

Standard Terms and Conditions of Purchase Order

PART 1 DEFINITIONS

- (1) "Confidential Information" shall mean information that is not publicly available.
- (2) "Supplier" shall mean the Supplier or any person acting on behalf of and with the authority of the Supplier.
- (3) "Savcor" shall mean Savcor ART Pty Ltd, Savcor ART PNG LTD and their successors and assignors.
- (4) "Guarantor" means that person (or persons), or entity who agrees herein to be liable for the debts of Savcor on a principal debtor basis.
- (5) "Goods" shall mean Goods supplied by the Seller to Savcor (and where the context so permits shall include any supply of Services as hereinafter defined).
- (6) "Services" shall mean all services supplied by the Seller to Savcor and includes any advice or recommendations (and where the context so permits shall include any supply of Goods as defined supra).
- (7) "Price" shall mean the cost of the Goods as agreed between the Supplier and Savcor subject to clause 4 of this contract.
- (8) "Purchase Order" shall mean the order for Goods or Services constituted by this document.

PART 2 GENERAL

- 2.1 These conditions apply to the order for Goods or Services placed by Savcor with the Supplier as specified. These conditions are subject to any Master Supply Agreement between Savcor and the Supplier. Provision of the Goods or Services in accordance with the Purchase Order constitutes unconditional acceptance of these conditions, despite any purported counter-offer or competing terms. If the Supplier does not accept these conditions, it must not provide the Goods or Services.

PART 3 DELIVERY

- 3.1 The Supplier must supply the Goods or provide the Services at the delivery address by the delivery date and in the quantity or description specified in the Purchase Order.
- 3.2 Savcor may cancel the Purchase Order without liability to the Supplier at any time prior to delivery of Goods or Services.

PART 4 PRICE AND PAYMENT

- 4.1 Savcor shall pay the Supplier the Price for the Goods or Services as set out in the Purchase Order. The Price includes all costs incurred by the Supplier for the supply of the Goods or performance of the Services (such as charges for packing, insurance and delivery of the Goods and cost of any items used or supplied in the performance of the Services) and all taxes and duties, including GST where applicable.
- 4.2 Savcor shall pay the Supplier within forty-five (45) days of the end of the month in which it receives an approved tax invoice from the Supplier in respect of the Goods or Services, or such other period as agreed.

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- 4.3 Savcor is not obliged to make any payment unless it has received a tax invoice from the Supplier for Goods delivered or Services provided in accordance with the Purchase Order and the terms under this Agreement. The Supplier must ensure tax invoices, delivery slips and correspondence pertaining to the Goods are marked with the Purchase Order number, item descriptions, quantities, prices and such other information as Savcor reasonably requires identifying the Goods or Services.
- 4.4 Unless stated otherwise in the Purchase Order, progress payments may be claimed by the Supplier at intervals of not less than one (1) month for equipment or materials purchased and delivered to the designated delivery point.
- 4.5 Savcor may withhold from a payment to be made to the Supplier under this Agreement or a Contract any amount which, in its opinion, Savcor is required to withhold in respect of the Supplier's potential taxation liabilities. The withholding and payment to the relevant lawful authority discharges Savcor obligation to pay the withheld amount to the Supplier. If Savcor pays an amount to the Supplier without withholding an amount, or a sufficient amount, in respect of the Supplier's potential taxation liabilities which the law requires Savcor to withhold, then the Supplier indemnifies Savcor against any loss, damage, claim, action or expense (including legal expense) which Savcor suffers as a result.

PART 5 DAMAGES

- 5.1 If the Supplier fails to supply the Goods or provide the Services within the time frame agreed to in the Purchase Order, or as extended by Savcor, then the Supplier must pay to Savcor the agreed damages as set out in the purchase order or if the contract is terminated, damages generally including consequential loss.

PART 6 QUALITY

- 6.1 The Supplier must provide Goods or Services that conform with the Purchase Order, are fit for the purpose for which Goods or Services of the same kind are commonly supplied or bought and for any other purpose Savcor specifies, are suitably packed to avoid damage in transit or in storage, are of merchantable quality, free from defects and comply with all standards and laws applicable to their design and manufacture and (in respect of Goods comprising potentially dangerous or hazardous materials) such information and material as specified by Savcor required for compliance with Savcor's health, safety and environmental policies and requirements, including material safety data sheets.
- 6.2 In Supplying the Goods or performing the Services, no deviation may be made by the Supplier in any respect of any drawings or specifications or instructions contained in the Purchase Order or supplied by Savcor to the Supplier without Savcor's written consent. If any drawings or specifications do not cover fully any materials or manufacturing processes necessary to execute the Purchase Order the Supplier must obtain Savcor's written instructions before purchasing any such materials or applying any such manufacturing process.
- 6.3 The Supplier must, in supplying the Goods or performing the Services, not interfere with Savcor's activities or the activities of any other person at the delivery address and comply with and ensure that the Supplier's employees and agents are aware of and comply with applicable laws, Savcor's standards and procedures, to the extent they are applicable to the supply of the Goods or the performance of the Services by the Supplier.

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- 6.4 The Supplier must ensure that any warranty offered by a manufacturer of the Goods is enforceable by Savcor or, at Savcor's request, must enforce the warranty for Savcor's benefit. Where the Supplier is the manufacturer of the Goods or supplier of Services, the Supplier grants to Savcor the same warranty in respect of the Goods or Services as the Supplier offers in the normal course of its business to other purchasers of similar goods or services in similar quantities.

PART 7 TITLE AND RISK

- 7.1 Savcor acquires title to the Goods upon its acceptance of them. The Supplier warrants that, upon delivery, the Goods are free of any registered or unregistered charge, lien, mortgage, encumbrance of other adverse interest. If Savcor rejects Goods under clause 7, title in the rejected Goods reverts in the Supplier upon rejection.
- 7.2 The Supplier bears the risk of loss of or damage to the Goods until acceptance of the Goods delivered to Savcor. If Savcor accepts delivery but later rejects the Goods pursuant to clause 8, risk reverts in the Supplier.
- 7.3 Unless the parties otherwise agree, all intellectual property arising from the Supplier providing Goods or undertaking Services vests upon creation in Savcor.

PART 8 INSPECTION OF GOODS AND SERVICES

- 8.1 All Goods and Services are received subject to inspection within a reasonable time after delivery or before delivery at Savcor's discretion irrespective of date of payment. Signed delivery dockets do not mean acceptance by Savcor of Goods delivered.
- 8.2 If Savcor gives notice of any defect or omission discovered in the Goods or Services, the Supplier must, without prejudice to Savcor's rights otherwise arising under this Purchase Order or the general law replace, without further cost to Savcor, the rejected Goods or Services with Goods or Services in conformity with the Purchase Order, refund or credit to Savcor all monies paid or payable by Savcor to the Supplier on account of the rejected Goods or Services, or at the Supplier's expense repair the Goods on site or otherwise re-perform or remedy the Services to the satisfaction of Savcor, as Savcor directs and removes the rejected Goods or re-perform or remedy of the Services at the Supplier's expense.

PART 9 INDEMNITY AND INSURANCE

- 9.1 The Supplier indemnifies Savcor and each of its officers, employees, contractors and agents against any loss, damage, claim, action or expense (including legal expense) which any of them suffers as a direct or indirect result of any failure to deliver the Goods or provide the Services in accordance with this Purchase Order (including, an act or omission of the Supplier's subcontractors).
- 9.2 The Supplier must obtain and maintain insurance with a reputable insurer in the country in which the Purchase Order originates sufficient to cover any loss and damage for which the Supplier is liable in connection with this Agreement.

PART 10 DEFAULT

- 10.1 If the Supplier shall breach any condition of this Purchase Order or fail or neglect to carry out its obligations, Savcor may give notice in writing requiring the Supplier to remedy the breach within seven (7) days or within such longer period as Savcor may determine and if the Supplier fails to

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remedy such breach, Savcor reserves the right to terminate the Purchase Order and to recover from the Supplier all reasonably incurred costs, losses (including consequential loss, and expenses incurred by Savcor as a result of the breach by the Supplier and the cancellation of the Purchase Order.

PART 11 CONFIDENTIAL INFORMATION

- 11.1 Each party must keep confidential all Confidential Information in respect of Savcor's Purchase Order.
- 11.2 Clause 11.1 does not apply to information which the law or good corporate governance requires the party to disclose (to the extent of that requirement only) or to an officer, employee, contractor or agent of the party who needs to know the Confidential Information for the purposes of performing this Agreement or a Contract, provided the officer, employee, contractor or agent agrees to keep the information confidential as required by this Agreement.

PART 12 MISCELLANEOUS

- 12.1 This Purchase Order is governed by the laws of the State (including the Independent State of Papua New Guinea), Territory or Province in which the Purchase Order originates, and the parties submit to the jurisdiction in that State, Territory or Province.
- 12.2 Except where there is a Master Supply Agreement between Savcor and the Supplier in respect of the Goods or Services, this Purchase Order contains the entire agreement between the parties with respect to its subject matter as at the date of this Purchase Order.
- 12.3 Savcor's failure or delay to enforce a condition, or to exercise a right or remedy for breach, is not a waiver of any of its rights in respect of the breach.
- 12.4 Each party must do everything (including executing agreements and documents) necessary or reasonably required by any other party to give full effect to this Purchase Order and the transactions contemplated by it.