

## Runge Group - Terms & Conditions Of Trade

### 1. Definitions

1.1 "Contractor" means Runge Group (Aust) Pty Ltd T/A Runge Group, its successors and assigns or any person acting on behalf of and with the authority of Runge Group (Aust) Pty Ltd T/A Runge Group.

1.2 "Client" means the person/s ordering the Works as specified in any invoice, document or order, and if there is more than one Client is a reference to each Client jointly and severally (where the context so permits, the term 'Client' shall also mean the Client's duly authorised representative).

1.3 "Works" means all Works (including consultation, manufacturing and/or installation services) or Materials supplied by the Contractor to the Client at the Client's request from time to time (where the context so permits the terms 'Works' or 'Materials' shall be interchangeable for the other).

1.4 "Price" means the Price payable (plus any GST where applicable) for the Works as agreed between the Contractor and the Client in accordance with clause 5 below.

1.5 "GST" means Goods and Services Tax (GST) as defined within the "A New Tax System (Goods and Services Tax) Act 1999".

### 2. Acceptance

2.1 The Client is taken to have exclusively accepted and is immediately bound, jointly and severally, by these terms and conditions if the Client places an order for or accepts delivery of any Works.

2.2 These terms and conditions may only be amended with the consent of both parties in writing, and shall prevail to the extent of any inconsistency with any other document or agreement between the Client and the Contractor.

2.3 Where the Client is a tenant (and therefore not the owner of the land and premises where the Materials are to be installed) then the Client warrants that full consent has been obtained from the owner for the Contractor to install the Materials on the owner's land and premises. The Client acknowledges and agrees that they shall be personally liable for full payment of the Price for all works provided under this agreement and to indemnify the Contractor against any claim made by the owner of the premises (howsoever arising) in relation to the installation of the Materials and the provision of any related Works by the Contractor except where such claim has arisen because of the negligence of the Contractor when installing the Materials.

2.4 The Client agrees that they shall upon request from the Contractor provide evidence that;

(a) they are the owner of the land and premises upon which the Works are to be undertaken; or

(b) where they are a tenant, that they have the consent of the owner for the Materials to be installed on the land and premises upon which the works are to be undertaken.

2.5 Electronic signatures shall be deemed to be accepted by either party providing that the parties have complied with Section 14 of the Electronic Transactions Act 2001 or any other applicable provisions of that Act or any Regulations referred to in that Act.

### 3. Authorised Representatives

3.1 Unless otherwise limited as per clause 3.2 the Client agrees that should the Client introduce any third party to the Contractor as the Client's duly authorised representative, that once introduced that person shall have the full authority of the Client to order any Materials or Works on the Client's behalf and/or to request any variation to the Works on the Client's behalf (such authority to continue until all requested Works have been completed or the Client otherwise notifies the Contractor in writing that said person is no longer the Client's duly authorised representative).

3.2 In the event that the Client's duly authorised representative as per clause 3.1 is to have only limited authority to act on the Client's behalf, then the Client must specifically and clearly advise the Contractor in writing of the parameters of the limited authority granted to their representative.

3.3 The Client specifically acknowledges and accepts that they will be solely liable to the Contractor for all additional costs incurred by the Contractor (including the Contractor's profit margin) in providing any Works, Materials or variation/s requested by the Client's duly authorised representative (subject always to the limitations imposed under clause 3.2 (if any)).

#### 4. Change in Control

4.1 The Client shall give the Contractor not less than fourteen (14) days prior written notice of any proposed change of ownership of the Client and/or any other change in the Client's details (including but not limited to, changes in the Client's name, address, contact phone or fax number/s, or business practice). The Client shall be liable for any loss incurred by the Contractor as a result of the Client's failure to comply with this clause.

#### 5. Price and Payment

5.1 At the Contractor's sole discretion, the Price shall be either:

(a) as indicated on invoices provided by the Contractor to the Client in respect of Works performed or Materials supplied; or

(b) the Contractor's quoted Price (subject to clause 5.2) which shall be binding upon the Contractor provided that the Client shall accept the Contractor's quotation in writing within thirty (30) days; or

(c) the Price as at the date of delivery of the Works and/or Materials according to the Contractor's current price list.

5.2 The Contractor reserves the right to change the Price:

(a) if a variation to the Materials which are to be supplied is requested; or

(b) if a variation to the Works originally scheduled (including any applicable plans or specifications) is requested; or

(c) where unforeseen circumstances occur (including but not limited to shipping and courier costs, additional costs enforced by external bodies (such as an energy body)) etc.; or

(d) where additional Works are required or delays occur due to the discovery of hidden or unidentifiable difficulties (including, but not limited to inclement weather conditions, limitations to site accessibility, safety considerations, prerequisite work by any third party not being completed, obscured building defects, change of design, hidden wiring in walls, hard rock barriers, removal of spoils, concrete cutting, excavation requirements etc.) which are only discovered on commencement of the Works; or

(e) in the event of increases to the Contractor in the cost of labour or Materials which are beyond the Contractor's control.

5.3 Variations will be charged for on the basis of the Contractor's quotation, and will be detailed in writing, and shown as variations on the Contractor's invoice. The Client shall be required to respond to any variation submitted by the Contractor within ten (10) working days. Failure to do so will entitle the Contractor to add the cost of the variation to the Price. Payment for all variations must be made in full at the time of their completion.

5.4 At the Contractor's sole discretion, a non-refundable deposit may be required (and where applicable, if the Contractor is supplying the Materials for installation, the deposit amount may equal the cost of such Materials).

5.5 Time for payment for the Works being of the essence, the Price will be payable by the Client on the date/s determined by the Contractor, which may be:

(a) on completion of the Works; or

(b) before completion of the Works; or

(c) by way of progress payments in accordance with the Contractor's specified progress payment schedule. Such progress payment claims may include the reasonable value of authorised variations and the value of any Materials delivered to the site but not yet installed; or

(d) the date specified on any invoice or other form as being the date for payment; or

(e) seven (7) days following the end of the month in which a statement is posted to the Client's address or address for notices.

5.6 Payment may be made by cash, cheque, bank cheque, electronic/on-line banking, or by any other method as agreed to between the Client and the Contractor.

5.7 Unless stated otherwise, the Contractor's quoted Price does not account for prime cost items and/or provisional sums.

5.8 No allowance has been included within the quotation for Works to be carried out outside of the Contractor's normal working hours.

5.9 The Client shall not be entitled to set off against, or deduct from the Price, any sums owed or claimed to be owed to the Client by the Contractor nor to withhold payment of any invoice because part of that invoice is in dispute.

5.10 Unless otherwise stated the Price does not include GST. In addition to the Price the Client must pay to the Contractor an amount equal to any GST the Contractor must pay for any supply by the Contractor under this or any other agreement for the sale of the Materials. The Client must pay GST, without deduction or set off of any other amounts, at the same time and on the same basis as the Client pays the Price. In addition, the Client must pay any other taxes and duties that may be applicable in addition to the Price except where they are expressly included in the Price.

## 6. Delivery of the Works

6.1 Subject to clause 6.5 it is the Contractor's responsibility to ensure that the Works start as soon as it is reasonably possible.

6.2 Delivery of the Materials shall be deemed to have taken place immediately at the time that the Materials are delivered by the Contractor or the Contractor's nominated carrier to the Client's nominated delivery address (even if the Client is not present at the address).

6.3 At the Contractor's sole discretion, the cost of delivery is either included in, or in addition to the Price.

6.4 The Contractor may deliver the Works by separate instalments. Each separate instalment shall be invoiced and paid in accordance with the provisions in these terms and conditions.

6.5 The Works commencement date will be put back and/or the completion date extended by whatever time is reasonable in the event that the Contractor claims an extension of time (by giving the Client written notice) where completion is delayed by an event beyond the Contractor's control, including but not limited to any failure by the Client to:

- (a) make a selection; or
- (b) have the site ready for the Works; or
- (c) notify the Contractor that the site is ready.

6.6 Any time specified by the Contractor for delivery of the Works is an estimate only and the Contractor will not be liable for any loss or damage incurred by the Client as a result of delivery being late. However, both parties agree that they shall make every endeavour to enable the Works to be supplied at the time and place as was arranged between both parties. In the event that the Contractor is unable to supply the Works as agreed solely due to any action or inaction of the Client, then the Contractor shall be entitled to charge a reasonable fee for re-supplying the Works at a later time and date, and/or for storage of the Materials.

6.7 In the event of heavy rain (or any other significant inclement weather) Works may need to be re-scheduled due to health and safety consideration and /or structural limitations. Where this is the case, the Contractor will inform the Client on the day (or at the earliest possible opportunity) and an alternative installation time/date will be arranged.

## 7. Risk

7.1 If the Contractor retains ownership of the Materials under clause 15 then where the Contractor is supplying Materials only, all risk for the Materials shall immediately pass to the Client on delivery and the Client must insure the Materials on or before delivery.

7.2 Where the Contractor is to both supply and install Materials then the Contractor shall maintain a contract works insurance policy until the Works are completed. Upon completion of the Works all risk for the Materials shall immediately pass to the Client.

7.3 Notwithstanding the provisions of clause 7.1, if the Client specifically requests the Contractor to leave Materials outside the Contractor's premises for collection or to deliver the Materials to an unattended location then such materials shall always be left at sole risk of the Client and it shall be the Client's responsibility to ensure the Materials are insured adequately or at all. In the event that such Materials are lost, damaged or destroyed then replacement of the Materials shall be at the Client's expense.

7.4 All work will be tested to ensure that it is electrically safe and is in accordance with the wiring rules and other standards applying to the electrical installation under the Electrical Safety

regulations. All of the cabling work will comply with the Australian and New Zealand Wiring standards.

7.5 The Client warrants that any structures to which the Materials are to be affixed are able to withstand the installation of the Materials and that any electrical connections (including, but not limited to, meter boxes, main switches, circuit breakers, and electrical cable) are of suitable capacity to handle the Materials once installed. If, for any reason (including but not limited to, the structure not being watertight, the discovery of asbestos, defective or unsafe wiring, dangerous access to roofing etc.) the Contractor reasonably forms the opinion that the Client's premises are not safe for the installation of Materials to proceed then the Contractor shall be entitled to delay installation of the Materials (in accordance with the provisions of clause 6) until the Contractor is satisfied that it is safe for the installation to proceed. The Contractor may in agreement with the Client bring the premises up to a standard suitable for installation to proceed but all such Works undertaken and any additional Materials supplied shall be treated as a variation and be charged for in addition to the Price.

7.6 The Contractor shall upon installation ensure that all Materials are to be installed in a manner that is fully compliant with industry standards. If, for any reason, the Client specifically requires the Materials to be installed in any way which fall below industry standards; a request detailing that requirement must be made in writing to the Contractor. Accordingly, the Contractor offers no warranty in regards to the aforementioned.

7.7 Where the Client has supplied Materials for the Contractor to complete the Works, the Client acknowledges that he accepts responsibility for the suitability of purpose, quality and any faults inherent in the Materials. The Contractor shall not be responsible for any defects in the Materials, any loss or damage to the Materials (or any part thereof), howsoever arising from the use of Materials supplied by the Client.

7.8 The Client acknowledges that the Contractor is only responsible for parts that are replaced by the Contractor, and in the event that other parts/Materials, subsequently fail, the Client agrees to indemnify the Contractor against any loss or damage to the Materials, or caused by the Materials, or any part thereof howsoever arising.

7.9 The Contractor accepts no responsibility for any damage or performance related problems with any Materials where they have not been used and/or maintained in accordance with the Contractors and/or manufacturers recommendations.

7.10 The Contractor shall be entitled to rely on the accuracy of any plans, specifications and other information provided by the Client. The Client acknowledges and agrees that in the event that any of this information provided by the Client is inaccurate, the Contractor accepts no responsibility for any loss, damages, or costs however resulting from these inaccurate plans, specifications or other information.

7.11 Any advice, recommendation, information, assistance or service provided by the Contractor in relation to the Works and/or Materials supplied is given in good faith, is based on the Contractor's own knowledge and experience and shall be accepted without liability on the part of the Contractor, and it shall be the responsibility of the Client to confirm the accuracy and reliability of the same in light of the use to which the Client makes or intends to make of the Works and/or Materials.

7.12 The Client acknowledges that all descriptive specifications, illustrations, drawings, data dimensions, and weights stated in the contractor's fact sheets, price lists or advertising material are indicative only and that they have not relied on such information.

7.13 The Client warrants that no other tradesmen interfere with any Works and/or Materials supplied under this contract. The Contractor shall not be liable for any costs, damages or loss however arising from the Client's failure to comply with this clause.

7.14 The Contractor accepts no responsibility for:

- (a) the digging of any trenches to gain access to any underground mains and services;
- (b) any damage or defects in any Materials caused by movement of the said Materials;
- (c) any children or pets on the worksite;
- (d) the cleaning up the worksite or the disposal of any rubbish related to the Works;
- (e) painting, re-decorating, re-sealing, carpentry or any other Works required for the restoration or making good of any surface/area where any Works have been carried out.
- (f) latent conditions which were not known at the time of commencing work. This may include items such as, but not limited to, termite damage and structural deficient work undertaken by others.

7.15 The Client acknowledges that they shall:

- (a) not be entitled to withhold any payment due under this contract because of any delay in the connection of, or the supply of electricity to the Materials by an electrical distributor or any other third party; and
- (b) be responsible for consumer mains/three-phase power/switchboard upgrades if and where required;
- (c) be responsible for the installation of condensate pump(s) where gravity drainage is not possible;
- (d) be responsible for any building work, excavation work, core drilling or any other non-standard surface penetrations that need to be carried out to enable the Contractor to carry out the Works;
- (e) supply electricity, temporary lighting, toilet, eating and first aid facilities if required.

## 8. Split System Air Conditioning Installation

### 8.1 Contractor Specific Terms: -

- (a) The term 'back-2-back' refers to a single storey building and is deemed to be a standard installation with a three (3) metre distance between the indoor unit and the compressor.
- (b) The term "two storey" is a high-set building and is deemed to be an installation with a five (5) metre distance between the indoor unit and the compressor.
- (c) The term "up and over" refers to pipe work installed through the ceiling cavity where a back 2 back (standard) installation is not possible. A water pump may also be required if the indoor unit cannot drain through an external wall (e.g. installed on an internal wall of the home).

8.2 The final location of the system must be determined on site by the Client and is at the discretion of the Client. In the event that any of the equipment needs to be relocated due to complaints from neighbours or local authorities, then the Client shall be responsible for any and all costs involved.

8.3 The Contractor shall upon installation ensure that all installed Materials meet current industry standards applicable to noise levels, however the Contractor cannot guarantee that noise levels will remain constant post installation as the Materials may be impacted by many factors such as the weather, lack of maintenance, tampering etc. Accordingly, the Contractor offers no warranty in regards to noise levels post installation unless it is evident that there is inherent fault in the Materials or that the installation process was defective.

8.4 The Contractor accepts no responsibility for unforeseen electrical issues existing within the building which arise as a result of air conditioning installation.

8.5 The Contractor accepts no responsibility for any damage caused to the building (or any part of it), or any fixtures and fittings as a result of lack of insulation, ventilation or air flow.

8.6 When installing ducted air-conditioning in a two storey home, it is not the Contractor's responsibility to cut any timber work through the floor joist to enable the Works to be carried out. This is the sole responsibility of the Client.

8.7 All glass facing west/north west should be concealed with drapes/blinds or tinted, as heat produced from direct sunlight may cause an increase in the temperature of the area, which may in turn increase energy expenditure of the ducted system.

8.8 Unless otherwise requested or specified, bathrooms, laundry and toilets are not included in air-conditioned spaces.

## 9. Waterproofing Risk

9.1 All potential waterproofing surfaces are subject to an inspection by the Contractor prior to the commencement of the Works. In the event that the surface is deemed unsuitable, then the Contractor reserves the right to halt the Works until such time as is agreed between the Contractor and the Client as to the additional cost in further preparation of the surface in order to make it fit for purpose. The additional cost shall be charged as a variation to the quotation as per clause 5.2.

9.2 The Client warrants that no other tradesmen work on the membrane applied to the surface, until the membrane is fully dried and cured to manufacturer's specifications. The Contractor shall not be liable for any costs, damages or loss however arising from the Client's failure to comply with this clause.

## 10. Data Risk

10.1 The Client acknowledges and agrees that:

(a) the Contractor does not guarantee the performance or transmission speed or quality of any data; and

(b) transmission of data may be unavailable from time to time due to scheduled maintenance and/or upgrades to websites, servers or networks by third parties; and

(c) there are inherent hazards in electronic distribution (including, but not limited to electrical interference, surges or spikes, high traffic volume affecting speed, etc.) and as such the Contractor cannot warrant against delays or errors in transmitting data between the Client and any person or entity the Client conducts communications with including orders, and you agree that the Contractor will not be liable for any losses which the Client suffers as a result of delays or errors in transmitting orders or other communications and/or documents.

## 11. Security Risk

11.1 The Client accepts that security systems, including but not limited to smoke, heat and intruder detectors' installed to/at their premises:

- (a) are for monitoring and detection purposes and should not be seen as a life saving device; and
- (b) do not guarantee the site will be free from malicious damage or losses caused by attack, break and/or enter.

11.2 It shall be the Client's responsibility:

- (a) to ensure the security system equipment is tested and maintained to full operational condition; and
- (b) for all phone calls emanating from the security system panel; and
- (c) to ensure all electronically protected areas are free from obstacles which may impair the operation of the system.

## 12. Access

12.1 The Client shall ensure that the Contractor has clear and free access to the work site at all times to enable them to undertake the Works (including carrying out site inspections, gain signatures for required documents, and for the delivery and installation of the Materials). The Contractor shall not be liable for any loss or damage to the site. (including, without limitation, damage to pathways, driveways and concreted or paved or grassed areas)

12.2 The Client agrees to be present at the worksite when and as reasonably requested by the Contractor and its employees, contractors and/or agents.

## 13. Underground Locations

13.1 Prior to the Contractor commencing any work the Client must advise the Contractor of the precise location of all underground services on the site and clearly mark the same. The underground mains & services the Client must identify include, but are not limited to, electrical services, gas services, sewer services, pumping services, sewer connections, sewer sludge mains, water mains, irrigation pipes, telephone cables, fibre optic cables, oil pumping mains, and any other services that may be on site.

13.2 Whilst the Contractor will take all care to avoid damage to any underground services the Client agrees to indemnify the Contractor in respect of all and any liability claims, loss, damage, costs and fines as a result of damage to services not precisely located and notified as per clause 13.1.

## 14. Compliance with Laws

14.1 The Client and the Contractor shall comply with the provisions of all statutes, regulations and bylaws of government, local and other public authorities that may be applicable to the Works.

14.2 The Client shall obtain (at the expense of the Client) all licenses and approvals that may be required for the Works.

14.3 The Client agrees that the site will comply with any work health and safety (WHS) laws relating to electricians and building/construction sites and any other relevant safety standards or legislation.

## 15. Title



15.1 The Contractor and the Client agree that ownership of the Materials shall not pass until:

- (a) the Client has paid to the Contractor all amounts owing; and
- (b) the Client has met all of its other obligations to the Contractor.

15.2 Receipt by the Contractor of any form of payment other than cash shall not be deemed to be payment until that form of payment has been honoured, cleared or recognised.

15.3 It is further agreed that until ownership of the Materials passes to the Client in accordance with clause 15.1:

- (a) the Client is only a bailee of the Materials and unless the Materials have become fixtures must return the Materials to the Contractor on request.
- (b) the Client holds the benefit of the Client's insurance of the Materials on trust for the Contractor and must pay to the Contractor the proceeds of any insurance in the event of the Materials being lost, damaged or destroyed.
- (c) the production of these terms and conditions by the Contractor shall be sufficient evidence of the Contractor's rights to receive the insurance proceeds direct from the insurer without the need for any person dealing with the Contractor to make further enquiries.
- (d) the Client must not sell, dispose, or otherwise part with possession of the Materials other than in the ordinary course of business and for market value. If the Client sells, disposes or parts with possession of the Materials then the Client must hold the proceeds of any such act on trust for the Contractor and must pay or deliver the proceeds to the Contractor on demand.
- (e) the Client should not convert or process the Materials or intermix them with other Materials but if the Client does so then the Client holds the resulting product on trust for the benefit of the Contractor and must sell, dispose of or return the resulting product to the Contractor as it so directs.
- (f) unless the Materials have become fixtures the Client irrevocably authorises the Contractor to enter any premises where the Contractor believes the Materials are kept and recover possession of the Materials.
- (g) the Contractor may recover possession of any Materials in transit whether or not delivery has occurred.
- (h) the Client shall not charge or grant an encumbrance over the Materials nor grant nor otherwise give away any interest in the Materials while they remain the property of the Contractor.
- (i) the Contractor may commence proceedings to recover the Price of the Materials sold notwithstanding that ownership of the Materials has not passed to the Client.

## 16. Personal Property Securities Act 2009 ("PPSA")

16.1 In this clause financing statement, financing change statement, security agreement, and security interest has the meaning given to it by the PPSA.

16.2 Upon assenting to these terms and conditions in writing the Client acknowledges and agrees that these terms and conditions constitute a security agreement for the purposes of the PPSA and creates a security interest in all Materials and/or collateral (account) – being a monetary obligation of the Client to the Contractor for Works – that have previously been supplied and that will be supplied in the future by the Contractor to the Client.

16.3 The Client undertakes to:

(a) promptly sign any further documents and/or provide any further information (such information to be complete, accurate and up-to-date in all respects) which the Contractor may reasonably require to:

(i) register a financing statement or financing change statement in relation to a security interest on the Personal Property Securities Register;

(ii) register any other document required to be registered by the PPSA; or

(iii) correct a defect in a statement referred to in clause 16.3(a)(i) or 16.3(a)(ii);

(b) indemnify, and upon demand reimburse, the Contractor for all expenses incurred in registering a financing statement or financing change statement on the Personal Property Securities Register established by the PPSA or releasing any Materials charged thereby;

(c) not register a financing change statement in respect of a security interest without the prior written consent of the Contractor;

(d) not register, or permit to be registered, a financing statement or a financing change statement in relation to the Materials and/or collateral (account) in favour of a third party without the prior written consent of the Contractor;

(e) immediately advise the Contractor of any material change in its business practices of selling the Materials which would result in a change in the nature of proceeds derived from such sales.

16.4 The Contractor and the Client agree that sections 96, 115 and 125 of the PPSA do not apply to the security agreement created by these terms and conditions.

16.5 The Client hereby waives its rights to receive notices under sections 95, 118, 121(4), 130, 132(3)(d) and 132(4) of the PPSA.

16.6 The Client waives its rights as a grantor and/or a debtor under sections 142 and 143 of the PPSA.

16.7 Unless otherwise agreed to in writing by the Contractor, the Client waives its right to receive a verification statement in accordance with section 157 of the PPSA.

16.8 The Client shall unconditionally ratify any actions taken by the Contractor under clauses 16.3 to 16.5.

16.9 Subject to any express provisions to the contrary (including those contained in this clause 16) nothing in these terms and conditions is intended to have the effect of contracting out of any of the provisions of the PPSA.

## 17. Security and Charge

17.1 In consideration of the Contractor agreeing to supply the Materials, the Client charges all of its rights, title and interest (whether joint or several) in any land, realty or other assets capable of being charged, owned by the Client either now or in the future, to secure the performance by the Client of its obligations under these terms and conditions (including, but not limited to, the payment of any money).

17.2 The Client indemnifies the Contractor from and against all the Contractor's costs and disbursements including legal costs on a solicitor and own Client basis incurred in exercising the Contractor's rights under this clause.

17.3 The Client irrevocably appoints the Contractor and each director of the Contractor as the Client's true and lawful attorney/s to perform all necessary acts to give effect to the provisions of this clause 17 including, but not limited to, signing any document on the Client's behalf.

#### 18. Defects, Warranties and Returns, Competition and Consumer Act 2010 (CCA)

18.1 The Client must inspect all Materials on delivery (or the Works on completion) and must within seven (7) days of delivery notify the Contractor in writing of any evident defect/damage, shortage in quantity, or failure to comply with the description or quote. The Client must notify any other alleged defect in the Materials/Works as soon as reasonably possible after any such defect becomes evident. Upon such notification the Client must allow the Contractor to inspect the Materials or to review the Works provided.

18.2 Under applicable State, Territory and Commonwealth Law (including, without limitation the CCA), certain statutory implied guarantees and warranties (including, without limitation the statutory guarantees under the CCA) may be implied into these terms and conditions (Non-Excluded Guarantees).

18.3 The Contractor acknowledges that nothing in these terms and conditions purports to modify or exclude the Non-Excluded Guarantees.

18.4 Except as expressly set out in these terms and conditions or in respect of the Non-Excluded Guarantees, the Contractor makes no warranties or other representations under these terms and conditions including but not limited to the quality or suitability of the Materials/Works. The Contractor's liability in respect of these warranties is limited to the fullest extent permitted by law.

18.5 If the Client is a consumer within the meaning of the CCA, the Contractor's liability is limited to the extent permitted by section 64A of Schedule 2.

18.6 If the Contractor is required to replace any Materials under this clause or the CCA, but is unable to do so, the Contractor may refund any money the Client has paid for the Materials.

18.7 If the Contractor is required to rectify, re-supply, or pay the cost of re-supplying the Works under this clause or the CCA, but is unable to do so, then the Contractor may refund any money the Client has paid for the Works but only to the extent that such refund shall take into account the value of Works and Materials which have been provided to the Client which were not defective.

18.8 If the Client is not a consumer within the meaning of the CCA, the Contractor's liability for any defect or damage in the Materials is:

- (a) limited to the value of any express warranty or warranty card provided to the Client by the Contractor at the Contractor's sole discretion;
- (b) limited to any warranty to which the Contractor is entitled, if the Contractor did not manufacture the Materials;
- (c) otherwise negated absolutely.

18.9 Where a Client has cause to make a warranty claim on any Material supplied by the Contractor, the warranty extends only to the manufacturer's warranty and does not include the Contractor's

labour costs. Any such costs would need to be agreed upon by the parties in accordance with clause 5.1.

18.10 Subject to this clause 18, returns will only be accepted provided that:

- (a) the Client has complied with the provisions of clause 18.1; and
- (b) the Contractor has agreed that the Materials are defective; and
- (c) the Materials are returned within a reasonable time at the Client's cost (if that cost is not significant); and
- (d) the Materials are returned in as close a condition to that in which they were delivered as is possible.

18.11 Notwithstanding clauses 18.1 to 18.10 but subject to the CCA, the Contractor shall not be liable for any defect or damage which may be caused or partly caused by or arise as a result of:

- (a) the Client failing to properly maintain or store any Materials;
- (b) the Client using the Materials for any purpose other than that for which they were designed;
- (c) the Client continuing to use any Materials after any defect became apparent or should have become apparent to a reasonably prudent operator or user;
- (d) interference with the Works by the Client or any third party without the Contractor's prior approval;
- (e) the Client failing to follow any instructions or guidelines provided by the Contractor;
- (f) fair wear and tear, exposure to weather conditions over time, any accident, misuse, abuse, negligence, vandalism, alteration, modification;
- (g) faulty power supply, power failure, electrical strikes or surges, act of God (including but not limited to, lightning, flood, storm, extreme heat, fire, acidic or salty air or other occurrences) outside the control of the Contractor.

18.12 In the case of second hand Materials, unless the Client is a consumer under the CCA, the Client acknowledges that it has had full opportunity to inspect the second hand Materials prior to delivery and accepts them with all faults and that to the extent permitted by law no warranty is given by the Contractor as to the quality or suitability for any purpose and any implied warranty, statutory or otherwise, is expressly excluded. The Client acknowledges and agrees that the Contractor has agreed to provide the Client with the second hand Materials and calculated the Price of the second hand Materials in reliance of this clause 18.12.

18.13 The Contractor may in its absolute discretion accept non-defective Materials for return in which case the Contractor may require the Client to pay handling fees of up to fifteen percent (15%) of the value of the returned Materials plus any freight costs.

18.14 Overdue and/or outstanding monies owed under this contract will render any warranty and guarantee null and void.

18.15 Notwithstanding anything contained in this clause 18 if the Contractor is required by a law to accept a return then the Contractor will only accept a return on the conditions imposed by that law.

19. Intellectual Property

19.1 Where the Contractor has designed, drawn, written plans or a schedule of Works, or created any products for the Client, then the copyright in all such designs, drawings, documents, plans, schedules and products shall remain vested in the Contractor, and shall only be used by the Client at the Contractor's discretion. Under no circumstances may such designs, drawings and documents be used without the express written approval of the Contractor.

19.2 The Client warrants that all designs, specifications or instructions given to the Contractor will not cause the Contractor to infringe any patent, registered design or trademark in the execution of the Client's order and the Client agrees to indemnify the Contractor against any action taken by a third party against the Contractor in respect of any such infringement.

19.3 The Client agrees that the Contractor may (at no cost) use for the purposes of marketing or entry into any competition, any documents, designs, drawings, plans or products which the Contractor has created for the Client.

## 20. Default and Consequences of Default

20.1 Interest on overdue invoices shall accrue daily from the date when payment becomes due, until the date of payment, at a rate of two and a half percent (2.5%) per calendar month (and at the Contractor's sole discretion such interest shall compound monthly at such a rate) after as well as before any judgment.

20.2 If the Client owes the Contractor any money the Client shall indemnify the Contractor from and against all costs and disbursements incurred by the Contractor in recovering the debt (including but not limited to internal administration fees, legal costs on a solicitor and own Client basis, the Contractor's contract default fee, and bank dishonour fees).

20.3 Further to any other rights or remedies the Contractor may have under this contract, if a Client has made payment to the Contractor, and the transaction is subsequently reversed, the Client shall be liable for the amount of the reversed transaction, in addition to any further costs incurred by the Contractor under this clause 20 where it can be proven that such reversal is found to be illegal, fraudulent or in contravention to the Client's obligations under this agreement.

20.4 Without prejudice to the Contractor's other remedies at law the Contractor shall be entitled to cancel all or any part of any order of the Client which remains unfulfilled and all amounts owing to the Contractor shall, whether or not due for payment, become immediately payable if:

- (a) any money payable to the Contractor becomes overdue, or in the Contractor's opinion the Client will be unable to make a payment when it falls due;
- (b) the Client has exceeded any applicable credit limit provided by the Contractor;
- (c) the Client becomes insolvent or bankrupt, convenes a meeting with its creditors or proposes or enters into an arrangement with creditors, or makes an assignment for the benefit of its creditors; or
- (d) a receiver, manager, liquidator (provisional or otherwise) or similar person is appointed in respect of the Client or any asset of the Client.

## 21. Cancellation

21.1 Without prejudice to any other remedies the Contractor may have, if at any time the Client is in breach of any obligation (including those relating to payment) under these terms and conditions the Contractor may suspend or terminate the supply of Works to the Client. The Contractor will not be

liable to the Client for any loss or damage the Client suffers because the Contractor has exercised its rights under this clause.

21.2 The Contractor may cancel any contract to which these terms and conditions apply or cancel delivery of Works at any time before the Works are commenced by giving written notice to the Client. On giving such notice the Contractor shall repay to the Client any sums paid in respect of the Price, less any amounts owing by the Client to the Contractor for Works already performed. The Contractor shall not be liable for any loss or damage whatsoever arising from such cancellation.

21.3 In the event that the Client cancels the delivery of Works the Client shall be liable for any and all loss incurred (whether direct or indirect) by the Contractor as a direct result of the cancellation (including, but not limited to, any loss of profits).

21.4 Cancellation of orders for products made to the Client's specifications, or for non-stockist items, will definitely not be accepted once production has commenced, or an order has been placed.

## 22. Building and Construction Industry Security of Payments Act 2004

22.1 At the Contractor's sole discretion, if there are any disputes or claims for unpaid Works and/or Materials then the provisions of the Building and Construction Industry Security of Payments Act 2004 may apply.

22.2 Nothing in this agreement is intended to have the effect of contracting out of any applicable provisions of the Building and Construction Industry Security of Payments Act 2004 of Queensland, except to the extent permitted by the Act where applicable.

## 23. Dispute Resolution

23.1 If a dispute arises between the parties to this contract, then either party shall send to the other party a notice of dispute in writing adequately identifying and providing details of the dispute. Within fourteen (14) days after service of a notice of dispute, the parties shall confer at least once, to attempt to resolve the dispute. At any such conference each party shall be represented by a person having authority to agree to a resolution of the dispute. In the event that the dispute cannot be so resolved either party may by further notice in writing delivered by hand or sent by certified mail to the other party refer such dispute to arbitration. Any arbitration shall be:

(a) referred to a single arbitrator to be nominated by the President of the Institute of Arbitrators Australia; and

(b) conducted in accordance with the Institute of Arbitrators Australia Rules for the Conduct of Commercial Arbitration.

## 24. Privacy Act 1988

24.1 The Client agrees for the Contractor to obtain from a credit reporting body (CRB) a credit report containing personal credit information (e.g. name, address, D.O.B, occupation, previous credit applications, credit history) about the Client in relation to credit provided by the Contractor.

24.2 The Client agrees that the Contractor may exchange information about the Client with those credit providers and with related body corporates for the following purposes:

(a) to assess an application by the Client; and/or

(b) to notify other credit providers of a default by the Client; and/or

(c) to exchange information with other credit providers as to the status of this credit account, where the Client is in default with other credit providers; and/or

(d) to assess the creditworthiness of the Client including the Client's repayment history in the preceding two (2) years.

24.3 The Client consents to the Contractor being given a consumer credit report to collect overdue payment on commercial credit.

24.4 The Client agrees that personal credit information provided may be used and retained by the Contractor for the following purposes (and for other agreed purposes or required by):

(a) the provision of Works; and/or

(b) analysing, verifying and/or checking the Client's credit, payment and/or status in relation to the provision of Works; and/or

(c) processing of any payment instructions, direct debit facilities and/or credit facilities requested by the Client; and/or

(d) enabling the collection of amounts outstanding in relation to the Works.

24.5 The Contractor may give information about the Client to a CRB for the following purposes:

(a) to obtain a consumer credit report;

(b) allow the CRB to create or maintain a credit information file about the Client including credit history.

24.6 The information given to the CRB may include:

(a) personal information as outlined in 24.1 above;

(b) name of the credit provider and that the Contractor is a current credit provider to the Client;

(c) whether the credit provider is a licensee;

(d) type of consumer credit;

(e) details concerning the Client's application for credit or commercial credit (e.g. date of commencement/termination of the credit account and the amount requested);

(f) advice of consumer credit defaults, overdue accounts, loan repayments or outstanding monies which are overdue by more than sixty (60) days and for which written notice for request of payment has been made and debt recovery action commenced or alternatively that the Client no longer has any overdue accounts and the Contractor has been paid or otherwise discharged and all details surrounding that discharge (e.g. dates of payments);

(g) information that, in the opinion of the Contractor, the Client has committed a serious credit infringement;

(h) advice that the amount of the Client's overdue payment is equal to or more than one hundred and fifty dollars (\$150).

24.7 The Client shall have the right to request (by e-mail) from the Contractor:

(a) a copy of the information about the Client retained by the Contractor and the right to request that the Contractor correct any incorrect information; and

(b) that the Contractor does not disclose any personal information about the Client for the purpose of direct marketing.

24.8 The Contractor will destroy personal information upon the Client's request (by e-mail) or if it is no longer required unless it is required in order to fulfil the obligations of this agreement or is required to be maintained and/or stored in accordance with the law.

24.9 The Client can make a privacy complaint by contacting the Contractor via e-mail. The Contractor will respond to that complaint within seven (7) days of receipt and will take all reasonable steps to make a decision as to the complaint within thirty (30) days of receipt of the complaint. In the event that the Client is not satisfied with the resolution provided, the Client can make a complaint to the Information Commissioner at [www.oaic.gov.au](http://www.oaic.gov.au).

## 25. Service of Notices

25.1 Any written notice given under this contract shall be deemed to have been given and received:

(a) by handing the notice to the other party, in person;

(b) by leaving it at the address of the other party as stated in this contract;

(c) by sending it by registered post to the address of the other party as stated in this contract;

(d) if sent by facsimile transmission to the fax number of the other party as stated in this contract (if any), on receipt of confirmation of the transmission;

(e) if sent by email to the other party's last known email address.

25.2 Any notice that is posted shall be deemed to have been served, unless the contrary is shown, at the time when by the ordinary course of post, the notice would have been delivered.

## 26. General

26.1 The failure by either party to enforce any provision of these terms and conditions shall not be treated as a waiver of that provision, nor shall it affect that party's right to subsequently enforce that provision. If any provision of these terms and conditions shall be invalid, void, illegal or unenforceable the validity, existence, legality and enforceability of the remaining provisions shall not be affected, prejudiced or impaired.

26.2 These terms and conditions and any contract to which they apply shall be governed by the laws of Queensland, the state in which the Contractor has its principal place of business, and are subject to the jurisdiction of the Brisbane Courts in that state.

26.3 Subject to clause 18 the Contractor shall be under no liability whatsoever to the Client for any indirect and/or consequential loss and/or expense (including loss of profit) suffered by the Client arising out of a breach by the Contractor of these terms and conditions (alternatively the Contractor's liability shall be limited to damages which under no circumstances shall exceed the Price of the Works).

26.4 Neither party to this contract may assign this contract, any payment or any other right, benefit or interest under this contract without the written consent of the other party (which shall not be unreasonably withheld). The Contractor may elect to subcontract out any part of the Works but shall



not be relieved from any liability or obligation under this contract by so doing. Furthermore, the Client agrees and understands that they have no authority to give any instruction to any of the Contractor's sub-contractors without the authority of the Contractor.

26.5 The Client agrees that the Contractor may amend these terms and conditions by notifying the Client in writing. These changes shall be deemed to take effect from the date on which the Client accepts such changes, or otherwise at such time as the Client makes a further request for the Contractor to provide Works to the Client.

26.6 Neither party shall be liable for any default due to any act of God, war, terrorism, strike, lock-out, industrial action, fire, flood, storm or other event beyond the reasonable control of either party.

26.7 Both parties warrant that they have the power to enter into this agreement and have obtained all necessary authorisations to allow them to do so, they are not insolvent and that this agreement creates binding and valid legal obligations on them.