



H Polesey & Co Pty Ltd

ACN 000 572 458 ABN 99 000 572 458
DISTRIBUTORS OF TEXTILES & PACKAGING

TERMS AND CONDITIONS

These terms and conditions govern all sales by **H. POLESY & CO. PTY. LIMITED** (hereinafter referred to as the "Seller") to any purchaser (hereinafter referred to as the "Buyer") who as at or after the date of publication of these terms and conditions places an order to purchase any product from **H. POLESY & CO. PTY. LIMITED**. If you as the Buyer do not accept these terms and conditions, you must notify and advise the Seller in writing of your refusal to do so. Acceptance will arise upon the placement by you of an order on the Seller unless your refusal to accept these terms and conditions is received in writing by the Seller prior to the placement of any Purchase Order with the Seller.

IT IS HEREBY AGREED:

1. BASIC OBLIGATIONS

1.1 The Seller shall supply the Goods to the Buyer in accordance with this Agreement.

1.2 The Buyer shall pay the Seller the Price in accordance with the terms of payment set out in this Agreement.

2. QUOTES AND ORDERS

2.1 The Buyer shall, from time to time, request quotations from the Seller containing specifications, quantities, delivery schedules and prices for the Goods, as per the requirements of the Buyer.

2.2 The Seller shall submit to the Buyer said written quotations containing specifications, quantities, delivery schedules and prices for the Goods. These quotations shall be valid for a limited time as specified in the quotation.

2.3 Upon receipt of the written quotation, the Buyer shall produce a written Purchase Order confirming the specifications, quantities, delivery schedules and prices for the Goods. The written Purchase Order shall be sent to the Seller.

2.4 Upon receipt of the Buyer's Purchase Order, provided the Purchase Order conforms to the quotation, the Seller undertakes to supply the Goods. The Buyer shall ultimately be liable to pay for all the Goods ordered from the Seller.

3. VARIATIONS

3.1 The Buyer may request reasonable variations, and the Seller shall use its best endeavours to carry out such reasonable variations but the Seller shall be under no obligation to agree to the proposed variations requested by the Buyer after the Buyer has issued a Purchase Order to the Seller.

3.2 The Buyer may request the Seller to price a proposed variation. The Seller shall provide to the Buyer a price for the proposed variation and shall where relevant provide details of how the proposed variation may otherwise affect its other obligations under this Agreement.

3.3 The agreed price of any variation shall be added to or deducted from the purchase price. No variation shall be commenced until the agreed price and details of the variation have been determined and the revised price confirmed by the Buyer to the Seller in writing.

3.4 No variation shall make void or voidable this Agreement.

4. CONTAINER DEMURRAGE

In the case of full container load (FCL) deliveries of the Goods, the Seller retains the right, at its absolute discretion, to pass on any demurrage charges incurred as a result of the Buyer's failure to make the container available for return within ten (10) calendar days of delivery either to the Buyer's premises or storage facility, or to any other agreed storage facility.

5. RETENTION OF TITLE IN THE GOODS

5.1 The Seller shall retain the title (and ownership) of all Goods until such time as payment in full of the outstanding sum relating to those Goods is received.

5.2 In the event of any breach of terms of payment of this Agreement on the part of the Buyer in respect of the Goods supplied, the Buyer agrees that the Seller shall have the right to enter the Buyer's premises or storage facility and /or any other storage facility where the Seller's Goods are stored and remove any or all of the Goods to which the Seller retains title (and ownership).

5.3 Where the Buyer is an individual person or a partnership including an individual person, and if that person for the purposes of the Bankruptcy Act 1966 (Cwlth) commits an act of bankruptcy or where the Buyer is a corporation and for the purposes of the Corporations Act 2001 (Cwlth) is declared insolvent in accordance with Section 95A of the same Act, the Buyer agrees that the Seller shall have the right to enter the Buyer's premises or storage facility and /or any other storage facility where the Seller's Goods are stored and remove any or all of the Goods to which the Seller retains title (and ownership). Where the Buyer is unable to identify those Goods in which the Seller retains title the Buyer agrees the Seller shall have the right to remove the equivalent type and quantity of goods for which payment has not been made. Where the Buyer is a corporation and an Administrator has been appointed to the Buyer under Part 5 of the Corporations Act 2001 (Cwlth) the Seller agrees to obtain the Administrator's written consent in accordance with Section 440C of the Corporations Act 2001 before entering the Buyer's premise or storage facility and /or any other storage facility where the Seller's Goods are stored and removing the Goods. The rights and remedies given by this sub-clause are additional to any other rights and remedies under this agreement and may be exercised notwithstanding that there has been no breach of contract.

5.4 If, as the result of any breach of this Agreement on the part of the Buyer, the Seller takes back any Goods that have been invoiced to the Buyer for which the Seller has not received full payment, the Seller shall issue to the Buyer credit notes to the value of those Goods.

6. TESTING

6.1 Where the Buyer requests and legislation so requires the Seller shall supply to the Buyer the results of testing conducted by an accredited independent third party on the proposed Goods to be supplied. If the Buyer requires additional independent testing the Seller shall only be obliged to provide a single sample of each product proposed to be purchased by the Buyer. However, any additional independent testing shall be at the expense of the Buyer.

7. DELIVERIES, ACCEPTANCE AND REJECTION

7.1 The Seller shall deliver the Goods Free into Store to the Buyer's premises, storage facility or nominated logistics facility in each metropolitan area of each city where the Seller has a warehouse.

7.2 The Buyer shall have accepted the Goods when: (a) the Buyer has had a reasonable opportunity to examine those Goods after delivery to the Buyer's premises or storage facility. Unless otherwise agreed by the parties, a reasonable opportunity shall mean a period of five (5) working days; or (b) if before the expiration of five (5) working days the Buyer indicates to the Seller in writing that it has accepted the Goods. Written acceptance shall be constituted by the receipt by the Seller of a delivery docket signed by the Buyer.

7.3 The Seller shall be responsible for the care of the Goods up to the time of delivery of the Goods either to the premises, storage facility or nominated logistics facility of the Buyer. Risk shall pass to the buyer at the time of delivery and not at the time of acceptance. The Buyer shall indemnify and keep indemnified the Seller for the full value of the Goods until such time as title in Goods passes to the Buyer.



7.4 Prior to the arrival of full container load (FCL) deliveries of the Goods at the relevant port of entry into Australia, the Seller shall contact the Buyer to determine to which location the Seller is to deliver the FCL delivery. The Buyer shall advise the Seller, within five (5) working days, as to where the FCL delivery is to be made.

7.5 Where any inspection or testing reveals the Goods do not comply with the product's specification, the Seller shall, at their option, rectify or replace the defective Goods so as to ensure that the Goods comply with the product's specification previously supplied to the Buyer.

8. PAYMENTS AND INVOICING

8.1 Payment term is 30 days from the end of the month in which the Goods were invoiced, unless otherwise agreed between the Seller and the Buyer. All invoices issued by the Seller, where applicable, shall quote the Buyer's Purchase Order number plus the actual quantity of the Goods delivered.

8.2 In the event that the Buyer does not make payment of amounts owing within a period of fourteen (14) days from the due date for payment, the Seller may, at its absolute discretion, choose to either suspend supply of the Goods until such time as all overdue amounts are paid in full, and /or charge interest on any overdue amounts at the prevailing overdraft rate applicable to the Seller's trading account. Interest charged pursuant to this clause shall commence at the end of the fourteen (14) day period.

9. GST

The Price does not include GST, which is payable by the Buyer in addition to the Price.

10. WARRANTIES

10.1 The Buyer agrees that: (a) they have read and understood all documents relating to this Agreement, including any relevant product specifications; and (b) they have not entered this Agreement in reliance on any representation, undertaking, statement or conduct made by the Seller which does not and shall not form part of this Agreement.

10.2 The Seller warrants that the Goods are of merchantable quality, are not defective, are fit for the purpose for which they were manufactured and are in accordance with the requirements of this Agreement.

10.3 The Seller only warrants that the Goods are fit for the Buyer's intended purpose where the Buyer has advised the Seller in writing prior to the placement of a Purchase Order by the Buyer on the Seller of the intended use of the Goods.

11. CLAIMS

11.1 In the event that the Buyer notifies the Seller of a claim relating to the Goods, the Seller shall arrange inspection by itself and in the presence of the Buyer, or where specifically requested by the Buyer, a qualified independent third party, as soon as reasonably practical but, in any event, within working (5) days of the date of receipt of the Buyer's notification to ascertain the degree and nature of the fault. The Seller, at its absolute discretion, shall only honour claims where it can be proven that the Goods were at fault and where sufficient quality control procedures were in place so as to ensure that the quantity of Goods that are to be downgraded and /or written off has been kept to an absolute minimum.

11.2 In the event that both the Buyer and the Seller agree or the qualified independent third party determines that the Goods supplied are faulty any claim shall be limited to either the cost of replacement of the Goods or the difference between the original price of the Goods and the value of the Goods after they have been assessed and downgraded for a use other than for their original purpose.

12. LIMITATION OF LIABILITY

12.1 The Seller shall not be liable in either contract or tort for any loss, injury, damage or costs, either direct or indirect, as a result of any claim in respect of loss, injury or damages made against the Buyer by third parties and any costs and expenses arising in connection with the said claim which results from the Seller's failure to comply with the requirements of any Purchase Order of the Buyer issued in relation to this agreement.

12.2 The Seller shall not be liable in either contract or tort for any loss, injury, damage or costs, either direct or indirect, howsoever incurred by either the Buyer or any third party as a result of the failure of the Buyer or the third party to use the Goods in accordance with the labelling and /or instructions and /or specifications supplied by the Seller or the misuse and abuse of the Goods.

12.3 The Buyer agrees and warrants that they shall not remove any labelling attached to the Goods and further shall supply to any third parties purchasing the Goods from the Buyer any instructions and /or specifications supplied by the Seller.

12.4 The Seller shall not be liable for any claims or damages including, but not limited to, claims for faulty design, negligent or misleading advice, damages arising from loss, defect, error in or use of the products, and any indirect, special or consequential damages or injury to any person, corporation or other entity.

12.5 The Seller shall not be liable to the Buyer in contract or in tort arising out of, or in connection with, or relating to the performance of the Goods or any breach of these terms and conditions; or any error (whether negligent or in breach of contract or not) in information supplied to the Buyer or any third party user before or after the date of the Buyer's or third party user's use of the Goods.

12.6 The Buyer undertakes to maintain strict quality control procedures so as to minimise potential loss or damage resulting from their use of the Goods supplied. Where in accordance with clause 11.2 it is established that the Goods were faulty any and all liability of the Seller as a result of such a fault shall be strictly limited to the cost of the replacement of the Goods.

13. FORCE MAJEURE

13.1 Where either Party is unable, wholly or in part, by reason of "force majeure", to carry out any obligation under this Agreement and that party: (a) gives to the other Party notice of that "force majeure" with full particulars thereof and insofar as known, the probable extent to which it shall be unable to perform or be delayed in performing within seven days of becoming aware of its inability to perform its obligations under the terms of this agreement; and (b) uses all possible diligence to remove that "force majeure" as quickly as possible – that obligation is suspended so far as it is affected by "force majeure" during the continuance thereof.

13.2 The requirement that any "force majeure" shall be removed with all possible diligence shall not require the settlement of strikes, lockouts or other labour disputes, or claims or demand by any government on terms contrary to the wishes of the party affected.

13.3 In the event of a "force majeure", the Buyer shall be entitled to obtain elsewhere for the duration of such "force majeure" the supply of Goods covered by this Agreement, and to reduce pro tanto and without any obligation to the Seller the quantity of the Goods ordered from the Seller under any prevailing Buyer's Purchase Order.

13.4 In this Agreement "force majeure" means an Act of God, strike, lockout, or other interference with work, war declared and undeclared, act of terrorism, blockade, disturbance, explosion, governmental or quasi-governmental restraint, expropriation, prohibition, intervention, direction or embargo, unavailability, or delay in obtaining governmental or quasi-governmental approvals consents permits licences authorities or allocations, weather and any other cause whether of the kind specifically enumerated above or otherwise which is not reasonably within the control of the Party affected.



14. WAIVER

Any waiver by the Seller of any right, breach or non-observance of any term of this Agreement by the Buyer shall not be deemed to be a waiver of any on-going right of the Seller or the waiver of any cause of action related to any subsequent breach or subsequent non-observance of any term of this Agreement by the Buyer. In this regard, the fact that the Seller fails to do, chooses not to enforce or delays in doing something the Seller is entitled to do under this agreement does not amount to a waiver of any right of the Seller and shall not be taken as an implied waiver of any other right, term or cause of action or as an implied waiver of that right, term or cause of action in relation to any other future breach occasioned by the Buyer.

15. SEVERANCE

Every clause of this Agreement shall be deemed to be severable and if any clause of this Agreement shall be void or illegal or unenforceable for any reason then the same shall be deemed to be severed and omitted here from and this Agreement with such provision thus severed and omitted shall otherwise remain in full force and effect.

16. ENTIRE AGREEMENT

This Agreement constitutes the entire, final and concluded agreement between the Parties in respect of the present and future supply of the Goods. It supersedes all previous arrangements, correspondence, representations on the part of either Party, terms and conditions of sale and /or purchase, proposals, understandings and communication whether implied, oral or in writing in respect of the supply of the Goods. In the event of any conflict between the Buyer's Purchase Order and this Agreement, this Agreement shall always prevail.

17. GOVERNING LAW

It is agreed that the governing law of this Agreement shall be that as applicable to the State of New South Wales, Australia, and the parties hereby submit themselves to the jurisdiction of the courts of the State of New South Wales, Australia.

18. NOTICES

The address of each party as referred to overleaf shall be the address of that party for service of notices or other communications hereunder which may be effected by personal delivery or by post, where the date of service shall be deemed to be two business days after the day of posting. Service of any notice or document under or relating to this Agreement may also be effected by facsimile transmission and such notice shall be deemed to have been received when the said facsimile transmission has been completed.

I HAVE READ UNDERSTOOD AND AGREE TO BE BOUND BY THE ABOVE TERMS AND CONDITIONS OF BUSINESS.