

1. INTERPRETATION

1.1 In these conditions "Seller" means *HAMPTON ENGINEERING Pty Ltd*, ABN 41 592 404 and "Buyer" means the person, body, firm or company with whom the Seller enters into a contract for the sale of goods and/or the supply of services.

1.2 These Terms and Conditions of Sale apply to all contracts of sale entered into by the Seller and supersede and prevail over all terms and conditions which may be contained in any customer purchase order or in sales confirmation or otherwise.

1.3 Typographical and clerical errors are subject to correction and revision.

1.4 These conditions bind the Seller, the Buyer and their respective successors and assigns.

1.5 Words importing persons shall include corporations and words importing the singular number or plural number shall be deemed to include the plural number or singular number respectively and words importing the masculine gender shall include all genders as the case may require.

2. GENERAL

2.1 These Terms and Conditions of Sale apply to the sale of goods and services manufactured or supplied by the Seller.

2.2 Any order received by the Seller is deemed to be an order incorporating these Terms and Conditions and no variation or cancellation of any of these Terms and Conditions shall be binding on the Seller unless assented to by the Seller in writing.

2.3 If any provision or paragraph of this document is determined to be illegal and unenforceable it shall not effect the enforceability of any other provision or paragraph of this document.

2.4 Headings are included for ease of reference and do not form part of or effect interpretation of these conditions.

3. QUOTATION and PURCHASE ORDER

3.1 Any quotation given by the Seller is a mere invitation to trade and does not constitute a contractual offer and the Seller reserves the right to vary or withdraw a quotation at any time and the Seller reserves the right, at its option, to accept or reject any orders received.

3.2 Once the Seller has sent the Buyer an acknowledgment of the acceptance of the purchase order the Buyer may not alter or modify the purchase order without the written consent of the Seller.

3.3 Verbal quotations are subject to written confirmation, which will be given when requested.

4. SCOPE

4.1 The quotation includes only those goods and services as specified therein. Goods offered ex-stock are subject to prior sale.

5. CANCELLATION OR VARIATION

5.1 A Buyer may only vary an order if the Seller in writing accepts such variation and any variation or cancellation may only occur on terms which will provide for the Seller to be indemnified by the Buyer against any loss or damages.

5.2 Order Cancellations or quantity downward revision will not be accepted once procurement of parts has commenced.

5.3 Cancellations will attract a cancellation fee and must be at least 90 days prior to current due delivery date. In the event of the Buyer cancelling, all charges incurred by the Seller against the Buyer's order shall be paid as set out in clause **6.5**

5.4 Re-schedules must be at least 45 days prior to the current due delivery date and any item may be deferred only once, up to a maximum of 60 days from the original request date.

6. COMPONENT PROCUREMENT, PRICES AND TERMS

6.1 Unless specifically stated otherwise all prices are expressed net of any applicable freight and insurance charges, sales tax and customs duty, which shall be added to the amount to be paid by the Buyer.

6.2 All prices of imported goods quoted are based on the FOB price of the Seller's supplier and the rates of exchange, freight, insurance and customs duty ruling at the date of quotation. The quoted prices may be varied by the same amount by which the Seller's actual costs have been varied as a result of any change in the said rates.

6.3 Prices for proprietary products may be subject to alteration without prior notice and goods will be charged at the price ruling at the date of dispatch.

6.4 Prices for custom-built products are based on the cost of labour, material and component parts and of conforming to statutory obligations, direct or indirect in force on the date the quotation is compiled. If between that date and the completion of the work, variations, either by rise or fall, occur in the said cost due to fluctuations in the cost of labour, material or components or to the performance of statutory requirements not known at date of quotation, then the price of the goods as quoted may be varied to provide for such variations. The Buyer, in ordering the goods, guarantees that in the making of them the Seller will not be liable for any infringement of Letters Patent, Trade Marks, Registered Designs, etc., and agrees to indemnify the Seller, its servants and agents against any action, loss or damages that may be brought against or suffered by the Seller for such manufacture.

6.5 Subject to clause **6.6** all accounts are on a COD basis and all goods and services shall be paid for before they are supplied.

6.6 Goods and services supplied must be paid for within thirty (30) days of the date of invoice or thirty (30) days from the date of shipment, whichever occurs first. Where the Buyer is overdue with any payment or the Seller is in receipt of credit reference, which it regards as unsatisfactory, then the Seller reserves the right to change the Buyer to a COD account.

6.7 Each consignment shall be considered a separate and independent transaction and payment therefore shall be made accordingly.

6.8 The Seller reserves the right to deliver and invoice any items or items comprising the whole or part of any order. Failure of the Seller to deliver any part of an order shall not entitle the Buyer to repudiate the contract.

6.9 Without prejudice to any other remedy the Seller reserves the right to charge a default charge on any overdue payment at an annual rate equal to 2% above the rate notified by Commonwealth Bank of Australia from time to time as being that Bank's indicator lending rate.

7. SALES TAX AND GOVERNMENT IMPOSTS

7.1 The Seller quotes prices exclusive of sales tax and government imposts. Unless the Buyer provides the Seller with an authorised tax-exempt certificate, sales tax/GST will be added to the invoices.

8. DELIVERY

8.1 The Seller reserves the right to choose the means and method of delivery and unless the parties agree the contrary to in writing, all deliveries shall be made by the most economical method of transportation. If the Buyer requires delivery by a specified method or carrier, the Buyer shall, in addition, pay any amount by which the charge for such carriage exceeds the amount, which would have been charged had delivery been made by the Seller in the normal manner.

8.2 Notwithstanding anything herein contained the Seller shall not be liable for loss or damage to the goods after the time of dispatch. The Seller is not acting as an agent or servant of any carrier engaged in the carriage of goods sold by the Seller.

8.3 Dates for delivery are tentative and subject to the availability of materials. The Seller shall not be liable for any loss occasioned by delay in delivery of goods ordered whether consequential or otherwise.

9. DELIVERY TIME

9.1 Deliveries shall not be of the essence of the contract.

9.2 The Seller estimates delivery dates quoted in good faith.

9.3 Under no circumstances shall the Seller be liable for damages (including consequential special and incidental damages) for failure to deliver or delay in delivery how so ever occasioned.

9.4 The Buyer is not relieved from accepting delivery at the agreed price when the causes interfering with delivery are removed.

9.5 If delivery is in instalments, delay in delivery of any instalment shall not relieve the Buyer of its obligation to accept the remaining deliveries.

9.6 In the event of any happening beyond the Seller's reasonable control in consequence of which the Seller cannot effect consignment by the time or times quoted or specified the Seller shall be entitled to consign part only of an order, suspend consignment or extend time for consignment for the period during which such cause of delay operated or may cancel the order and in the event of such suspension, extension or cancellation the Seller shall not be liable for damages.

10. MINIMUM ORDER

10.1 Minimum order value and the minimum order quantity per line item that the Seller will accept are indicated in the Seller's quotation, where less than the minimum quantities are ordered the Seller will automatically increase the quantity to meet minimum levels and the Buyer's invoice price will be adjusted accordingly.

10.2 Where quantities are ordered which constitute broken pack sizes, those quantities will be increased to the next highest unbroken pack size.

11. ACCEPTANCE

11.1 The Buyer shall inspect the goods immediately on arrival and shall not later than fourteen days from the date of delivery give notice to the Seller of any matter or thing by reason whereof he may allege that the goods are not in accordance with the contract. In the event that the Buyer shall fail to give such notice the goods shall be deemed to be in all respects in accordance with the contract and the Buyer shall be deemed to have accepted and be liable to pay for the same accordingly.

11.2 In the event that the Buyer gives notice as required by condition 11.1 hereof, the Seller shall inspect the goods and if satisfied that the defects are due to faulty workmanship or parts, may at its option repair or replace such item. Notwithstanding anything herein contained the Seller's sole liability shall be the said repair or replacement and no claim shall lie against the Seller for consequential loss or any loss above the value of the item so repaired or replaced.

11.3 No goods shall be returned to the Seller for credit unless the Seller's prior approval in writing has been obtained. Goods returned without such prior approval shall be accepted at the sole discretion of the Seller and if not so accepted shall be held by the Seller for 30 days, after which they shall be returned to the Buyer and invoiced at their original price. All returns are subject to 20% levy of invoice value as a handling charge. Freight for returns to be borne by the customer. All return goods must be standard items in good condition. Invoice numbers must be quoted at all times.

11.4 No order shall be cancelled or deferred without the prior consent of the Seller obtained in writing.

11.5 No order for a non-standard or custom-made item may be cancelled after production has been scheduled for manufacture or after materials for production have been purchased.

11.6 If a Buyer becomes bankrupt, commits an act of bankruptcy, appoints a Receiver or enters into an arrangement with his creditors, any order which is partly or wholly unfulfilled shall by such act be deemed to be terminated by the Seller to the extent to which the order is incomplete and the Seller shall be entitled to receive payment for such production as has been completed and/or delivered prior to the date of such termination.

11.7 If a Buyer neglects to pay for the instalments due under any contract to be performed by instalments the Seller shall be at liberty to withhold delivery of the balance of such Contract until all arrears or payments have been brought up to date.

11.8 These items and conditions are the only conditions upon which the Seller contracts PROVIDED THAT the Seller may vary these terms in writing save and except conditions 13.1 and 13.2 hereof.

11.9 The validity, performance and construction of the contract between the Seller and Buyer shall be governed in all respects by the laws of the State of Victoria and the Commonwealth of Australia.

12. CLAIMS

12.1 The following conditions relating to the return of goods for credit applies to all goods returned for this purpose.

12.2 A Delivery Docket stating original invoice number, date of purchase and reason for return must accompany goods returned.

12.3 Non-standard equipment made to special order cannot be credited under any circumstances.

12.4 Inward freight packing and delivery charges are the responsibility of the Buyer.

12.5 Goods will only be accepted for credit to the extent of that wrongly supplied or over supplied.

12.6 All returns must be in good order and condition, unused and in original packing.

12.7 No claims by the Buyer need be recognised unless made in writing not later than fourteen days after delivery of the goods to the Buyer. No claim for damage or resultant expense direct or indirect in respect of any goods shall in any case exceed the invoice price of the goods in respect of any damages or expense shall arise. All damage or expense over and above such invoice shall be the responsibility of the Buyer.

13. WORKMANSHIP AND WARRANTY

13.1 The Seller warrants product(s) manufactured by the Seller against defects of materials and workmanship for a period of 12 months from the date of delivery to the Buyer. Provided further that this warranty shall be null and void if the Buyer does not use the products(s) in accordance with the Seller's instructions and normal and reasonable industry standards.

14. APPLICATION OF THE SELLER'S PRODUCT

14.1 It is a condition of this contract that the Buyer shall not use the goods for the installation in or in association with aircraft.

THE USE OF *HAMPTON ENGINEERING Pty Ltd* PRODUCTS ARE NOT AUTHORISED FOR USE AS CRITICAL COMPONENTS IN LIFE SUPPORT DEVICES OR SYSTEMS.

14.2 As used herein:

14.2.1 Life support devices or systems are those which support life, and whose failure to perform, when properly used in accordance with instructions for use provided with the product, can reasonably expect to result in significant injury to the user.

14.2.2 A critical component is any component of a life support device or system whose failure to perform can reasonably be expected to cause the failure of the life support device or system, or to affect its safety or effectiveness.

14.3 In the event that the goods are so incorrectly used, the Seller shall be exempt from all liability whatsoever and the Buyer hereby indemnifies the Seller in respect of any claims, demands, suits or proceedings whatsoever resulting from such misuse of the goods.

15. PERFORMANCE AND REPRESENTATION

15.1 The Buyer acknowledges and agrees that it is their responsibility to ensure that the goods are suitable and that the Buyer is satisfied as to the fitness, performance and suitability of the goods for any intended or particular purpose or any other matter.

16. INFORMATION AND DRAWINGS

16.1 Buyer acknowledges and agrees that it is their responsibility to ensure the suitability of any design, descriptive specifications, illustrations, drawings, data, dimensions and ratings that may be specified.

16.2 The Buyer wholly indemnifies and holds harmless the Seller with response to any liability whatsoever, howsoever or whensoever

caused or attached to any design, descriptive specifications, illustrations, drawings, data, dimensions and ratings.

17. PATENTS

17.1 The Buyer acknowledges and agrees that it is their responsibility to ensure that any goods do not or will not infringe any patent, trade mark, registered design or copyright and the Seller shall in no circumstances be liable for any infringement constituted by the sale or use of the goods.

18. RETENTION OF TITLE

18.1 Notwithstanding anything to the contrary elsewhere herein contained, property in the goods which are the subject of an invoice shall not pass to the Buyer (or to anyone other than the Seller) until such time as the Buyer had paid to *HAMPTON ENGINEERING Pty Ltd* the full invoice price for such goods.

19. INSURANCE

19.1 The Buyer acknowledges and agrees that they are responsible for any design liability and that any insurance responsibility for any such liability belongs to the Buyer.

19.2 The Buyer acknowledges and agrees that they are responsible for and accept the insurance responsible for any loss, damage or liability attaching to any property or goods they own, or are legally responsible for, whilst such property or goods are at the Seller's premises.

20. BUYER'S RESPONSIBILITY

20.1 The Buyer acknowledges, and agrees that it is their responsibility to and undertakes to ensure that any of their clients are made aware of the General Terms and Conditions of Sale of the Seller.