

TERMS AND CONDITIONS OF SALE – PARTS, COMPONENTS AND ACCESSORIES

These Terms and Conditions of Sale ("the Conditions"), represent, in their entirety, the sale of parts, components and accessories, ("the Goods") supplied by **Oceanic Solutions Group Pty Ltd (ABN 36 099 220 078)** ("OSG"), to any person, business, organisation or company ("the Buyer"), placing an order with OSG for the purchase of any Goods. Except where it has been expressly agreed upon in writing between a duly authorised officer of OSG and the Buyer, the Conditions shall apply, notwithstanding any provisions to the contrary which may appear on any order form or other document issued by any Buyer.

1 GENERAL

No quotation by OSG shall represent an offer.

Orders placed with OSG will only be accepted upon receipt of an official purchase order from the Buyer. The Conditions and the purchase order shall constitute the agreement between the Parties ("the Contract"). To the extent of any inconsistency, the Conditions shall prevail.

OSG may at any time, alter these Conditions and such altered Conditions shall apply after notification to the Buyer by OSG.

If the Buyer cancels or repudiates the Contract or any part of the Contract at any time, then OSG (without limiting its rights at law) shall be entitled to recover as debt due and payable the costs of all goods and materials acquired for the Contract; together with the cost of all labour, transportation, tooling and other costs and expenses incurred by OSG due to such cancellation or repudiation plus a reasonable margin on all such costs.

Goods and Services Tax ("GST"), Sales Tax or any other applicable tax or duty payable, shall be paid by or reimbursed by the Buyer to OSG on demand. Such documentation or approvals required by applicable laws, and applicable modifications of such laws shall be the Buyer's responsibility.

Further, the Buyer shall indemnify and keep indemnified OSG in respect of all taxes and duties including GST arising out of any sale of Goods to the Buyer.

2 PRICE

In addition to the price of any Goods, OSG shall be entitled to its extra costs and expenses if the cost to OSG of performing its obligations is increased by any new or amended legislation, regulation, order, directive, by-law, licence or approval; or by reason of currency fluctuations or by rise or fall in the price of labour and materials, changes the amount payable by OSG to its subcontractors and suppliers or by any cause beyond the control of OSG. This clause shall not entitle the Buyer to cancel an order.

3 QUOTATION FOR GOODS

Where the Buyer requests OSG prepare a quotation for the Goods which entails OSG performing disassembly of Buyers Property and Buyer fails to accept the quotation, this Contract shall be for the performance of such disassembly and the Buyer shall be liable to for any labour and associated costs incurred by OSG in preparation of said quotation and disassembly.

Reassembly of Buyers Property will not be undertaken unless requested in writing and the Buyer agrees to pay for all of OSG's costs and expenses for such

reassembly.

4 TERMS OF PAYMENT

Payment terms specified by OSG are net fourteen (14) days from the date of receipt of a Tax Invoice issued by OSG to the Buyer. OSG may issue Tax Invoices fortnightly and after the delivery of the Goods. If the Buyer fails to make payment by the due date, OSG shall be entitled to recover such monies as debt due and payable.

Unless otherwise stipulated, payment is to be made by bank remittance in the currency and to the bank account as detailed on the Tax Invoice issued by OSG.

- Should OSG, in its absolute discretion, agree to extend the period of payment for the Goods supplied to Buyer credit are subject to the following payment terms shall apply:

- i) To the extent credit is not extended, the relevant Goods shall be purchased and paid in accordance with the payment terms set out in Clause 4 with exceptional of paragraph (ii) immediately below;

- ii) The Buyer shall pay fifty (50%) percent of the Price of the Goods within seven (7) days of the commencement of this Contract, with the balance payable within seven (7) days of the delivery of the Goods;

The Buyer shall not be entitled to withhold any payment by reason of an account query, dispute or offset. The Buyer agrees to pay OSG all costs and expenses incurred with regard to any documentation copies or other processes involved in the conduct of the account. Such fees will be chargeable to the Buyer.

If the Buyer fails to make payment in accordance with Clause 4, OSG will be entitled to:-

- Require payment of cash upon delivery of any further Goods;
- Interest on any outstanding balance at the rate of twelve (12%) per cent per annum calculated on a day-to-day basis on all monies due but unpaid. Such interest to be computed from the payment due date and parties agree that such interest is not a penalty, but a true assessment of damages incurred by OSG. Payments received from the Buyer will be credited first against any interest payable;
- all interest shall be payable on demand;
- recover from the Buyer all costs and expenses incurred on any account whatsoever; including but not limited to, action taken by OSG to recover monies or Goods due from the Buyer, including but not limited to, any mercantile agents costs and legal costs and disbursements on a solicitor-client basis;
- Stop any further deliveries to the Buyer and terminate the Contract in relation to Goods that have not been delivered; and
- The Buyer will not be entitled to participate in any special discounts, bulk

purchase deals, bonus payments, rebates and all other incentive programmes of OSG until their accounts are no longer overdue.

5 SPECIFICATIONS MAY VARY

OSG reserves the right to make any changes to the Goods the subject of this Contract due to unavailability of Goods, or which OSG reasonably believes would improve the Goods. Specifications including (without limitation) performance, dimensions and weight are approximate only and OSG shall not be liable for any error inaccuracy in the specifications provided.

6 EXPORT CONTROLS

Parties agree that Goods shall be delivered subject to all applicable export controls or restrictions imposed by any country or officialdom or nation. The Buyer acknowledges that Goods and their associated technical information, documentation and materials may not be imported, exported, traded, transhipped, diverted or transferred, directly or indirectly, contrary to any such controls or restrictions.

The Buyer confirms Goods will be used solely for peaceful purposes.

On receipt of written request, OSG shall make available to Buyer all relevant certificates relating to export control laws, regulations and restrictions, such as, but not limited to, end-user certification.

7 DELIVERY

Buyer shall be responsible for all delivery costs made ex-OSG's premises. If OSG is asked to arrange delivery of Goods beyond its premises, the Buyer shall pay all delivery costs set by OSG. OSG shall in its sole discretion choose the transport method in all cases.

Times and dates quoted for any deliveries are estimates only. OSG shall endeavour to achieve delivery at the time or times required by the Buyer; but failure to do so shall not give any right of cancellation or refusal of delivery by the Buyer or render OSG liable for any loss or damages directly or indirectly sustained by the Buyer as a result thereof.

The Buyer shall not be relieved of any obligation to accept or pay for Goods by reason of any delay in delivery, strike, lockout, unavailability of materials, accidents to machinery, breakdowns, shortages of supplies or labour, fires, floods, storm or tempest, transport delays, acts of God, restrictions or intervention imposed by any laws, regulations, governments or agencies thereof and any other cause beyond the control of OSG or any other cause whatsoever.

OSG's delivery obligation is discharged on arrival of Goods at the delivery destination nominated in this Contract or if not so nominated at premises chosen by OSG. The Buyer shall unload the Goods upon delivery, provided that if the Buyer is unable to, or unwilling to accept physical delivery of the Goods when the Goods are ready for delivery, OSG shall be entitled to its costs and

expenses for any delay experienced or arrange for the storage of the Goods at the risk and cost of the Buyer including all transportation, storage and other resultant costs. OSG may, at its sole discretion, make and invoice partial deliveries and each partial delivery shall be a separate sale pursuant to these Conditions.

The Buyer must notify OSG in writing if Goods or the property of the Consumer ("Buyer's Property") is not received within two working (2) days of receipt by the Buyer of OSG's delivery notice or invoice. Unless the Buyer notifies OSG of any deficiency within two working (2) days of receipt by the Buyer of the Goods or Buyer's Property, complete delivery will be deemed to have occurred and OSG shall be entitled to seek full payment for Goods. If, as a result of any action or inaction of the Buyer, Goods or Buyer's Property is not collected or despatched from OSG's premises within five (5) days after OSG notifies the Buyer that said Goods or Buyer's Property is ready, OSG will be entitled to full payment, notwithstanding any other terms of this Agreement. Further, OSG will be entitled to payment from the Buyer for storage of Goods or Buyer's Property until such time as the Goods or Buyer's Property are delivered to, or collected by the Buyer.

8 INSPECTION

The Buyer shall examine Goods without delay after delivery. OSG shall not accept any claim for liability for misdelivery, shortage, defect or damage unless details are received in writing by OSG within three (3) days of the Goods delivery.

9 UNCOLLECTED GOODS

Acceptance by OSG of the Buyer's Property for re-delivery as directed, or storage awaiting further instruction in New South Wales is subject to the Uncollected Goods Act (NSW) (the "Act"), which grants OSG the right to sell the Buyer's Property exercisable in certain circumstances after an interval of not less than six (6) months after the date on which the Buyer's Property is ready for re-delivery, collection or further storage instruction. Where the Buyer's Property is left at OSG's premises in New South Wales by the Buyer, the Buyer acknowledges having read the notice displayed at those premises pursuant to the Act. The Buyer's address for service of notices pursuant to the Act is as specified on the face of this document or in any attached or associated documents. The powers conferred on OSG by the Acts are in addition to any other rights OSG may have.

10 BAILMENT

The Buyer acknowledges that all Buyer's Property is delivered to OSG as bailed goods as defined in the Uncollected Goods Act 1995 for bailment in the course of business.

In the event of any non-payment or non-collection of the Buyer's Property by the Buyer, nothing in these Conditions is intended to affect, by implication or otherwise, the operation of the Uncollected Goods Act 1995 by OSG as Bailor, as defined in that Act.

The Buyer acknowledges that the address given on the Credit Application form for the purposes of the Uncollected Goods Act 1995, a suitable place or address to

give notice to the Buyer before the Goods are ready for delivery or disposal pursuant to the Uncollected Goods Act 1995.

11 LIEN

Pursuant to its rights at law, including without limitation, under Section 3B of the Registration of Interest in Goods Amendment Act 1999, OSG claims a sellers lien on any goods or property of the Buyer that it holds in its possession, in the event of non-payment according to Clause 4, and the Buyer acknowledges that OSG is a seller pursuant to the terms of that Act.

12 PROPERTY AND RISK

Notwithstanding delivery of the Goods or their installation, property in any given Goods shall remain with OSG until the Buyer has paid and discharged any and all other indebtedness to OSG on any account whatsoever, including all applicable GST and other taxes, levies and duties. Any payment made by or on behalf of a Buyer which is later avoided by the application of any law shall be deemed not to discharge the Buyer's indebtedness and, in such an event the parties are to be restored to rights which each respectively would have had if the payment had not been made.

The risk in the Goods shall pass to the Buyer upon delivery to the Buyer or his agent or to a transport company nominated in the Contract, or in the absence of such nomination as chosen by OSG.

The Buyer acknowledges that it is in possession of the Goods solely as a bailee for OSG and that title in the goods shall not pass to the Customer until payment, as defined in Clause 4, has been made in full to OSG and until such payment:

- The Buyer is fully responsible for any loss or damage to the Goods whatsoever and howsoever caused following delivery; and
- The Buyer shall store Goods separately from its own goods and those of any other party and in a manner which clearly identifies the Goods, whether as separate chattels or as components, as the property of OSG.
- The Buyer shall keep records of Goods owned by OSG identifying them as OSG's property of the persons to whom the Goods are sold or disposed to, and of the payments made by such persons for such Goods. The Buyer shall allow OSG to inspect these records and the Goods themselves on request.
- The Buyer hereby irrevocably grants to OSG, its agents and servants, an unrestricted right and licence, without notice to enter premises occupied by the Buyer to identify and remove any of the Goods, the property of OSG, in accordance with these Conditions without in any way being liable to the Buyer or any person claiming through the Buyer. OSG shall have the right to sell or dispose of any such Goods removed or otherwise in its sole discretion and shall not be liable for any loss occasioned.
- The Buyer shall be at liberty to agree to sell Goods (independently or affixed to other materials) subject to the condition that until payment has been made in accordance with Clause 4, the Buyer shall sell as an agent and bailee for OSG and that the entire income from the sale shall be held in a separate account on trust for OSG.

The right to on-sell, deal or otherwise dispose of the Goods in the normal course of trade may be revoked at any time by OSG and will automatically cease if a receiver is appointed over any of the assets or the undertaking of the Buyer; or if a Winding Up Order is made against the Buyer; or if the Buyer goes into Voluntary Liquidation (otherwise than for the purpose of reconstruction or amalgamation) or an administrator is appointed to the Customer or the Customer calls a meeting of, or makes any arrangement or composition with its creditors or commits any act of Bankruptcy or insolvency or where the Buyer is in default of any of its obligations to OSG.

13 WARRANTY

Subject to payment in full by the Customer as defined in Clause 4, OSG shall use all reasonable endeavours to pass on to the Buyer the benefit of any warranties or guarantees from third parties it receives in respect of Goods or parts thereof supplied to the Buyer.

In all cases, it shall be the Buyer's responsibility to establish that a claim is covered by a warranty.

14 LIMITATION OF LIABILITY

These Conditions do not exclude, restrict or modify the application of any provisions of any Commonwealth, State or Territorial Law which by law cannot be excluded, restricted or modified.

Sale to Non Buyers

- In the case of Goods supplied by OSG to a party who is not a "Buyer" (as defined in the Trade Practices Act, 1974) as amended from time to time ("the Act"), if the goods do not correspond with the description of them on the invoice or are defective, then provided that the Goods are preserved intact and made available for inspection by a representative of OSG and are returned to OSG in the same order and condition as that in which they were delivered, OSG shall at its option replace those Goods or reimburse the Buyer for the amount of the purchase price paid for them, but any claim in this respect must be made in writing within two (2) days of the date of delivery or collection of those Goods.
- Should the Buyer seek to make a claim against OSG in respect of any claim by a Buyer on the Buyer as a result of a breach of condition or warranty implied by the Act in a contract for the supply of goods by the Buyer to that Buyer, subparagraph (i) will not apply and in respect of goods that are of a kind ordinarily acquired for personal, domestic or household use or consumption ("Buyer goods") OSG's liability is limited to its liability to the Buyer in accordance with the Act, limited to a liability to pay to the Buyer an amount equal to the cost of replacing the Goods or the cost of obtaining equivalent goods or the cost of having the Goods repaired, whichever is the lesser amount.

Sales to Buyers

- In the case of Goods supplied by OSG to a party who is a Buyer, to the extent that the Goods are not Buyer goods or goods, the liability of OSG to the Buyer for breach of any warranty or condition (other than a warranty or condition implied by Section 69 of the Act) or for breach of any duty of care shall in all cases be limited, at the decision of OSG, to any one or more of the replacement of the Goods or the supply of equivalent goods, the repair of the Goods or acquiring equivalent goods or the payment of the cost of having the product repaired.

- Except for those conditions and warranties implied by the Act or other sale of goods or Buyer protection legislation which may not be excluded, the Buyer agrees that:

- i) It has not relied on any inducement, representation or statement made by or on behalf of OSG in purchasing the Goods and there are no implied conditions or warranties herein and no collateral contracts in connection herewith (except such as may be in writing and signed by a duly authorised representative of OSG); and

- ii) This Clause sets out the entire liability of OSG in respect of its liability under the Act, or otherwise in respect of liabilities to the Buyer for a breach of a condition or warranty with respect to the sale of Goods. In no circumstances will OSG incur any liability in respect of or arising out of or in connection with any special, consequential, loss or profit, loss of revenue, loss of opportunity direct or indirect loss, damage, harm or injury suffered or incurred by the Buyer arising out of or in connection with any breach of this Contract by OSG or failure of non-performance by OSG or any defects or damages caused in whole or in part by misuse, abuse, neglect, electrical or other overload, non-suitable lubricant, improper installation repair or alteration or accident.

15 FORCE MAJEURE

OSG shall not be liable for any failure or delay in supply or delivery the Goods where such failure or delay is wholly or partly due to any cause or circumstance whatsoever outside the reasonable control of OSG including, but not limited to: war, strikes, lockouts, industrial disputes or unrest, government restrictions or intervention, transport delays, fire, act of God, breakdown of plant, shortage of supplies or labour, storm or tempest, theft, vandalism, riots, civil commotions or accidents of any kind.

The parties acknowledge and agree that OSG may terminate this Agreement, for its convenience for any reason, including without limitation, the unavailability of any parts or materials. If the Contract is terminated, the Buyer shall have no claim or entitlement against OSG. OSG shall be entitled to payment of all costs incurred in the performance of this Contract prior to the termination.

16 TERMINATION

If the Buyer fails to abide by any of these Conditions or being a natural person or persons commits any act of Bankruptcy, or being a Corporation passes a resolution for winding up or liquidation (other than for the purposes of reorganisation or reconstruction) or administration or enters into any composition or arrangement with creditors or if a receiver or manager or administrator or controller is appointed for any property or assets of the Buyer, or becomes liable to be wound up by reason of insolvency, or if any petition is presented for its winding up, or if a liquidator or provisional liquidator or administrator is appointed, OSG may, in addition to exercising all or any of its rights against the Buyer, suspend any further deliveries and immediately recover possession of any Goods not paid for in

accordance with these Conditions.

17 RETURNS

Other than in respect of OSG's obligations pursuant to this Agreement, OSG shall not be liable to accept any returned Goods but may in its absolute discretion accept the return of Goods, provided that such Goods will only be accepted for return with the prior written approval of a duly authorised representative of OSG. The Customer may be provided a credit for the Goods returned pursuant to this Clause will be subject to a handling and administration charge equivalent to 20% of the invoiced value of the returned Goods and an assessment by OSG of the value of the Goods. In addition, return freight and other associated expenses will be paid for by the Buyer. Any returned Goods must be accompanied with the relevant invoice numbers, any OSG reference number (given for this purpose or generally), purchase order numbers and any other information reasonably requested by OSG.

18 GOVERNING LAW

The Buyer agrees that these Conditions shall be construed according to the laws of New South Wales. Proceedings by either OSG or the Buyer may only be instituted and/or continued in New South Wales.

19 SERVICE OF DOCUMENTS

The Buyer agrees that service of any notices or Court documents may be effected by forwarding same by pre-paid post or facsimile to the last known address of the Buyer.

20 STATEMENT OF DEBT

A certificate signed by a Director, Secretary, Financial Controller or Credit Manager of OSG shall be conclusive evidence of the amount of indebtedness of the Buyer to OSG.

21 ENTIRE ARRANGEMENT

These Conditions, plus any additional agreed terms of Contract between Buyer and OSG, in respect of the subject matter hereof, contain the entire agreement and understanding relating to such subject matter.

22 GUARANTEE

In consideration of OSG agreeing to enter into this Contract with the Buyer, the directors of the Buyer ("the Directors") hereby jointly and severally guarantee to OSG:

- i) the due and punctual payment to OSG of all monies due in connection with this Contract; and
- ii) the punctual performance and observance by the Buyer of the provisions contained in or implied under this Contract on the part of the Buyer to be paid, observed and performed.

The Directors jointly and severally covenant and agree with OSG to be liable for and to indemnify and keep indemnified OSG from and against all actions, suits, claims, demands, losses, costs and expenses which OSG may incur or be liable for a result of or in connection with any default, act or omission on the part of the Buyer under or in connection with this Contract.

This guarantee and indemnity shall apply notwithstanding that:

- i) the whole or any part of this Contract is void or unenforceable against the Buyer;

- ii) any time or other indulgence is granted to the Buyer;
- iii) the compounding, compromise, release, abandonment, waiver, variation or renewal of any of the rights of OSG against the Buyer;
- iv) any neglect or omission to enforce such rights or by any other thing which under law would or might but for this clause 22 release the Directors in whole or in part from their obligations under this clause22; or
- v) any guarantee provided being unenforceable in part or whole against any other Directors.

23 INTELLECTUAL PROPERTY RIGHTS

OSG shall retain all patent rights, copyright, trademarks and all other intellectual property rights relating to the Goods and any services supplied under this Contract. The Buyer shall not disclose any information or data relating to the Goods or any services supplied under this Contract to any third party without the prior written consent of OSG, which shall not be unreasonably withheld. OSG hereby grants to the Buyer a royalty-free, non-exclusive and non-transferable right to use the Goods for the purposes nominated by OSG.

24 ENVIRONMENTAL, HEALTH AND SAFETY

The Buyer shall be responsible for all costs and expenses related to or in connection with the management, handling, clean-up, removal and/or disposal of all waste material or hazardous substances as defined any legislation or international convention relevant to the operation and maintenance of the Goods.

The Buyer shall indemnify and hold OSG harmless, in respect of and against any claims, fines penalties and all related expenses in connection with such waste material or hazardous substances escaping arising from or in connection with the operation and maintenance of the Goods.

To the extent permitted by law, OSG's sole responsibility for environmental and safety requirements and regulations shall be to ensure that the Goods meet the requirements set out in the Contract prior to delivery of the Goods. Any additional safety and/or environmental devices required for the use and or operation of the Goods shall be provided by the Buyer at the cost of the Buyer.

25 CONFIDENTIALITY

This Contract and all documents supplied under this Contract may contain confidential and commercially sensitive information of OSG. The Buyer and its servants, agents and contractors any document or information may not allow the dissemination, publication or use of the subject matter of this Contract, including any technical specification, description or nature of the scope of the Goods, negotiations leading to the conclusion of this Contract or any other commercially sensitive information (except with the prior written consent of OSG).

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