



Form SCP – Jun12

STANDARD CONDITIONS APPLICABLE FOR PURCHASES

1. ACCEPTANCE

Acceptance of this order shall constitute a contract between you and us (the "Contract") on the terms and conditions stated in this order. Any conditions or stipulations which are inconsistent with these conditions or which purport to modify or add to these conditions in any way shall have no effect unless expressly accepted in writing by us.

2. ASSIGNMENT

The contract shall not be assignable. You shall not without our prior approval in writing enter into any sub-contract for the performance of the work.

3. QUALITY AND DESIGN

- (a) All goods and services are to be to our satisfaction. Where the order is placed, based on an approved sample or detailed specification (or is a repeat order of goods previously supplied) no alteration in design or materials will be accepted unless agreed in writing beforehand by us.
- (b) You shall provide us with adequate information about the use for which the goods are designed and about any conditions necessary to ensure that when put to that use they will be safe and without risk to health and the environment.

4. TOOLING

All tools, jigs, gauges, dies, moulds and patterns supplied by us and/or purchased or manufactured by you for the purpose of carrying out the contract shall remain our property and must not be used for any other purpose than specified and shall be returned on demand.

5. PATENTS

You shall defend, protect and indemnify us against all actions or suits at law or in equity and all damages, claims and demands for actual or alleged infringements of the patent trademark or other rights of third parties arising from the use and/or sale of such goods.

6. DELIVERY

The goods must be packed in such a manner as to ensure their safe transit and be delivered to the nominated destination. No charge will be accepted by us for packing, boxing or crating unless agreed in writing. Time of delivery is of the essence of the Contract. Where the time for delivery of the goods exceeds ten (10) working days from receipt of our order an immediate written delivery undertaking is required. Goods received by us between the 25th and end of any month will be deemed to have been delivered by you on the 1st of the following month. We shall be entitled to reject quantities delivered in excess and you shall pay for all costs or expenses thereby incurred by us.

7. RETURN OF GOODS

- (a) Faulty goods returned by us for rework, replacement or credit will be at your risk and all handling and transportation costs both ways shall be borne by you.
- (b) In the event that you commit any act of bankruptcy or commence winding up by reason of insolvency or make assignment for the benefit of creditors or commit an act in respect of which a petition for a winding up order may be presented, the Contract or any part thereof may be terminated by us upon notice in writing and we may return any of the goods to you.

8. WARRANTIES

- (a) All goods and/or services are to comply with all relevant statutes and regulations and with such standards of quality performance and safety prescribed by Standards Association of Australia and such Governmental or Public Authorities as shall be applicable.
- (b) We reserve the right, without prejudice to our rights and remedies at Law, to terminate the Contract or any part thereof and to claim damages and to reject the goods in the event that the goods are not in accordance with the requirements of the Contract or the material or workmanship does not pass such inspection as may be carried out within such period of time after delivery as shall be reasonable

by us, our customer or his agent or any Government department concerned or you fail to deliver the goods by the dates agreed in the Contract.

9. CANCELLATION

The property in the goods shall pass to us at the time of delivery at the place selected in the Contract or upon any payment with respect thereto being made to you whichever is the earlier without prejudice to our rights of rejection should the goods not be in accordance with the Contract.

10. PRICES

- (a) Unless otherwise agreed in writing all prices shall remain firm for the duration of the Contract.
- (b) Should you decide to reduce your list prices in whatever manner, you shall issue to us the relevant Credit Note covering our outstanding stock balances. Failure to comply with this condition will entitle us to return goods at your risk for full credit and refund.
- (c) We reserve the right to make, from time to time, changes as to packing, testing, destination, specifications, designs and delivery schedules and an equitable adjustment in price or other terms hereof as appropriate shall be made by written amendment to the Contract.

11. INVOICING

- (a) Invoices must quote the Contract number and be sent to the address shown on the order. All settlement discounts must be noted on face of invoice.
- (b) The Contract Sum and all other amounts set out in this Contract are exclusive of GST.
- (c) If GST is payable in respect of any supply made under or in connection with this Contract the recipient of the supply must reimburse the supplier for the amount of that GST, PROVIDED THAT the supplier must first issue a tax invoice for the supply to the recipient of the supply.
- (d) If the amount payable for any supply made under or in connection with this Contract is calculated by reference to any cost or expense incurred by the supplier, the amount payable is to be calculated using the GST-exclusive amount of that cost or expense.
- (e) If there is an adjustment event in relation to a supply made under or in connection with this Contract;
 - (i) the supplier must refund to the recipient of the supply the amount by which the GST reimbursed pursuant to clause (b) exceeds the adjusted GST; OR
 - (ii) the recipient of the supply must pay to the supplier the amount by which the adjusted GST exceeds the GST reimbursed pursuant to clause (b).
- (f) In this clause, "GST" means goods and services tax levied pursuant to the A New Tax System (Goods and Services Tax) Act 1999 and the expressions "supply", "tax invoice", "input tax credit" and "adjustment event" have the same means as in that Act.

12. PAYMENT

SETTLEMENT: Unless otherwise agreed, payment shall be by cheque on or before the end of the second month following that in which the goods are delivered.

Payment may be delayed by your failure to send us promptly and at the appropriate time any despatch advice invoice or statement on the day of despatch for each consignment or by your failure to mark clearly the Contract number on the packages, packing notes, advice notes, invoices and all other correspondence relating thereto.

Invoices received after 24th of month of delivery will be treated as 1st of the following month and payment made accordingly. We reserve the right to settlement discount.

The recipient of the supply may reject without payment any invoice issued by the supplier, which is not a tax invoice.

This paragraph reflects MAN Diesel & Turbo Australia's policy to refuse payment of invoices that are not valid tax invoices.

No payment (not even a partial payment) will be made until a valid tax invoice is issued.

END