

JFK ENGINEERING PTY LTD - STANDARD PURCHASE ORDER TERMS

1. General

a. "**JFK Engineering Pty Ltd**" means the JFK Engineering Pty Ltd entity in respect of which a Purchase Order is issued.

b. "**Purchase Order**" means the agreement between JFK Engineering Pty Ltd and the Seller which arises on acceptance of a written JFK Engineering Pty Ltd purchase order, the written purchase order and any documents attached or incorporated by reference together comprising the entire agreement for the purchase of the goods and/or services ("**Goods/Services**").

c. No modification of these Terms will be binding on JFK Engineering Pty Ltd unless agreed to by JFK Engineering Pty Ltd in writing.

d. These Terms replace all prior proposals and negotiations with the Seller and the Purchase Order supersedes any prior documentation in relation to the supply of the Goods/Services.

e. The Seller will not, without the prior written consent of JFK Engineering Pty Ltd, assign, sub-contract or otherwise transfer the Purchase Order, either in whole or in part.

f. If the Seller comprises two or more persons, each person is jointly and severally responsible for all and any obligations, liabilities and indemnities in favour of JFK Engineering Pty Ltd.

2. Acceptance of delivered Goods/Services

a. The acceptance by the Seller of JFK Engineering Pty Ltd's written purchase order or delivery of the Goods/Services (whichever first occurs) will constitute unconditional acceptance of the written purchase order and agreement between the parties on these Terms.

b. Delivery will only occur when the Goods/Services have been received and accepted by JFK Engineering Pty Ltd notwithstanding any agreement to pay freight, express or other transportation charges or the passage of title by operation of law or otherwise and the cost of loss or damage in transit will be borne by the Seller.

c. Risk and property in the Goods/Services will pass to JFK Engineering Pty Ltd when JFK Engineering Pty Ltd unconditionally accepts the Goods/Services in accordance with these Terms.

d. All Goods/Services will be subject to JFK Engineering Pty Ltd's inspection and approval. If any Goods/Services are rejected by JFK Engineering Pty Ltd, those Goods/Services will be held, subject to the Seller's instructions, at the Seller's risk and at the Seller's expense and, may be returned by JFK Engineering Pty Ltd to the Seller, or as otherwise instructed by the Seller, at the Seller's expense.

e. JFK Engineering Pty Ltd reserves the right to reject any Goods/Services which are damaged or which do not conform to the quality, conditions or type specified in the Purchase Order.

f. Acceptance by JFK Engineering Pty Ltd of all or any part of the Goods/Services supplied under the Purchase Order which is not in accordance with the terms of the Purchase Order will not bind JFK Engineering Pty Ltd to accept future deliveries.

g. Acceptance by JFK Engineering Pty Ltd of all or any part of the Goods/Services will not be deemed to be a waiver of JFK Engineering Pty Ltd's right either to cancel or return all or any part of the Goods/Services because of failure to conform to the Purchase Order by reason of any defects or breach of

warranty, or be deemed to be a waiver of JFK Engineering Pty Ltd's right to make any claim for damages incurred by JFK Engineering Pty Ltd. These rights will be in addition to any other remedies provided by law.

3. Seller's warranty

- a. The Seller warrants that the Goods/Services will be of merchantable quality, fit for sale and for use, fit for the purpose intended and that they conform to the specifications, applicable standards and performance capacity represented by the Seller.

- b. The Seller warrants that the Goods/Services, including in the case of goods, all component parts, are free from defects and, for a period of one year after JFK Engineering Pty Ltd's acceptance of the Goods/Services, agrees to promptly replace and reinstall any defective part or unit at no cost to JFK Engineering Pty Ltd, (including without limitation labour, material, freight and delivery charges) or re-supply free of charge any service, as appropriate.

4. Breach of terms by or insolvency of Seller

If the Seller commits a breach of or fails to comply with any of these Terms or (if an individual) becomes bankrupt or makes an assignment of their estate for the benefit of their creditors or makes an arrangement or composition with their creditors or (if a company) goes into liquidation, provisional liquidation or administration or has a receiver appointed to any of its assets, the JFK Engineering Pty Ltd may cancel the Purchase Order with immediate effect.

5. Insurance

The Seller will effect and maintain the following insurances:

(i) Where goods are supplied:

- a. Marine Transit and Property Damage insurance covering physical loss, damage or destruction of the goods supplied for their full replacement value; and

- b. Public and Products Liability insurance for a limit of indemnity of not less than \$10 Million any one occurrence and in the aggregate with respect to Products Liability.

(ii) Where any person employed or engaged by the Seller goes on to any JFK Engineering Pty Ltd site in conjunction with the supply of Goods/Services:

- a. Public and Products Liability insurance for a limit of indemnity of not less than \$10 Million any one occurrence and in the aggregate with respect to Products Liability;

- b. Workers Compensation insurance and any other insurance required by any applicable law including Industrial Disease coverage as may be required, in respect of any person employed or engaged by the Seller who goes on to any JFK Engineering Pty Ltd site; and

- c. Motor Vehicle Third Party Property Damage insurance for limit of indemnity of not less than \$10 Million in respect of any registered motor vehicle.

The Seller will at any time requested by JFK Engineering Pty Ltd provide certificates of currency for each of the above insurances.

6. Indemnity

a. The Seller will indemnify and hold JFK Engineering Pty Ltd harmless from all claims, demands, proceedings, liability, loss, damage or expense (including legal fees on a solicitor and own client indemnity basis) for any breach or violation of intellectual property rights including patents, patents pending, trade marks, trade names, copyright and know how relating to the Goods/Services. This indemnity will be in addition to any other remedies provided by law.

b. The Seller will indemnify and hold JFK Engineering Pty Ltd harmless from all claims, demands proceedings, liability, loss, damage and expense (including legal fees on a solicitor and own client indemnity basis) sustained by JFK Engineering Pty Ltd arising out of or in connection with the Goods/Services failing to conform to any warranty or any other breach by the Seller of any of these Terms. This indemnity will be in addition to any other remedies provided by law.

7. Governing Law

The Purchase Order will be governed by the laws of Western Australia and the parties agree to submit to the non-exclusive jurisdiction of the courts of Western Australia.