

CONDITIONS OF PURCHASE

1. DEFINITIONS

"GLG" refers to Gerard Lighting Pty Ltd (ABN 71 115 184 999)

"Conditions" means the clauses 1 to 10 inclusive of this document.

"Price" means the price of the Goods set out in the Order.

"Order" means the purchase order form issued by GLG.

"Supplier" means the supplier whose details are set out in the Order.

"Goods" means the goods and services (if any) specified in the Order to be supplied by the Supplier to GLG.

"Warranties" means the Supplier's warranties set out in clause 9.

"Insolvency Event" means the Supplier is under any form of external administration or any of its property is under external control.

"Force Majeure Event" means any event or cause beyond the reasonable control of the Supplier.

2. AGREEMENT

- a) Goods are purchased by GLG on these Conditions if the Supplier accepts the Order for such Goods.
- b) These Conditions constitute the whole of the agreement between the Supplier and GLG in relation to this subject matter EXCEPT WHERE GLG and the Supplier have executed a separate agreement that covers the supply of the Goods in which case the Supplier is obliged to supply the Goods under the terms and conditions of that agreement. In the event of any inconsistency, ambiguity or conflict arising between the terms and conditions of any other agreement between GLG and the Supplier governing the supply of the Goods and the Conditions of Purchase, the former prevails to the extent of such inconsistency, ambiguity or conflict.
- c) These Conditions apply to the exclusion of all conditions in any offer of the Goods by the Supplier or acceptance by the Supplier of the Order, and the Supplier is deemed to waive all such Supplier conditions by accepting the Order.

3. VARIATION

Any Order for Goods (other than Goods manufactured to GLG's specifications) may be varied or cancelled but only if GLG gives the Supplier notice in writing of the variation or cancellation not less than 14 days before shipment.

4. PRICE

- a) The Supplier will charge GLG the Price for Goods delivered pursuant to these Conditions. If no Price is specified in the Order, the Supplier will charge a price not greater than the price last quoted or charged to GLG.
- b) The Supplier warrants that the Price is not subject to variation and includes all costs of manufacture, distribution, transportation, warehousing, delivery, insurance, government taxes, duties and charges, any variation in the exchange rate, and all costs of the Supplier's compliance with all applicable laws and regulations.
- c) The Supplier will submit to GLG a tax invoice for Goods delivered to GLG within 7 days from the date of delivery under clause 5.
- d) GLG will pay for Goods which GLG has accepted in accordance with clause 6 within 60 days of the end of the month in which the Goods are received. Such payment will not constitute a waiver by GLG of any noncompliance with the Supplier's Warranties.
- e) GLG will have no obligation to pay the Supplier for any Goods which GLG rejects in accordance with clause 6 until those Goods are re-supplied in accordance with clause 6.
- f) (For Australian Suppliers only) The Supplier acknowledge that all Prices are inclusive of GST and GLG is not required to pay any additional amount on account of GST.

5. DELIVERY

- a) The Supplier will deliver the Goods to GLG on the date and on the delivery terms nominated in the Order.
- b) Subject to clause 6, risk in the Goods remains with the Supplier until the Goods are delivered to GLG on the agreed delivery terms and accepted in writing by an authorized officer of GLG.
- c) Title in all Goods will pass to GLG upon delivery.
- d) Subject only to any Force Majeure Event, the Supplier's compliance with any obligation to deliver the Goods within a time stipulated in the Order, or any agreed extension to that time, will be of the essence of these Conditions.

6. INSPECTION

- a) GLG will inspect the Goods upon delivery pursuant to clause 5(a). If the Goods appear to meet the description in the Order; an officer of GLG will accept the delivery in writing.
- b) If at any time before or after acceptance of the Goods by GLG in GLG's reasonable opinion the Goods do not meet the description in the Order or do not comply with the Warranties, GLG may reject those Goods by giving the Supplier written notice of rejection.
- c) Goods which GLG rejects at any time after delivery will be deemed not to have been accepted by GLG, notwithstanding any payment that GLG may have made for such Goods.
- d) If upon inspection of Goods under clause 6(a), GLG is of the view that the quantity of Goods delivered is short of the quantity specified in the Order, GLG will notify the Supplier of the shortage within 14 days. GLG may accept the short quantity of delivered Goods and the Supplier must make good any shortages in delivery at the earliest practical opportunity.
- e) GLG accepts no responsibility or liability for goods supplied in excess of the quantities set out in the Order.
- f) If GLG at any time forms the reasonable opinion that the Goods or any part of them are defective, then GLG may at its option:
 - i) require those Goods be supplied again without any defects; or
 - ii) terminate this Order and sue the Supplier for all loss and damage suffered including any costs incurred by GLG to have the Goods, or similar goods or services, provided by some third party.

7. GOODS MANUFACTURED TO GLG'S SPECIFICATIONS

- a) GLG may request the Supplier to manufacture the Goods to meet GLG's specifications, and may provide details of the specifications to the Supplier or request that Supplier design the Goods.
- b) Any specifications which GLG has provided to the Supplier form part of the Order and the Supplier warrants that it has carefully examined all such specifications, drawings, samples and patterns relating to the Goods.
- c) The Supplier warrants that any Goods manufactured by the Supplier will be manufactured in accordance with the specifications, drawings and diagrams supplied by or approved by GLG.
- d) The Supplier will be responsible for any discrepancies, errors or omissions in the drawings and diagrams, notwithstanding that GLG has approved them.
- e) The Supplier assigns to GLG all intellectual property rights in all goods manufactured in accordance with any material or information provided by GLG, under this clause. The Supplier will at all times treat all such information as confidential to GLG and will on GLG's request, deliver up all such materials and information. The Supplier undertakes that he or she will not reproduce, show or sell to any person or company other than GLG the Goods, or identical goods or services, manufactured or developed by the Supplier.

8. WARRANTIES

The Supplier warrants that in the provision of the Goods:

- a) It will strictly comply with all applicable laws, ordinances, orders, rules and regulations, whether international, national, state or local, and upon request by GLG will furnish GLG such evidence of compliance as GLG may reasonably require;
- b) Goods will correspond strictly with the description of the same as detailed on the Order, will conform to any applicable specifications drawings or diagrams, will be of good and merchantable quality and will be fit for the purpose for which the Goods are sold.
- c) on delivery:
 - i) Goods will be free and clear of all liens and encumbrances; and
 - ii) The Supplier has a good and marketable title to the Goods;
- d) Goods will have been produced, sold and delivered to GLG in compliance with all applicable laws and regulations;
- e) if the Goods include any service, those services will be performed by competent staff and all reasonable care and skill will be exercised by such staff in the provision of those services; and
- f) the sale, supply or use of the Goods by GLG or any end users of the Goods will not infringe any proprietary rights of a third party.

9. INDEMNITY

The Supplier is liable for, and on demand will indemnify GLG and any end users of the Goods against any loss, claim, actions, demands, proceedings, judgments, damage, cost, charge, expense, harm, injury or liability which GLG may sustain or incur as a consequence of:

- i. any breach by the supplier of any of its Warranties or other obligations under these conditions;
- ii. any negligence or wrongful act or omission of the Supplier or its employees, sub-contractors or agents; and
- iii. any loss of or damage to any property or injury to, illness or death of any person caused by the Supplier or its employees, sub-contractors or agents.

10. OTHER PROVISIONS

- a) The Supplier must not assign or subcontract any of its right and obligations in relation to the Order or under these Conditions.
- b) If the Supplier suffers any Insolvency Event or any Force Majeure Event delays delivery of the Goods beyond 30 days then GLG may cancel the Order without further liability.
- c) If GLG waives any of its rights under these Conditions, that waiver will not be construed as a continuing waiver and all of GLG's rights under these Conditions will remain enforceable in full.
- d) The law applicable to these Conditions is the law of New South Wales.
- e) The Supplier in entering into these Conditions does not rely on any statement or representation of or on behalf of GLG which is not expressly set out in the Order or these Conditions.
- f) GLG may give any notice to the Supplier by facsimile to the number specified in the Order or by sending the notice by post addressed to the Supplier at the Supplier's address specified in the Order. Notices served by facsimile will be deemed to have been received on completion of successful transmission and notices served by mail will be deemed to have received the next business day after posting if the Supplier is based in Australia but otherwise on the fifth business day after posting. In this clause business day means any day other than a weekend or public holiday in the place of intended receipt.
- g) Any part of these Conditions which is or becomes void is severable.
- h) The UN Convention on Contracts for the International Sale of Goods (1980) does not apply to these Conditions or any Order placed by GLG.