

STANDARD TERMS AND CONDITIONS

(1) TERMS OF PAYMENT:

- a) Unless subject to credit trading account, the terms of payment are 100% of order value with order, unless otherwise agreed in writing by AIRENG PTY. LTD. (AIRENG) Credit Department. Where delivery is under Incoterms 2000 FOB, FCA, CPT or CIP "delivery" means delivery to the purchaser's carrier.
- b) Aireng standard payment terms are net 30 days from end of month of invoice. Overdue accounts will bear interest at the prevailing bank rate charged to AIRENG.
- c) Notwithstanding any agreement to vary the deposit and COD terms under subclause (a), if in AIRENG's sole judgment the nature of the products ordered or the financial condition of the purchaser ("purchaser" being the purchaser named in the relevant delivery docket/tax invoice) so requires, AIRENG reserves the right to request a higher payment in advance.
- d) Notwithstanding such approval under subclause (a), payment will become immediately due and payable without further notice if:
 - The purchaser, through any act or omission, voids the express warranty in the goods;
 - The purchaser makes the goods subject to any security, including any fixed or floating charge over the purchaser;
 - The purchaser becomes bankrupt; the purchaser has an official manager, provisional liquidator or liquidator appointed, the dissolution of the purchaser occurs; the purchaser enters into an arrangement or compromise with, or assignment for the benefit of, all or any class of its creditors or members or a moratorium involving any of them; or an event described in section 461 of the Corporations Act 2001 occurs in respect of the purchaser; the purchaser becomes, or states that it is, unable to pay its debts as and when they fall due; a receiver or receiver and manager is appointed in respect of the purchaser or its property; an application is made (which is not dismissed or withdrawn within 10 business days) for an order, a resolution being passed or proposed, a meeting being convened or any other action being taken to cause any thing described in this paragraph.

(2) ACCEPTANCE AND PRICES:

Prices quoted for products manufactured by AIRENG are subject to acceptance by the purchaser no later than thirty (30) days from the date of the Quotation - Proposal.

Prices quoted for items, which are not, manufactured by AIRENG such as motors and drives, etc. are subject to change at any time the cost of such items charged to AIRENG changes.

Prices on orders for products manufactured by AIRENG are firm provided approval and release for production and shipment is received from the customer within ninety (90) days of the date of AIRENG's receipt of the customer's order and the products are shipped within twelve (12) months of the date of AIRENG's receipt of the customer's order. When such approval and release for production and shipment is received after ninety (90) days of the date of AIRENG's receipt of the customer's order or products are shipped after twelve (12) months of the date of AIRENG's receipt of the customer's order, such prices are subject to adjustment to AIRENG prices in effect on the date approval and release from customer is received by AIRENG or at time of shipment.

The customer cannot reschedule orders for non-stock equipment released for production and scheduled by AIRENG unless it is done at least eight (8) weeks before the AIRENG scheduled shipping date.

In the event that the customer fails to accept delivery within 48 hours of the date when the order is ready for shipment, the purchaser will be deemed to have accepted the delivery of the order as and when it is either ready for shipment or actually delivered to the premises of the purchaser and remains fully liable for all and any costs of the ordered equipment, including incidental costs such as shipping costs and carrier costs.

(3) CERTIFIED DRAWINGS:

The base price for AIRENG fan products includes Certified Drawings, which are submitted for client review and comment. AIRENG recognizes that drawing revisions are required and part of the expense of doing business. However, AIRENG cannot offer unlimited drawing revisions as there are associated costs and this does impact our ability to offer our valued clients competitive products.

Therefore, AIRENG will charge a fee of \$500 per drawing revision, starting from the third request for a revision. This applies to any AIRENG submitted drawing.

Submittal	Revision	Charge
Original Certified	0	N/C
1st Revision	1	N/C
2nd Revision	2	N/C
3rd Revision	3	\$500.00
All subsequent revisions		\$500.00 ea.

If AIRENG errors or omissions cause the need for a drawing revision there will be no charge and this will not count against the allowable "no charge" revisions. It is in everyone's best interests to cover any and all changes early in the project to avoid added cost.

It is AIRENG's policy to show only AIRENG scope on our drawings.

(4) CANCELLATIONS:

Accepted orders cancelled by the customer are subject to cancellation charges for all expenses incurred and commitments made by AIRENG. The cancellation charges on completed items will be one hundred (100%) percent of the selling price. The aforementioned cancellation charges shall not in any way whatsoever limit AIRENG's other remedies it may have at law including, without limiting the generality of the foregoing, the ability of AIRENG to claim and recover any amounts or damages to which AIRENG would otherwise be entitled by reason of accepted orders cancelled by the customer.

(5) FREIGHT CLAIMS:

- a) Unless otherwise expressly agreed in writing, delivery of the product is made FCA (under Incoterms 2000) to the purchaser's nominated carrier at AIRENG plant.
- b) If the purchaser has asked AIRENG to nominate and arrange a carrier, it does so as agent for the purchaser and the transaction will notwithstanding the nomination and arrangement of the carrier by AIRENG proceed as FCA (rather than CPT or CIP).

- c) The liability and responsibility of AIRENG for the product ceases upon delivery of the product to the carrier. All claims for loss, damage or shortage in loading onto the carrier's vehicle and in transit are the purchaser's sole responsibility. AIRENG accepts no responsibility whatsoever for any liability caused to the goods in loading or transit howsoever arising, including any liability arising out of any negligence on the part of the carrier, and the purchaser hereby agrees that it will not hold AIRENG responsible for any costs and expenses whatsoever arising out of or in connection with any loss or damage occurring in loading or transit, or arising out of the loading or transit of the goods (including any loss caused by delay).
- d) The purchaser is responsible for all insurance of the goods in loading and transit and AIRENG takes no responsibility for ensuring that such insurance has been arranged prior to delivery of the goods.
- e) Claims for factory shortage will not be recognized unless such alleged shortage is reported to AIRENG in writing within ten (10) days after delivery of the product.

(6) RETENTION OF TITLE

The property in the goods supplied does not pass to the purchaser until AIRENG has received payment for those particular goods and payment in full of all other money owing by the purchaser on any other account, whether or not that account relates to the sale of goods and the purchaser's cheque has been honoured.

If the purchaser fails to comply with any of the Terms and Conditions, AIRENG, without notice (and without liability for trespass or any resulting damage) may take possession of the goods or trace the proceeds of their sale (as applicable) and recover the full amount owing to AIRENG together with any interest and costs.

Consistently with the purchaser's intended use of the goods, the purchaser must keep the goods in such condition as the goods were in when supplied, or in such close condition as can reasonably be maintained.

AIRENG may apply to wind up or bankrupt the purchaser if the goods are not paid for within AIRENG's usual credit terms, even though property in the goods has not passed to the purchaser.

(7) TAXES:

The amount of any present or future taxes shall be added to the price contained herein and shall be paid by the customer in the same manner and with the same effect as if originally added thereto.

(8) DELAYS:

AIRENG shall not be liable to the customer or to any third party for any delays caused by riots, strikes, lockouts, weather, fire, floods, lack of transportation, accidents, the failure of AIRENG's suppliers to meet their contractual obligations, breakdowns, or any other contingency beyond AIRENG's reasonable control and receipt of the product by the customer shall constitute a waiver of all claims for loss or damage due to delay.

(9) PRODUCT CHANGES:

AIRENG reserves the right to change or modify the product in the interest of continuous product improvement without liability.

(10) RETURNED GOODS:

Goods may not be returned except by the written permission of the General Manager or Manager - Engineering Support of AIRENG and when so returned will be Incoterms 2000 DDP to AIRENG Plant. AIRENG may impose a reasonable handling charge on returned goods."

(11) USE / OPERATION OF GOODS:

Goods shall be used strictly in accordance for the use intended by AirEng, and operated in accordance within the limitations of AirEng Operation and Maintenance Manual and any appendices that it may contain.

(12) MODIFICATION:

These Standard Terms and Conditions may not be modified except by written agreement signed by the General Manager or General Sales Manager of AIRENG. **The failure of AIRENG to object to provisions contained in the customer's purchase orders or other communications shall not be deemed waiver of the Standard Terms and Conditions hereof or acceptance of such provisions.** No other terms and conditions other than the Standard Terms and Conditions contained herein and those terms and conditions with respect to the description of product, quantity and price contained in the "Quotation-Proposal" shall be binding upon AIRENG unless made in writing and signed by the General Manager or General Sales Manager of AIRENG. Without restricting the generality of the foregoing, agents and sales representatives of AIRENG do not have authority to modify these Standard Terms and Conditions.

(13) PPSA

Unless otherwise defined in this agreement, the terms and expressions used in this clause have the meaning given to them by the *Personal Property Securities Act 2009 (PPSA)*.

The purchaser agrees that:

- (a) it will do all things necessary to enable AIRENG to lodge a Financing Statement on the Personal Properties Securities Register (PPSR) in respect of goods supplied by AIRENG;
- (b) the purchaser will not change its name, ACN or ABN or other details required on the PPSR without the express consent of AIRENG;
- (c) the purchaser waives any rights to receive a verification statement in respect of any Financing Statement in respect of goods supplied by AIRENG; and
- (d) the purchaser must pay AIRENG the costs of any enforcement, discharge or necessary amendment of any Financing Statement relating to the goods supplied by AIRENG.

To the maximum extent permitted by law, the purchaser agrees that sections 130, 142 and 143 of the PPSA will not apply and waives any rights the purchaser may have pursuant to, and hereby contracts out of, sections 95, 123, 129(2), 132, 134(2) and 135 of the PPSA.

(14) APPLICABLE LAW

This Contract shall be deemed to have been made in Victoria and is governed by the law of Victoria. The parties agree to submit to the exclusive jurisdiction of the courts of Victoria.

Signed

Effective 25th September 2013