



Crane Safe Industries

Pty Ltd

Po Box 1136
Beenleigh, QLD 4207

Phone: 07 3287 1199
Fax: 07 3287 1166
Email: admin@safecrane.com.au
Web: www.safecrane.com.au
ABN: 54 126 089 905

GENERAL CONDITIONS OF PURCHASE ORDER

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1. OFFER AND ACCEPTANCE

- 1.1 An agreement on these Terms and Conditions will be formed upon Crane Safe Industries Pty Limited (ACN 126 089 905) ("Crane Safe Industries"), issuing a Purchase Order to a party ("Seller") which agrees to supply goods and materials ("Goods") to Crane Safe Industries ("Agreement").

2. COMPLETE AGREEMENT AND PRECEDENCE

- 2.1 This Agreement constitutes the entire agreement between the parties and any variation must be in writing, signed by both Crane Safe Industries and the Seller.
- 2.2 Where there are any Special Conditions set out in the Purchase Order, then those Special Conditions will take precedence over and be construed as varying these Purchase Order Terms and Conditions to the extent of any inconsistencies.

3. VARIATION

- 3.1 Crane Safe Industries reserves the right at any time to propose to the Seller a variation to the Purchase Order.
- 3.2 If such variation will cause an increase or decrease in the price and/or a change to the agreed delivery date, the Seller shall notify Crane Safe Industries in writing within 5 business days of receipt of the variation proposal. The Seller shall not affect the variation until the parties have negotiated a variation to the price and/or delivery date and the parties have confirmed the variation in writing. In the event the parties cannot agree, then this Agreement may be terminated pursuant to clause 17.

4. PACKAGING AND FREIGHT CHARGES

- 4.1 The Seller shall ensure that the Goods are suitably packed to avoid damage in transit or storage. The Seller shall be liable for all loss or damage caused by unsuitably packed Goods.
- 4.2 When forwarding Goods to Crane Safe Industries, the Seller must:
- 4.2.1 mark the Goods with the line item numbers and stock codes specified in the Purchase Order;
 - 4.2.2 display on the packaging the exact weight of the Goods and identify each package by reference to the total number of packages which comprise the order;
 - 4.2.3 forward two delivery notes with the Goods, one attached to the outside of the packaging and one inside with the packages of Goods; and
 - 4.2.4 comply with all applicable codes for the transport of dangerous Goods. The Seller will be responsible for any increase in freight costs arising from the Seller's failure to comply with the freight instructions set out in these Terms and Conditions and in the Purchase Order.

5. PAYMENT AND INVOICING

- 5.1 Unless otherwise agreed, all payments to the Seller will be made by Electronic Funds Transfer ("EFT"). A suitable EFT bank account must be nominated by the Seller.
- 5.2 The Seller will issue Crane Safe Industries with an invoice for Goods supplied ("Invoice") and payment will be made by Crane Safe Industries within 30 days from the end of the month in which the Invoice is received.
- 5.3 The Invoice shall be itemised, include a subtotal identifying the GST component, and identify the Purchase Order Number.
- 5.4 All Invoices shall be forwarded to: Accounts Payable Crane Safe Industries Pty Limited Unit 4/7 Angel Road, Stapylton QLD 4207
- 5.5 Crane Safe Industries may withhold payment for any item claimed by the Seller in the Invoice that is disputed by Crane Safe Industries until that dispute is resolved.
- 5.6 Crane Safe Industries may deduct from any money due to the Seller for the Goods all and any costs, charges, damages and expenses which Crane Safe Industries may have paid or incurred and which the Seller is liable to pay or reimburse to Crane Safe Industries.

6. GST

- 6.1 The expressions "consideration", "GST", "input tax credit", "supply", "tax invoice", "recipient" and "taxable supply" have the meaning given to those expressions in the A New Tax System (Goods and Services Tax) Act 1999.
- 6.2 Despite anything else in this Agreement, if one of the parties makes a supply under this Agreement to which GST applies, the party making the supply may recover the amount of its GST liability from the other party. The additional amount on account of GST is to be paid at the same time as the consideration is due for the supply or as otherwise agreed between the parties, and a valid tax invoice must be provided at that time.
- 6.3 The consideration payable for any supply under the Agreement will be varied to reflect any reduction in any tax, duty or statutory charge connected with a GST rate change or the introduction of GST, including as required under Part VB of the Trade Practices Act 1974 and any applicable guidelines. Reasonable evidence of compliance with this clause will be provided to the recipient, if requested.
- 6.4 Where the recipient is required to pay for or reimburse an expense or outgoing of the supplier, the amount to be paid by the recipient is the amount of the expense or outgoing less any input tax credits in respect of such expenses or outgoings that the supplier is entitled to.

7. FORCE MAJEURE

- 7.1 For the purposes of this clause, "Force Majeure" means any circumstance beyond the reasonable direct or indirect control and without the fault or negligence of the party claiming Force Majeure, including but not limited to any act of God, act of war, cyclone, fire, flood, explosion, storm or earthquake.
- 7.2 Delays in or failure of performance by a party (other than the payment of money) shall not constitute a breach of this Agreement by that party if and to the extent any delay or failure is caused by a Force Majeure provided the party claiming Force Majeure:
- a. notifies the other party in writing within 3 days of the occurrence of the Force Majeure providing details of the Force Majeure and its anticipated likely duration and effect; and
 - b. uses its best endeavours to resume fulfilling its obligations as promptly as possible and provides the other party with written notice within 3 days of the cessation of the Force Majeure.

8. TIME AND DELIVERY

The delivery date specified in the Purchase Order is an essential part of this Agreement. To meet the agreed delivery date, if the Seller needs to use freight services other than as specified in the Purchase Order, any additional costs shall be at Seller's expense. If at any time the Seller becomes aware of a delay or anticipated delay in its supply of Goods, the Seller must immediately notify Crane Safe Industries in writing of such delay. This notice will include the estimated period of delay, the cause, and any corrective actions being taken. Without limiting Crane Safe Industries's rights, Crane Safe Industries may request that the Seller supply the Goods by a mutually agreed alternative delivery date or cancel the Purchase Order.

9. TITLE AND RISK

- 9.1 Risk in and title to the Goods shall pass to Crane Safe Industries in accordance with any applicable Special Conditions and/or delivery instructions specified in the Purchase Order.

10. INSPECTION

All Goods are received subject to Crane Safe Industries' inspection. If upon inspection:

- 10.1 the Goods do not conform with any specifications in the Purchase Order or as otherwise agreed in writing;
- 10.2 the Goods are defective, unsatisfactory, unfit for the required purpose, or not of merchantable quality; or
- 10.3 the quantity of the Goods does not comply with the Purchase Order; Crane Safe Industries may reject the Goods and return them at the Seller's expense. Payment for Goods prior to inspection shall not constitute acceptance of unsatisfactory or defective Goods. Within 14 calendar days, of return of the rejected Goods, the Seller shall replace or rectify those Goods and/or reimburse Crane Safe Industries for the price paid and any costs associated with the return of the Goods.

11. INSURANCE

The Seller must insure the Goods for their replacement value against any loss or damage, including loss or damage in transit to the delivery place, and if the Agreement requires Crane Safe Industries to unload the Goods, also such unloading.

12. WARRANTIES AND INDEMNITIES

12.1 The Seller warrants in respect of all Goods that:

- a. they will conform to their description (or sample if applicable) and the specifications in the Purchase Order and be of good and merchantable quality;
- b. they shall provide full functionality and operate without adverse effect with respect to all dates after the date of this Agreement and Seller shall ensure that all modifications or additions to the Goods comply with this warranty

12.2 The Seller shall make good any defects which arise from defective design, material or workmanship or from any act or omission of the Seller in each case for a minimum period of 12 months from the time when Crane Safe Industries first puts the Goods to use, unless otherwise stated in the Purchase Order. Crane Safe Industries will notify the Seller before any rectification work is undertaken on such Goods and shall either:

- a. require the Seller to inspect and rectify the defects at Seller s cost; or
- b. arrange rectification at Seller s cost.

12.3 These warranties are in addition to all other express or implied warranties. The Seller shall indemnify Crane Safe Industries against any loss, claim or damage arising from or in connection with the provision of the Goods, excluding consequential loss or damage.

13. PATENTS, TRADEMARKS AND COPYRIGHT

The Seller warrants that the sale or use of any Goods covered by a Purchase Order will not infringe or contribute to the infringement of any patents, trademarks or copyright. The Seller shall indemnify Crane Safe Industries against any loss, claim or damage arising out of or in connection with this warranty, excluding consequential loss or damage.

14. CONFIDENTIAL AND PROPRIETARY INFORMATION

14.1 Any engineering, technical and other data furnished to the Seller by Crane Safe Industries is confidential and will not be disclosed by the Seller to any third party without Crane Safe Industries' prior written consent.

14.2 Unless otherwise provided in the Agreement, all plans, drawings, and specifications prepared or supplied by or on behalf of Crane Safe Industries and any copies or patterns made will be:

- a. and remain the property of Crane Safe Industries;
- b. used by the Seller only in the supply of the Goods; and
- c. returned by the Seller on completion of the supply of the Goods.

15. COMPLIANCE

The Seller will ensure that all relevant information relating to:

- The health and safety effects of the Goods on handler/users;
- The proper use and operation of the Goods;
- environmental issues on disposal; and
- restricted shelf lives; are provided to Crane Safe Industries upon initial supply of the Goods and where there are any changes to that information

16. ASSIGNMENT

This Agreement may not be assigned, in whole or in part, without the prior written consent of Crane Safe Industries.

17. TERMINATION FOR CONVENIENCE

The Agreement may be terminated at any time in whole or in part by Crane Safe Industries giving written notice to the Seller specifying the extent to which the supply of Goods is terminated, and the date upon which termination becomes effective. Upon receipt of this notice, the Seller shall cease to manufacture the Goods and shall mitigate its losses. If claimed in writing within 30 calendar days after the date of termination, Crane Safe Industries will pay to the Seller reasonable costs incurred prior to termination which is directly attributable to the placing of the order for such Goods and not otherwise recouped by the Seller. If requested by Crane Safe Industries, the Seller shall assist Crane Safe Industries to maintain or dispose of Goods acquired by Crane Safe Industries prior to the date of termination.

18. TERMINATION FOR DEFAULT

18.1 If the Seller:

- a. fails to supply the Goods within the time specified or any extension thereof; or
- b. supplies, or attempts to supply, nonconforming Goods;
- c. becomes insolvent, bankrupt or goes into receivership; then Crane Safe Industries may terminate this Agreement immediately by providing written notice.

18.2 If Crane Safe Industries terminates as provided in this clause, Crane Safe Industries may procure, upon the terms and in the manner as Crane Safe Industries deems appropriate, goods and/or materials similar to those which are the subject of the Agreement, and the Seller will be liable to Crane Safe Industries for any additional costs, loss or damage incurred by Crane Safe Industries in procuring those similar goods.

18.3 The Seller will continue to supply Goods in accordance with the Agreement to the extent not terminated under the provisions of this clause.

18.4 In the event of the Seller's default, the Seller agrees to mitigate damages by cooperating with Crane Safe Industries in transferring information and disposing of work in progress or Crane Safe Industries's materials as Crane Safe Industries may reasonably request.

18.5 If, after termination in accordance with this clause, it is determined for any reason that the Seller was not in default under this clause, or that the default was excusable, the rights and obligations of the parties will be the same as specified in **clause 18, 1c.**

19. NON-WAIVER

Failure by Crane Safe Industries to insist upon strict performance of any of the terms and conditions in the Agreement, or failure or delay to exercise any rights or remedies provided under the Agreement or by law, or the acceptance of, or payment for any Goods supplied or review of any design, will not release the Seller from any of the warranties or obligations of the Agreement and will not be deemed a waiver of any right of Crane Safe Industries to insist upon strict supply or any of its rights or remedies as to any such Goods regardless when shipped, received, commissioned, accepted, or as to any prior or subsequent default, nor will any termination of the supply of Goods by Crane Safe Industries operate as a waiver of any accrued rights from prior breaches by the Seller.

20. APPLICABLE LAW

The Agreement will be governed by and is to be construed in accordance with the laws applicable in Queensland. No waiver or breach of any provision of this Purchase Order shall constitute a waiver or breach of any such provision or any other provision.

21. NOTICES

- 22.1 Without prejudice to any other mode of service, any notice, demand, consent or other communication will be in writing and deemed to be properly served:
- a. if sent by facsimile, to the intended recipient at its then current facsimile number as the case may be; or
 - b. if delivered or posted, to the address of the intended recipient as shown in the Agreement.
- 22.2 Either party may by notice in writing to the other change the address to which any such notice, demand, consent or other communication is to be served or given

22. DEEMED SERVICE

- 23.1 Any notice, demand, consent or other communication will be deemed to have been properly served or given to the addressee:
- a. if sent by facsimile, in the ordinary course of transmission;
 - b. if posted, 2 business days after the date of posting; and
 - c. if delivered, from the time it is delivered