

TERMS OF SUPPLY

1. Definitions

"the Seller" means Oceania Power Solutions Pty Ltd ABN 85 668 298 413 t/a Oceania Power of 3/17 Alexandra Pl, Murarrie, Queensland and its successors and assigns.

"the Buyer" means the person(s) or entity who is the Applicant pursuant to the **attached** Application for Credit.

"Goods" means such of the goods and other material supplied by the Seller to the Buyer and shall be a reference to services if applicable.

"Terms" means the terms and conditions contained in this document and together with the Application is referred to as the agreement.

2. Orders

Any order received by the Seller for the supply of Goods and / or the Buyer's acceptance of Goods supplied by the Seller shall be based on these Terms and to the exclusion of anything to the contrary in the terms of the Buyer's order purporting to override these Terms. Orders are to be received in writing and in any specific manner required by the Seller.

3. Return of Goods

Any claim for Goods damaged or short supplied must be made in writing within 2 business days from the date the Goods were received and must refer to the original invoice number, date and reason for the claim.

Goods will not be accepted without written authorization & instructions from the Seller and, if approval given, must be returned within 5 business days of such approval in original condition and packaging.

Return of goods may be considered by completing and returning the Seller's "Request for Credit" form by email, within 2 days from the date the Goods were delivered. And within 20 days of the invoice date. Return freight costs are borne by the Buyer unless agreed otherwise. Goods may be credited for invoice-discounted value after deduction of a handling charge and a fee of \$30+GST per line will be issued if a code 72 (returns only) is used.

Credit for returned Goods will not be allowed on: 1. any Goods with a list price value less than \$30+GST per line; 2. any Goods purchased to special orders which include priority (VOR), emergency, local and overseas purchases; 3. any Goods (including sheet metal) altered or not in original packages, damaged by the Buyer or not in original condition of supply; 4. the following items are not eligible for return: engines, hazardous materials, incomplete parts, kits; special tools; all electrical parts; all rubber parts; 5. any Goods purchased on stock order pricing (applicable to dealers only); and 6. Engine sales are final, and are not eligible for return or credit.

4. Pricing

Prices for Goods are subject to change without notice and shall be those current at the time of delivery of the Goods.

The Seller does not price protect. Unforeseen supplier price escalations will be added to the total. This conditional contract may include additional price increases that are not known at the point of signing but imposed on the Seller prior to delivery.

The Seller reserves the right to change the price in the event of a variation to the Buyers(s) quotation. Notification of changes must be made in writing.

Prices are exclusive of GST, other taxes and duties.

5. Payment

Unless the Buyer has a credit account with the Seller, orders will only be processed after receipt of payment in full. Otherwise, payment shall be made 28 days from EOM (monthly invoices are payable by the 28th day of the following month) unless the Supplier states otherwise.

Engine Sales - Stage payments may be applicable to sale. A deposit of 25% is required to secure standard spec product. A deposit of 50% is required for non-standard Buyer specific product. A further 25% progress payment is required on delivery to the Seller. The remaining balance is to be made prior to Buyer delivery.

Overdue Accounts/Invoices – At the discretion of the Seller, interest at the rate of 10% per annum accrued and calculated on the daily balance from the due date. An administrative fee of \$50 for every attempt to collect payment may also be applied. Any expenses or costs incurred by the Supplier in recovering any outstanding amounts, including debt collection or legal fees (on a solicitor and own client basis), shall be paid by the Buyer.

6. Cancellations

Where a Buyer chooses not to take delivery of an ordered item/s the reason/s must be submitted in writing to the Seller for consideration. Should the Seller wish to accept the request, all payments will be returned to the Buyer post resale of the ordered items less 5% administration charge.

7. Delivery

Specified delivery dates are an estimate only and the Supplier does not warrant that the Goods will be delivered on the delivery date. The Buyer will take delivery of the goods at time of dispatch / collection from sellers' address, promptly upon the Seller notifying that the goods are available.

The Seller may deliver the Goods by instalments and the Buyer will accept such instalments without any objection.

If the Goods are available by the delivery date but the Buyer is unable to accept delivery of the Goods for any reason, the Supplier may agree to extend the delivery date. If so, the Supplier will store the Goods until the extended delivery date and a storage fee of 5% of the quoted price will be incurred by the Buyer for each month or partial month of storage. All costs associated with

the freight of the Goods are to be borne by the Buyer unless agreed in writing by the Supplier.

8. Retention of Title

Notwithstanding delivery of the Goods to the Buyer, right title and interest in all Goods remain with the Seller until the Buyer has made full payment for Goods sold by the Seller to the Buyer.

Where the Buyer has mixed or used the Goods and other materials to create other products (Products), right title and interest in the Products shall immediately pass to the Seller until the Buyer has made full payment for all Goods sold by the Seller to the Buyer

The Buyer shall keep the Goods or Products in a fiduciary capacity as bailee for the Seller and all proceeds of sale must be paid into a separate account in trust for the Seller. The Buyer is not to dispose of the Goods or Products in the normal course of the Buyer's business. Unless notified otherwise by the Seller, the Seller grants a license to the Buyer to dispose of the Goods or Products in the normal course of the Buyer's business.

Until the date of full payment, the Buyer shall store the Goods or Products so that they are clearly identified as the property of the Supplier and if requested, shall supply within the time specified, an inventory of all of the Supplier's Goods or Products under the Customer's control and will allow any representative of the Supplier access to conduct any stock-take without notice.

The Buyer shall secure the Goods and Products from risk, damage and theft and keep them fully insured against such risk.

In the event of a default by the Buyer in respect of any of these Terms, including the payment of any monies owing, the Seller shall have the right (without giving notice) to retake possession of the Goods or Products and the Buyer hereby authorises the Seller or its representatives, servants, agents or employees to enter the premises upon which the Goods or Products are housed or stored for the purpose of retaking possession of them and the Seller shall not be liable for any cost, losses, damages, expenses or other monies incurred or lost by the Buyer as a result directly or indirectly of the Seller retaking possession of the Goods or Products and indemnifies them for any loss or cost incurred in doing so.

If the Seller retakes possession of the Goods or Products, the Seller shall be entitled to sell the Goods or Products free of any claim from the Buyer.

9. Risk

All Goods shall be at the risk of the Buyer from the date the Goods are dispatched for delivery to the Buyer and the Buyer shall be liable for and shall insure fully against such risk.

10. Exclusion of Liability and Indemnity

In Australia, statutory consumer protection laws, including the Competition and Consumer Act 2000 (Cth), provides the Buyer with rights which cannot be excluded (Non-Excludable Rights).

The Seller disclaims all conditions and warranties expressed or implied, and all rights and remedies conferred on the Buyer, by statute, the common law, equity, trade, custom or usage or otherwise and all those conditions and warranties and all those rights and remedies are excluded other than any Non-Excludable Rights.

To the extent permitted by law, the liability of the Seller for a breach of a Non-Excludable Right is limited, at the Seller's option, to the re-supplying of the Good again or payment of the cost of having it supplied again.

Unless otherwise stated on the Seller's invoice, goods are to be used as "replacement parts only" and are not to be acquired for personal, domestic or household use or consumption.

The Buyer indemnifies the Seller for any loss or cost it incurs from the Buyer's breach of these Terms or any failure to comply with warnings or instructions relating to the Goods issued by the Seller or the manufacture

11. Charge

The Guarantors charge in favour of the Supplier all of their estate and interest in all real property that the Guarantors own at present and in the future with the amount of their indebtedness hereunder until discharged, such indebtedness to include all amounts referred to in clauses 3 and 4.

12. Force Majeure

If by reason of any fact, circumstance, matter or thing beyond the control of the Seller the Seller is unable to perform in whole or in part any of its obligations, the Seller shall be released of that obligation and shall not be liable to the Buyer whatsoever.

13. Changes of Ownership

Any change of controlling ownership, legal status or financial position of the Buyer shall be advised to the Seller in writing immediately and the Buyer indemnifies the Seller against any loss or damage incurred by it as a result of a failure to advise.

The Seller may assign this agreement to another related entity or acquirer of the Sellers business.

14. Confidentiality

The Buyer agrees that all manuals, price lists, marketing material and any or all items displaying any logos or trademarks owned by the Seller are proprietary property works of the Seller and shall remain confidential to the Buyer.

15. Severability

If it is held by any Court that any part of these Terms is void, voidable or unenforceable then that part shall be severable from and shall not affect the continued operation of these Terms.

16. Jurisdiction

Any dispute arising between the Seller and the Buyer shall be governed by the law of the State of Queensland and all disputes to be settled shall be subject to the jurisdiction of the appropriate Court in the State of Queensland. Oceania Power Solutions Pty Ltd ABN 85 668 298 413 t/a Oceania Power operate in accordance with supplier and consumer advice available from the Australian Competition & Consumer Commission: www.accc.gov.au

17. Changes or Alterations to the Terms

Any indulgence or allowance or relaxation of these terms shall not constitute a waiver of the rights of the Seller under these Terms. Any variation to these Terms agreed to at the Buyer's request must be in writing. These Terms are subject to change by the Seller on providing reasonable written notice to the Buyer.