a) the date of dispatch; or
 - (b) upon receipt of a deposit or advance payment.
- 4.4 If you supply spare parts, you must pay a handling fee of \$500.
- 4.5 **Other costs.** Any additions or increases in the cost of the supply of goods and/or services as a result of any additions or increases in charges, taxes (including the rate of GST) or costs associated with manufacture or supply of goods and/or services by us, including without limitation increases due to variations in exchange rates, the cost of materials, labour or production, freight, insurance, process costs, rental or licence fees, delivery and/or the cost of conforming with any relevant legislation, court orders, regulations or bylaws, between the date of our relevant quotation or tender or, where there is no such quotation or tender, from the date of our acceptance of your order, as the case may be, and the date of supply of the relevant goods and/or services will be borne by you.
- 4.6 **Currency.** Unless otherwise stipulated all references to dollars are references to the lawful currency of Australia unless otherwise stated and agreed upon.
- 4.7 **Payment for goods and services.** For goods or services purchased from, or leased by us, we may issue an invoice to you for such goods or services on the delivery of the goods, completion of the services, or from time to time at our discretion. You must pay that invoice in Australian dollars or the currency stated in the relevant invoice, and the due date for payment of that invoice is, on or before the earlier of: (a) 30 days after we issue the invoice to you; (b) the due date stated on the invoice; or (c) the date set out in the payment terms of any rental agreement.
- 4.8 **Letter of credit.** At our sole discretion we may require you to provide an irrevocable letter of credit or bank guarantee in favour of us on such terms and in such form as is acceptable to us.
- 4.9 **Reduction of credit.** We may reduce or stop any credit extended to you in the event that we, in our absolute discretion determine that your financial situation or ability to pay is impaired, or if you suffer an insolvency event (including the appointment or threatened appointment of trustees in bankruptcy, liquidators, administrators or receivers, or enter into any arrangement with your creditors).
- 4.10 **Unpaid invoices.** Unless otherwise agreed by us in writing, we reserve our right to charge you interest at 3% per month on any amount unpaid which will be calculated from the due date described in clause and capitalised monthly.
- 4.11 **Stop credit.** Unless otherwise agreed by us in writing, we will stop the supplying of credit to you if payment has not been received from you 14 days after the due date.
- 4.12 **Closure of account.** If full payment has not been received from you within 90 days of the issue of an invoice in accordance with clause 4.7, we may close any account including the credit account you may have with us.
- 4.13 **Methods of payment.** We accept payment by electronic funds transfer or cheque. You must pay us a \$40 fee for any declined cheques/automatic withdrawals as consideration for our increased administration costs.
- 5. CORE ASSETS.**

- 5.1 **Lease of engine core.** If you lease an engine core from us (**Our Core**), without limiting any of your other obligations in respect of that lease of Our Core, you acknowledge and agree:
- (a) any price quoted to you, or accepted by us, for a lease of Our Core (including if such price is incorporated into a price for goods or services which the lease of Our Core is incorporated as part of), is subject to you returning to us at the end of the lease Our Core in a similar condition as when we provided Our Core at the start of the lease;
 - (b) Our Core must be accompanied with complete and detailed logs and documentation that comply with all industry laws, regulations and guidelines, including total life details, reported defects (if any), reason for removal and any other information that is required under any laws, regulations or industry guidelines, or requested by us;
 - (c) we may reject your return of Our Core if it has been damaged because of abnormal operation or such other causes as we reasonably determine, including without limitation fire, crash, submersion, cannibalisation, unauthorised repair or excessive wear;
 - (d) if repairs to Our Core are not possible, practicable or cost effective (in our discretion) when you return it, you must pay us the then market value of Our Core.
- 5.2 **Exchange of engine core.** If you exchange your engine core (**Your Core**), for our engine core (**Our Core**), without limiting any of your other obligations in respect of the exchange, you acknowledge and agree:
- (a) any price quoted to you, or accepted by us, for an exchange of the engine cores (including if such price is incorporated into a price for goods or services which the exchange of the engine core is incorporated as part of), is subject to Your Core being of the same part number and modification status as Our Core, and not so damaged as to be not possible, practicable or cost effective to repair (as we determine in our reasonable discretion);
 - (b) Your Core must be accompanied with complete and detailed logs and documentation that comply with all laws, regulations and guidelines, including total life detail, reported defects (if any), reason for removal and any other information that is required under any law, regulations or industry guidelines, or requested by us;
 - (c) we may reject Your Core if it has been damaged because of abnormal operation or such other causes as we reasonably determine, including without limitation fire, crash, submersion, cannibalisation, unauthorised repair or excessive wear;
 - (d) if we reject Your Core, or it is found to be not possible, practicable or cost effective (in our discretion) to repair (as we determine in our reasonable discretion) we will give you written notice of this (**Uncommercial Notice**) and:
 - (i) we will return Your Core and you must pre-pay all freight and other costs, charges and taxes associated with that return;
 - (ii) you must return Our Core within 7 business days of the date of the Uncommercial Notice and pre-pay all freight and other costs, charges and taxes associated with that return; and
 - (iii) we may refund an amount you paid for Our Core, or in connection with Our Core, if we believe it is reasonable to do so.
- 5.3 **Additional charges.** We may charge you additional amounts:
- (a) if (in our reasonable discretion) an engine core you give us requires modification/commercial engine bulletin compliance, suffers damage other than fair wear and tear or is incomplete; or
 - (b) if you do not return an acceptable engine core within 15 business days of the date of invoice,
- such additional amounts to be at our discretion either:
- (c) the new list price for a comparable engine core (or a portion of that new list price having regard to our assessment, in our discretion, of the value of the returned engine core); or
 - (d) the costs, expenses, charges or damages we incur or reasonably believe we will incur, in connection with clause 5.3(a) or (b).
- 6. DELIVERY OF GOODS AND PROVISION OF SERVICES**
- 6.1 **Instructions.** You must give delivery instructions in your request for goods (including the nominated transport account number), and if possible, we will arrange for delivery in accordance with those instructions. You must ensure that someone is present to accept delivery of the goods and the accompanying invoice on your behalf. As well as paying for the goods, you will pay the carrier's costs of transporting the goods from our warehouse according to your delivery instructions unless prior arrangements are made at the time you make your order. We reserve the right to select the carrier in all cases.
- 6.2 **Timing estimates only.** Any statement of the time it will us take to supply or deliver the goods, or provide the service, is an estimate only. Delay in supply or delivery of goods and/or providing services will not affect your obligation to accept or pay for the relevant goods or service.
- 6.3 **Instalments.** We reserve the right to supply or deliver goods and/or services by instalments. Each instalment will be deemed to be sold under a separate contract. You cannot repudiate the order if we fail to supply or deliver the goods and/or provide the services in an instalment.

7. RISK AND INSURANCE

7.1 **Risk.** Unless we otherwise agree in writing, where we:

- (a) provide goods to you, then you bear the risk of any deterioration, loss or damage to those goods from the time they are available for collection by the carrier; and/or
- (b) provide a service, then you bear the risk of any deterioration, loss or damage to your property at all times, including any period we use your property, store and/or deliver that property (unless such damage deterioration, loss or damage is caused by our gross and wilful negligence).

7.2 **Insurance.** Unless we otherwise agree in writing, you are responsible for all insurance of the goods in transit from the time the goods are available for collection by the carrier.

8. PRODUCT WARRANTY

8.1 **Warranty.** Each engine, component or accessory reworked or supplied by us is free of defects in material and workmanship under normal use and service, for a period of 6 months or 500 running hours, whichever occurs first.

8.2 **Warranty exclusion.** This Warranty will not apply to:

- a) any engine, component or accessory which has been subjected to misuse, negligence, accidental damage, or improper or inadequate maintenance; or
- b) deterioration of any item due to normal use and exposure, unless due to a defect in workmanship or material.

8.3 **Product care.** You must comply, at your cost, with any recommendations we make for the packaging, transport and storage of the goods. You are solely responsible for any defect in or damage to goods caused or contributed to by your failure to fully comply with all of those product care recommendations.

8.4 **Inspection on Delivery.** You must inspect the goods as soon as they are delivered and if you do not, you will be deemed to accept those goods provided they comply with the order.

8.5 **Claim.** If you believe that goods do not comply with our warranty, you must make a claim to us either by post or email to the addresses in clause 2 within:

- (a) 48 hours after receipt of the goods, if for shortages; or
- (b) 21 days after receipt of the goods, if for defects.

8.6 **Our action.** Subject to clauses 8.7 and 8.8, we will, in our sole discretion:

- (a) Repair or replace the goods or parts of them; or
- (b) wholly or partly recompense you by providing credit or reimbursing you.

8.7 **Conditions precedent.** Clause 8.6 is conditional on you having:

- (a) inspected the goods on delivery and did not sign for them as damaged stock;
- (b) notified us of your claim under clause 8.5;
- (c) allowed us access to inspect the goods and investigate your claim; and
- (d) having not used the goods and you have not further damaged those goods.

8.8 **Deemed compliance.** Where you did not comply with any of the conditions in clause 8.7, our goods will be deemed to comply with your order and you will be bound to pay for our product in accordance with these terms of trade.

8.9 **Approval and Procedure.** Only after obtaining our approval, you may return the goods to us and must comply with all directions which we give you, including which carrier you must use.

8.10 **Third Party Manufactured Goods.** We will not warrant goods that are supplied by us but are not manufactured by us or a related entity of ours, and anything deemed by us not to be manufactured by us ("Third Party Manufactured Goods"). In the event Third Party Manufactured Goods are defective or damaged goods, the claim will be passed onto the original equipment manufacturer or supplier and will be subject to their warranty terms and conditions.

8.11 **Transportation costs.** Subject to clause 8.6, you must pay all transportation costs to and from our nominated service facility unless the goods are being returned due to our distribution error and you notified us of that error within 5 business days of delivery.

8.12 **ACL Mandatory Text**

Our goods and services come with guarantees that cannot be excluded under the Australian Consumer Law. For major failures with the service, you are entitled:

- (a) to cancel your service contract with us; and
- (b) to a refund for the unused portion, or to compensation for its reduced value.

You are also entitled to choose a refund or replacement for major failures with goods. If a failure with the goods or a service does not amount to a major failure, you are entitled to have the failure rectified in a reasonable time. If this is not done you are entitled to a refund for the goods and to cancel the contract for the service and obtain a refund of any unused portion. You are also entitled to be compensated for any other reasonably foreseeable loss or damage from a failure in the goods or service.

9. UNWANTED RETURNS

9.1 Subject to our obligations under law, in our sole discretion, we may agree to you returning 'over the counter sales' goods purchased from us subject to the following conditions:

- a) the goods must be in new condition and in unopened original packaging;
- b) we will not accept goods for return 15 business days after the date of first invoice;
- c) you must make a claim for credit within 7 business days of receipt of goods and all goods must be returned within 15 business days from the date of first invoice;
- d) you agree and acknowledge that the credited amount to you for goods returned will be discounted by 15% of the invoice price on account of restocking and handling fees. We do not accept freight or postage charges on goods being returned;
- e) you must inform us why such goods are being returned and when they were purchased from us, together with a copy of all certificates of release (C of C's) and original invoice.

10. LIABILITY

10.1 **Exclusion of legislation.** The provisions of all legislation, including the *Competition and Consumer Act 2010 (Cth)* and the *Fair Trading Act 1989 (Qld)*, do not apply to these terms of trade except to the extent that they are unable to be excluded by legislation.

10.2 **Limitation of liability.** Subject to clause 10.1 and 10.5, and other product warranties set out in these terms of trade:

- (a) we give no guarantee, warranty, undertaking or representation in relation to the goods sold or services provided to you, their quality, fitness for any purpose, their compliance with any description or sample;
- (b) our liability to you arising in any way in relation to our goods or services will be limited to the extent of our warranty contained in clause 8;
- (c) we are not liable for any Consequential Loss however caused (including by the negligence of us) suffered or incurred by you in connection with these terms or our goods or services. For the purpose of these terms, 'Consequential Loss' means: loss of revenues; loss of opportunity; indirect loss; loss of profits; consequential loss; and loss of savings;
- (d) all information contained in any of our publications (including our catalogues, brochures, photographs, illustrations, website or any advertising material) represent generally the subject matter and price of our goods or services but will not be taken as necessarily representing our goods or services the subject of any order or the correct price and will not form part of any contract or agreement for supply; and
- (e) except as otherwise expressly provided in these terms of trade, you release us from all actions, claims, demands, losses, liabilities, damages and expenses arising from or in relation to the supply of our goods or services,

and you acknowledge that we would not have entered into any contract with you if any of the above were not true.

10.3 **Aggregate Liability.** Subject to clauses 10.1 and 10.5, the aggregate liability of us to you under or in relation to these terms:

- (a) arising out of any one act, omission or event and any one series of related acts, omissions or events is limited to the amounts paid or payable to us pursuant to clause 4 of these terms in the 12 month period prior to the act, omission or event or the first in the series of acts, omissions or events; or
- (b) arising out of all acts, omissions and events whenever occurring is limited to the total amounts paid or payable to us pursuant to clause 4 of these terms.

10.4 The limitation set out in clause 10.3 is an aggregate limit for all claims, whenever made.

10.5 **CC Act Consumer.** Nothing in these terms is intended to limit any right you may have under Australian Consumer Law. If Australian Consumer Law, or other law, states there is a guarantee in relation to any goods or services supplied by us, and our liability for failing to comply with that guarantee cannot be excluded, but may be limited, then clauses 10.2 and 10.3 do not apply to that liability. Instead, to the extent permitted by law, our liability for breach of a condition or warranty implied by any legislation, including Australian Consumer Law, is limited to the following remedies (at our discretion):

- (a) in the case of goods, any one or more of the following:
 - (i) the replacement of the goods or supply of equivalent goods;
 - (ii) the repair of the goods;
 - (iii) the payment of the costs of replacing the goods or of acquiring equivalent goods; or
 - (iv) the payment of the costs of having the goods repaired; and
- (b) in the case of services:
 - (i) supply of the services again; or
 - (ii) the payment of the cost of having the services supplied again.

10.6 **Reliance.** You acknowledge that you have not relied on and have not been induced to purchase the goods or use any service based on any representation by us other than as expressly recorded in these terms of trade.

10.7 **Product recall.** In the event that we instigate a product recall, then you must comply with any reasonable request by us or our insurers (provided we pay for freight on recalled goods), and our liability will be limited to the amounts referred to in clause 10.2 and 10.5 plus that freight cost (if any).

10.8 **Maximum liability.** Notwithstanding clause 10.1, if we are found liable by operation of law, our total liability (including death or personal injury occurring as a consequence of any negligent act, omission or default on our part, under or in connection with this agreement), whether in contract, tort or otherwise must not exceed \$20,000,000.

11. PASSING OF TITLE

11.1 **Title to goods that we hire or lend to you.** Title remains with us with regard to goods that we hire or lend to you.

11.2 **Title to goods sold by us passes on full payment.** Title to goods that we sold you will not pass to you until we receive your full unconditional payment for all goods and services provided by us to you.

11.3 **Bailment.** Until title in goods that we sold you passes to you, you are the bailee of the goods and as bailee, assume all of the duties and liabilities of a bailee in respect of the goods.

11.4 **Your storage.** After delivery of goods to you, you must:

- (a) store the goods separately at your premises so they can be easily identified including by labelling the goods if required;
- (b) not alter, remove or tamper with any marks or numbers on the goods or packaging;
- (c) only dispose of goods that we sold you in the ordinary course of your business;
- (d) not cause the goods to lose their identifiable character or be intermingled with other goods in any way by any process of its own or by a third party, except with our prior written consent;
- (e) not claim a right or interest in the goods to secure any liquidated or unliquidated debt or obligation that we owe to you;
- (f) not claim any lien over the goods;
- (g) not create any absolute or defeasible interest in the goods in relation to any third party except with our prior written consent; and
- (h) provide us and our agents access to the premises where the goods are stored to enable us to inspect and/or seize the goods.

12. DEFAULT

12.1 **Our rights where you are in default.** If you are in default under these terms of trade or commit an act pursuant to which bankruptcy or insolvency proceedings may be commenced against you, then:

- (a) we may terminate these terms of trade, without any prejudice to rights or obligations that accrued prior to termination;
- (b) we may, without notice to you, immediately recover possession of the goods from wherever they are stored and you waive the right to receive any statutory or PPSA notice;
- (c) we may cancel deliveries to you;
- (d) we may stop carrying out the service (even if partially processed goods will be spoiled);
- (e) payment of all monies which you owe to us will immediately become due and payable on demand;
- (f) we may vary the terms of payment or suspend or terminate any contract for the supply of our product to you;
- (g) in addition to any other lien to which we may be entitled, we will be entitled to a general lien on all money and property belonging to you in our possession to the extent of the unpaid price of our product;

- (h) we may sell any property of yours in our possession and use the proceeds to pay towards our costs of your default; and
- (i) we may destroy or discard of any part of your property in our possession if the likely proceeds of sale will not exceed the costs of selling those items.

12.2 **No compensation.** You are not entitled to any compensation in relation to any action which we take under clause 12.1.

12.3 **Indemnity.** You indemnify us against, and must pay us on demand, any claim, demand, proceeding, liability or cause of action (including without limitation any debt collection agency fees and solicitors' fees on the indemnity basis) suffered or incurred by us whether arising in contract, tort, or statute or otherwise, relating to or in connection with:

- (a) a breach by you of these terms of trade (including of any warranty given by you); and
- (b) the recovery, handling and sale or re-sale of goods we provide to you.

A certificate produced by us will be conclusive evidence of the amount which you owe us.

12.4 **Right to proceeds.** Where you dispose of the goods before payment to us, the sale proceeds of such disposal are our property and you hold the proceeds on trust for us. Further, you, in disposing of the goods before payment to us, do so as our fiduciary agent.

12.5 **Further assurance.** You appoint us and each of our directors as your joint and several attorneys for the purpose of doing all acts, matters or things we think are necessary to give full effect to this clause 12.

13. SECURITY

13.1 **Charge.** As security for payment to us of all funds payable by you and for your obligations and liabilities pursuant to these terms of trade, you charge in favour of us for the due and punctual payment and performance of those obligations and liabilities, all of your legal and equitable interest of whatsoever nature held in any and all real property both present and future.

13.2 **Security.** On our request, and without limiting the general nature of the charge in clause 13.1, you will execute any documents and do all things necessary as required by us to create and register a mortgage security or other instrument of security over any real property on terms satisfactory to us. Where you do not do so within a reasonable time of our request, you irrevocably appoint each officer or solicitor appointed by us to be your true and lawful attorney to execute and register those security instruments.

13.3 **Costs.** You indemnify us on an indemnity basis against all of our costs and expenses incurred in relation to the preparation and registration of any such charge and mortgage documents.

13.4 **Consent.** You consent unconditionally to us lodging a caveat or caveats noting our interest in any of your real property.

14. PPSA

14.1 **PPSA defined terms.** Terms referred to in this clause 14 will, unless the context otherwise requires, have the same meaning given to those terms in the PPSA.

14.2 **PPSA Security Interest.** You acknowledge and agree that:

- (a) these terms of trade are a Security Agreement for the purposes of the PPSA;
- (b) we may register our Security Interest in the goods and their Proceeds on the Register via a Financing Statement or Financing Change Statement as a Purchase Monies Security Interest or any other Security Interest we deem appropriate;
- (c) for the purposes of paragraph 14.2(b), goods is described as helicopter engines supplied by us including, without limitation, helicopter accessories, modules and engines and including any property described in an order;
- (d) you will sign any documents and provide all assistance and information required in order for us to attend to the registration and maintenance of any Security Interest;
- (e) you will ensure that our security position, rights and obligations, are not adversely affected by the PPSA;
- (f) unless we have consented in writing or otherwise specifically permitted under these terms of trade:
 - (i) you will not register a Financing Change Statement in respect of a Security Interest relating to these terms of trade; and
 - (ii) you will not allow a third party to register, a Financing Statement or a Financing Change Statement in relation to the goods and their Proceeds;
- (g) in order to satisfy obligations secured by a Security Interest contemplated or constituted by these terms of trade, we may, in our absolute discretion, utilise amounts received in relation to these terms of trade in whatever way we decide; and
- (h) you will give us at least 14 days written notice of any proposed change in any of your details, either in the rental agreement or those registered, or required for registration, on the Register.

14.3 **On-Sales.** In all circumstances where you:

- (a) dispose of any goods supplied by us under these terms of trade in the ordinary course of your business to a third party ("Purchaser"); and
- (b) that disposal was on terms other than full payment being received by you on or before the Purchaser obtaining Possession,

then you must before the time the Purchaser obtains Possession of the goods, register a Purchase Monies Security Interest over the goods with the Purchaser as Grantor.

- 14.4 **On-Sale Defaults.** Where a Purchaser defaults on their payment obligations to you, you must immediately take all steps permitted under the PPSA to enforce your Security Interest (including under the Purchase Monies Security Interest) in priority to any other party having a Security Interest in the goods given by the Purchaser as Grantor including, but not limited to, seizing, disposing or retaining the goods.
- 14.5 **Subordination.** You acknowledge and agree that, pursuant to section 61 of the PPSA, your Security Interest in the goods is subordinate to our Security Interest and our Security Interest will at all times take priority over your Security Interest.
- 14.6 **PPSA Exclusions [s115(1)].** To the extent allowable under section 115(1) of the PPSA, sections 95, 96, 121(4), 125, 130, 132(3)(d), 132(4), 135, 142, and 143 of the PPSA are contracted out of and your rights pursuant to them cease.
- 14.7 **PPSA Exclusions [s115(7)].** To the extent allowable under section 115(7) of the PPSA, sections 127, 129(2) and (3), 130(1), 132, 134(2), 135, 136(3), (4) and (5), and 137 of the PPSA are contracted out of and your rights pursuant to them cease.
- 14.8 **Waiver.** You waive your rights pursuant to section 157 of the PPSA to receive notice of Verification Statement.
- 14.9 **Non-Disclosure.** You and we agree not to disclose information in connection with these terms of trade (including the existence of any terms or the exercise of any rights under these terms of trade) that is not publicly available except if the information is:
 - (a) disclosed with the prior consent of the other party to these terms of trade (which must not be unreasonably withheld);
 - (b) disclosed to your or our officers, employees, auditors, legal or other advisers; or
 - (c) is information which the disclosing party reasonably believes is required by any law or stock exchange to be disclosed (except that this clause 14.9 does not permit us to disclose any information of the kind referred to in section 275(1) PPSA unless section 275(7) of the PPSA applies).

15. INTELLECTUAL PROPERTY

- 15.1 **Intellectual Property.** We or the relevant third-party own and retain all intellectual property rights subsisting in our goods and services and any related materials. Nothing in this agreement effects our right, title or interest in any intellectual property rights owned or controlled by us at the start of these terms.
- 15.2 **Act Consistently.** You must not at any time do any act inconsistent with or that infringes our or the relevant third-party's intellectual property rights.

16. RENTAL AGREEMENT AND CREDIT APPLICATION DETAILS

- 16.1 **True and Correct.** You certify that all information provided to us in accordance with any rental agreement and/or credit application or to induce us to supply our product is true and correct.
- 16.2 **Information and Credit Reports.** We may:
 - (a) refuse your application for credit facilities;
 - (b) withdraw, vary or otherwise deal with credit facilities at our absolute discretion with prior notice;
 - (c) withhold supply or take any other action irrespective of whether an order has been accepted or not if for any reason we determine in our absolute discretion that no further credit is to be extended to you.
- 16.3 **Warrant, authorise and consent.** You, your business partners, directors and Guarantors all:
 - (a) warrant that none of your members and/or directors are undischarged bankrupts, have ever been bankrupt, convicted of any criminal offence or have any pending criminal offence court proceedings;
 - (b) authorise us to collect, update and use information (whether personal or otherwise) in accordance with our Privacy Policy, and about you or that is collected from third parties, as permitted under the *Privacy Act 1988(Cth)* (including disclosing that information to persons in the manner permitted by the *Privacy Act 1988 (Cth)* including without limitation our related entities and any business units) ("Credit Information");

- (c) consent to us obtaining from any of your credit providers information which they are allowed to give us under the *Privacy Act 1988 (Cth)* about the creditworthiness of either or all of you;
- (d) consent to us providing information to credit reporting agencies in connection with us providing credit or recovering from you amounts owing from time to time including without limitation disclosing the following types of Credit Information:
 - (i) the fact that you have applied for credit and the amount;
 - (ii) the fact that We are a credit provider to you;
 - (iii) payments which are more than 60 days overdue;
 - (iv) payments that are no longer overdue;
 - (v) the fact that a cheque drawn by you for more than \$100.00 has been dishonoured more than once;
 - (vi) whether any credit provided by us to you has been discharged;
- (e) consent to us providing information to other credit providers, mortgage insurers and debt collectors including without limitation disclosing the Credit Information for the following purposes:
 - (i) assessing any application by you for credit;
 - (ii) assisting you to avoid defaulting on your credit obligations;
 - (iii) notifying other credit providers of a default by you;
 - (iv) assessing your credit worthiness, credit standing, credit history or credit capacity;
 - (v) where we suspect that an unlawful activity has been or may be engaged in and the Credit Information is a necessary part of the Company investigating or reporting on the matter;
 - (vi) where we are required to disclose the information about you to comply with our legal obligations; and
- (f) acknowledge and agree that the information set out in any rental agreement or provided to us to induce us to supply our product or provide our services may be disclosed to a credit reporting agency or to another credit provider; and
- (g) this clause 16 will continue to remain in full force and effect until all credit facilities cease to be made available to you.

17. WARRANTY AND FURTHER ASSURANCES

17.1 Warranties. You warrant that:

- (a) you have provided us with all information required under these terms of trade including but not limited to clauses 14 and 16;
- (b) you have disclosed to us in writing all of your details including any trusts and related trust ABNs; and
- (c) nothing of relevance that should have been disclosed has been omitted.

17.2 Further information. You must provide us with any further information that we require immediately upon our request.

18. GENERAL

18.1 Force Majeure. We will not be liable for any delays or loss or damage you suffer in connection with any cause beyond our control including but not limited to delays in transportation, handling or supply, accidents, fire, strikes and other labour disputes, terrorist acts, acts of God, the requirements of any law or Government agency or other circumstance whether or not of a similar nature beyond our control, until that cause has ceased to have effect.

18.2 Time. With the exception of the time for delivery, time shall be of the essence.

18.3 Relevant Law. These terms of trade will be construed in accordance with the laws of Queensland and the parties submit to the jurisdiction of the Queensland courts.

18.4 Waiver. The failure of either of party to exercise any rights under these terms of trade will not waive that right, nor will any practice developed between us waive or lessen our respective rights under these terms of trade.

- 18.5 **Severance.** Any provision of these terms of trade which is found by a court of competent jurisdiction or any competent government authority to be invalid, illegal or unenforceable, will be severed from these terms of trade and will be deemed never to have been part of them.
- 18.6 **No Restraint.** No provision expressed or implied in these terms of trade restricts our right to sell, hire or lease the goods or provide services to third parties, whether or not you have sold, hired or leased the goods or provided the services (as the case may be) to those third parties at any time.
- 18.7 **Confidentiality.** You must treat all information which we give you as private and confidential, and must not disclose that information to any person nor use it in any way which may cause us injury or loss unless that information is public knowledge or was known by you before we gave it to you.
- 18.8 **Clerical Errors.** We reserve the right to correct clerical errors without notification.