

## Terms and Conditions of Purchase

**1. MODIFICATIONS AND VARIATIONS** - Austdac Pty Ltd ACN 002 654 695 (**Buyer**) hereby offers to purchase from the seller named on the face hereof (**Seller**) the goods listed on the face hereof on the express condition that Seller agrees to accept and be bound by the terms and conditions set forth herein. No modification or variation in any of the terms, conditions, deliveries, prices, quality, quantity and specifications of this order, irrespective of the wording of Seller's acceptance, shall be effective and binding upon Buyer without Buyer's written consent. For purposes of these terms and conditions of purchase, the term "order" shall refer to any Buyer purchase order, scheduling agreement or delivery schedule provided to Seller. Any term or condition in Seller's quotation or terms of sale, in any way inconsistent or contrary to any of the terms or conditions of this order, shall be construed in the light of this order, and such terms and conditions as contained in this order shall supersede and shall be read instead of the terms and conditions as set forth in Seller's quotation or terms of sale. The terms hereof constitute the entire agreement and there are no other representations, understandings or agreements, express or implied. Buyer hereby expressly limits Seller's acceptance to the terms and conditions stated herein.

**2. NON-ASSIGNMENT AND SET-OFF** - Seller shall not assign this order or any interest therein or any payment due or to become due hereunder without the written consent of Buyer. Buyer may set off against amounts payable to Seller hereunder any claim or charge it may have against Seller.

**3. PACKING AND SHIPMENT** - All items shall be suitably packed, marked and shipped by Seller in accordance with requirements of common carriers, in a manner to secure lowest transportation costs, unless otherwise specified. Buyer will not allow extra charges for boxing, packing, cartage or other similar charges unless previously agreed to in writing. Buyer's purchase order number and each individual part number must be plainly marked on all invoices, packages, packing slips included with material, shipping documents and correspondence, together with Buyer's purchase order line number, if available. A separate invoice shall be issued for each shipment, no invoice of Seller shall cover items referred to in more than one purchase order of Buyer, and all invoices must show net or cash discount terms. Unless otherwise specified in the order, no invoice shall be issued prior to shipment of items and no payment will be made prior to receipt and any payment period shall be computed from date of receipt of items at final destination and correct invoice to date Buyer's check is mailed. Unless freight and other charges, where applicable, are itemized, discount will be taken on full amount of invoice. No C.O.D. shipments will be accepted nor will drafts for this purpose be honored unless previously agreed to in writing. Shipping instructions must be adhered to when specified and additional costs resulting from deviation will not be paid by Buyer.

**4. DELIVERY** - Time of delivery is of the essence of this order. Seller agrees to provide Buyer with a written acknowledgement of the order within one (1) week- of the date of the order. Said acknowledgement shall contain the purchase order number, part number, part description, request date, delivery date, price, quantity and shipping terms. Delivery shall not be deemed to be complete until goods have been actually received and accepted by Buyer, notwithstanding any agreement to pay freight, express, or other transportation charges. Seller shall follow the delivery schedule provided by Buyer and shall not make deliveries later or earlier than dates shown therein. If items are shipped in advance of scheduled delivery dates, Buyer may return them at Seller's expense and they will be reshipped at Buyer's instruction. Seller shall immediately notify Buyer if unable to meet delivery requirements. If it appears Seller will not meet the specified schedule, Seller shall, if requested by Buyer, ship via air freight or other expedited routing to avoid or minimize delay to the maximum extent possible, the added cost to be borne by Seller. If Seller does not adhere to the delivery schedule, Buyer may agree to a revised delivery schedule or cancel the order or remainder thereof without liability, purchase elsewhere and charge Seller with any loss incurred through its failure to deliver. Acceptance by Buyer of late delivery of either the whole or a part of the order shall not constitute a waiver of Buyer's claim for any damages that the late delivery may have caused.

**5. QUANTITIES** - Shipments must equal exact amounts ordered unless otherwise agreed in writing by Buyer. Buyer may refuse over shipments and shipments of less than the quantity ordered and return same at Seller's expense. Seller acknowledges and agrees that the items, material and quantities contained in an order are estimates of Buyer's annual usage only and do not constitute a commitment by Buyer to purchase the full estimated annual usage from Seller.

**6. WARRANTY, INSPECTION AND ACCEPTANCE** - Seller expressly warrants that all items covered by this order will be unencumbered, merchantable and free from defects (whether known or unknown by Seller) in materials and workmanship, and will conform to the specifications, drawings, samples, intended use, or other descriptions furnished or specified by Buyer, or agreed to in writing. Seller further warrants that all such items which are supplied in accordance with Seller's specifications, drawings or samples, or which are listed in Seller's catalogue, or which are also manufactured for others by Seller, will be fit and serviceable for the purposes for which used or for the purposes specified. Such warranties together with all other warranties and guarantees of Seller, shall run in favour of Buyer and its customers (and for that purpose Buyer is and shall be deemed to be acting as agent or trustee on behalf of and for the benefit of persons who are or might be from time to time its customers and their respective successors and assigns, and Seller expressly agrees not to assert lack of privity as a defense to any claim by any such customer).

Seller shall promptly repair or replace any nonconforming goods, without cost to Buyer, for the greater of: (i) the period specified on the Seller's warranty; (ii) twenty-four (24) months from date of shipment to Buyer; or (iii) a period specified by applicable statute. If Seller does not take action to correct the nonconformity within a reasonable time, but in no event later than one week after notice by Buyer of the nonconformity, Buyer may (but is not required to) effect repairs, and Seller shall reimburse Buyer for all expenses incurred. Such actions on the part of Buyer shall not relieve Seller of any responsibility or liability with respect to such goods. If the nonconformity cannot be corrected, the nonconforming goods shall be removed at Seller's expense and Seller shall, without cost to Buyer, and at Buyer's sole option (a) furnish other goods satisfactory to Buyer on the same terms set forth in the order or (b) promptly refund the purchase price in full or that portion that has been paid by Buyer along with Buyer's costs incurred for transporting the goods to and from the delivery point. All items will be subject to test and inspection by Buyer and shall be received subject to Buyer's final inspection and acceptance at destination and right of rejection for cause on arrival or within a reasonable time thereafter ("Accepted"). If items are not in accordance with Buyer's orders and specifications, Buyer's options include any one or more of the following actions: (1) reject or hold for a reasonable time awaiting Seller's shipping instructions, but at Seller's sole risk, expense and disposal including transportation costs both in and out, (2) return to Seller for full credit at the order price, including transportation costs both in and out, without prejudice to any right to damages for such breach, (3) require Seller at Seller's expense to replace rejected items at the unit price of this order, (4) consider this order breached as to the rejected quantity and cancelled as to any unfilled portion of this order, and hold Seller fully liable for such breach and cancellation, or (5) if Buyer's production schedule, in Buyer's judgment, requires additional work or rework on defective or incorrect parts to make them usable to Buyer, Seller will perform such work at its expense. Payment for items prior to final inspection shall not constitute acceptance thereof. Legal and equitable title in and to the goods passes to Buyer on the earlier of delivery of the goods to the Buyer or when Buyer pays for those goods. Risk of loss or damage to goods shall not pass to Buyer until Buyer has inspected and/or accepted the goods.

**7. CHANGES** - Buyer may at any time, by written order, make changes within the general scope of this order in any one or more areas: (1) drawings, designs and specifications, (2) method of shipment, (3) place of delivery, inspection and acceptance, (4) reasonable increases or decreases in quantity, (5) sourcing and supplier(s), (6) material, process and testing requirements, and (7) reasonable changes in delivery schedules. Seller shall proceed immediately to perform this order as so changed. If such a change causes an increase or decrease in cost or time required for the

performance of this order these factors are to be negotiated with Buyer prior to effecting the change. Written change orders do not relieve Seller from liability for failure to perform.

**8. TERMINATION** - Buyer may at any time terminate this order in whole or in part for convenience by written notice to Seller. Upon termination for convenience, Seller shall thereupon as directed cease work and as directed deliver to Buyer all finished goods based on the rolling forecast negotiated between the parties ("Finished Goods") and Buyer shall pay the Seller the price stipulated in this order for all Finished Goods which have been completed prior to such termination and which are Accepted by Buyer. Any failure by Seller to perform its obligations under this order, which failure shall be determined by Buyer in its sole discretion acting reasonably, shall be a ground for Buyer to cancel the order or the affected portion of the order for cause. Upon termination for cause, Seller shall not be entitled to any compensation pursuant to such termination, except for the actual value of the Finished Goods delivered by Seller and Accepted by Buyer, prior to termination, which amount shall not exceed the purchase price of such delivered and Accepted goods- Subject only to that exception, Seller shall refund Buyer any monies paid to Seller up to the point of termination. The provisions of this clause are without prejudice to the rights of Buyer in the event of any failure on the part of Seller to comply with the delivery schedule or other provisions of this order. Buyer reserves the right to cancel all or any part of this order if Seller ceases to carry on business.

**9. IP INFRINGEMENT** - Seller warrants that the use or sale of the items purchased hereunder will not infringe patents, copyrights, trademarks, trade secrets or other intellectual property rights or violate any third party property rights.

**10. PRICE** - If Seller is not in full agreement with price and terms indicated herein, Seller will notify Buyer before proceeding with order. Seller is not to fill this order at a price higher than shown on the face of this order without authorization from Buyer. Seller warrants that the prices for the goods supplied pursuant to this order are and will continue to be the lowest prices charged by Seller for the same or substantially similar goods. If at any time during the term of this order, Seller offers or sells the same or substantially similar goods to a third party at a lower price than the prices set forth herein, Supplier will immediately notify Buyer and reduce the prices for the applicable goods to such lower price on any pending and future purchase orders for the goods. All orders where the price is left open are subject to cancellation and return of the goods if Seller's prices are not agreeable to Buyer.

**11. TAXES** - All consideration provided under this document is exclusive of GST. If GST is payable by the party making the supply (supplier), the recipient must, upon receipt of a tax invoice from the supplier, pay the supplier an amount equal to the GST payable on that supply. "GST Law" has the meaning given in the A New Tax System (Goods and Services Tax) Act 1999 (Cth), and terms used which are not defined in this document, but which are defined in the GST Law, have the meanings given in the GST Law.

**12. COMPLIANCE WITH LAWS** - Seller shall comply with all relevant laws affecting or applicable to the performance of its obligations pursuant to this order.

**13. CONFLICT MINERALS** – Seller shall cooperate fully with Buyer, and to Buyer's satisfaction, in meeting Buyer's obligations under Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, and related rules and regulations, concerning disclosure of columbite-tantalite (coltan) (i.e., tantalum), cassiterite (i.e., tin), gold and wolframite, (i.e., tungsten) or their derivatives ("Conflict Minerals") in the supply chain.

**14. CONFIDENTIALITY** - All drawings, specifications, technical data, or other information furnished to Seller by Buyer in connection herewith are and shall remain the property of Buyer, and shall not be reproduced or used in any way except in the performance hereunder, or disclosed to third parties or used in any manner detrimental to Buyer. Upon completion or termination of this order, Seller shall return to Buyer all information furnished by Buyer in connection with the performance of this order.

**15. TOOLING** - Unless otherwise agreed in writing, all tools, equipment or material furnished to Seller by Buyer, or specifically paid for by Buyer and any replacement thereof shall be and remain the property of Buyer. Such property shall be plainly marked or identified as Buyer's property. Seller

shall not substitute any property for Buyer's property and shall not use such property except in filling Buyer's orders. Seller agrees to execute any and all documents necessary to evidence Buyer's right, title and interest in such property. Such property, while in Seller's possession or control, shall be held at Seller's risk and shall be subject to recall by Buyer unless otherwise indicated. Seller agrees at its cost to insure all of Buyer's tools, equipment and materials on a replacement cost basis against loss or damage with insurers satisfactory to Buyer and naming Buyer and any other party designated by Buyer as an additional insured and loss payee on the applicable insurance policies in an amount not less than required to cover any loss or damage to such tools, equipment and materials. Seller agrees to provide a certificate or other evidence of such insurance to Buyer upon request. Buyer may require Seller to enter into a separate bailment agreement in respect of such goods.

**16. INDEMNITY** - Seller shall indemnify and hold Buyer, Buyer's employees, officers, directors, agents and representatives, harmless, at Seller's expense, from all liability, loss, and expense (including reasonable legal fees, disbursements, and court costs) or claims therefore, arising out of: (a) Seller's acts or omissions, death or injury to any person or damage to any property, by whomsoever suffered, connected with or resulting from goods or services purchased under this order; or (b) Seller's breach of a provision of this order.

Evidence of Seller's insurance coverage for these risks must be furnished to Buyer upon request and must be maintained for the appropriate time period. Where work in connection with this order is to be done by Seller on the premises of Buyer, Seller further agrees to fulfil, at its expense, all the provisions of the workers' compensation legislation in force in the jurisdiction in which said work is to be done and to include any person (s) employed by him outside of his place of business so that Seller and not Buyer will be liable as employer under the said legislation. Seller further agrees to carry, at his expense proper liability and property damage insurance acceptable to Buyer, covering work done by Seller on the premises of Buyer, to be evidenced by insurance certificates, if requested by Buyer. If furnishing service or materials on Buyer's premises, Seller must in all cases keep the premises upon which it does so free and clear of all liens arising out of or in connection with this order.

**17. QUALITY** - Seller agrees to comply with Buyer's quality assurance requirements attached hereto and made a part hereof.

**18. ANTI-CORRUPTION AND ETHICAL PROCUREMENT** – Seller warrants and represents that Seller will implement procedures for it and its officers, employees, agents, contractors and subcontractors engaged in the supply of the goods to comply with any relevant anti-bribery and applicable anti-corruption laws and will at all times, adopt, and ensure that its adopt, the highest ethical and professional standards to:

- (a) procure goods, materials and equipment for the purpose of complying with this order; and
- (b) carrying out the requirements of this order.

**19. MISCELLANEOUS**

(a) Any legal claim shall be controlled under the laws of the jurisdiction of Buyer's primary place of business. Seller and Buyer agree to accept and be bound by the exclusive jurisdiction of the courts thereof. The application to this order of the U.N. Convention on Contracts for the International Sale of Goods is hereby expressly excluded.

(b) In the event that any one or more provisions contained in this order shall be held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall remain in full force and effect.

(c) Buyer's failure to enforce a breach of any provision contained herein shall not constitute a waiver of any other breach or of such provision.

(d) Any notice or communication required or permitted hereunder shall be in writing and (i) shall be deemed received when personally delivered or five (5) business days after being sent by certified mail, postage prepaid; or (ii) on the day emailed unless the sender receives transmission error notice, to a party at the postal or email address specified herein or at such other postal or email address as either party may from time to time designate to the other.

(e) Seller may not assign or delegate any rights or obligations under this document without Buyer's prior written consent.