

## TERMS & CONDITIONS OF TRADE

### HEATH PIPELINE SERVICES PTY LTD (ACN 112 174 740)

#### 1. Definitions

**Contractor** shall mean Heath Pipeline Services Pty Ltd (ACN 112 174 740) its successors and assigns or any person acting on behalf of and with the authority of Heath Pipeline Services Pty Ltd (ACN 112 174 740).

**Client** shall mean the Client (or any person acting on behalf of and with the authority of the Client) as described on any quotation, work authorisation or other form as provided by the Contractor to the Client.

**Guarantor** means that person (or persons), or entity, who agrees to be liable for the debts of the Client on a principal debtor basis.

**Goods** shall mean Goods supplied by the Contractor to the Client (and where the context so permits shall include any supply of Services as hereinafter defined) and are as described on the invoices, quotation, work authorisation or any other forms as provided by the Contractor to the Client.

**Services** shall mean all Services supplied by the Contractor to the Client and includes any advice or recommendations (and where the context so permits shall include any supply of Goods as defined above).

**Price** shall mean the price payable for the Goods and Services as agreed between the Contractor and the Client in accordance with clause 4 of this contract.

#### 2. Competition and Consumer Act 2010 (Cth) (CCA) and Fair Trading Acts (FTA)

Nothing in this agreement is intended to have the effect of contracting out of any applicable provisions of the CCA or the FTA in each of the States and Territories of Australia, except to the full extent permitted by those Acts where applicable.

#### 3. Acceptance

3.1 Any instructions received by the Contractor from the Client for the supply of Goods and/or the Client's acceptance of Goods supplied by the Contractor shall constitute acceptance of these terms and conditions.

3.2 Where more than one Client has entered into this agreement, the Clients shall be jointly and severally liable for all payments of the Price.

3.3 Upon acceptance of these terms and conditions by the Client the terms and conditions are binding and can only be amended with the written consent of the Contractor.

3.4 The Client shall give the Contractor not less than fourteen (14) days prior written notice of any proposed change of ownership of the Client or any change in the Client's name and/or any other change in the Client's details (including but not limited to, changes in the Client's address, facsimile number, e-mail address 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.

3.5 Goods are supplied by the Contractor only on these terms and conditions of trade to the exclusion of anything to the contrary in the terms of the Client's order notwithstanding that any such order is placed on terms that purport to override these terms and conditions of trade.

#### 4. Price and Payment

4.1 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 Goods and/or Services supplied; or

(b) Contractor's quoted Price (subject to clause 4.2) which shall be binding upon the Contractor provided that the Client shall accept the Contractor's quotation in writing within thirty (30) days.

4.2 The Contractor reserves the right to change the Price in the event of a variation to the Contractor's quotation including without limitation for work required to be performed or additional Goods required to be provided by the Contractor for reasons, causes, events or requirements not reasonably ascertainable by the Contractor at the time of submitting a quotation for Goods and/or Services.

4.3 At the Contractor's sole discretion a deposit may be required.

4.4 The Contractor may submit a detailed payment claim at intervals not less than one month for work performed up to the end of each month. The value of work so performed shall include the reasonable value of authorised variations and the value of materials delivered to the site but not yet installed.

4.5 At the Contractor's sole discretion:

(a) payment shall be due on delivery of the Goods or performance of the Services; or

(b) payment shall be due before delivery of the Goods or performance of the Services; or

(c) payment for approved Clients shall be made by instalments in accordance with the Contractor's payment schedule.

4.6 Time for payment for the Goods and/or Services shall be of the essence and will be stated on the invoice or any other forms. If no time is stated then payment shall be due seven (7) days following the date of the invoice.

4.7 Payment will be made by cash, or by cheque, or by bank cheque, or by credit card (plus a surcharge of up to three percent (3%) of the Price), or by direct credit, or by any other method as agreed to between the Client and the Contractor.

4.8 GST and other taxes and duties that may be applicable shall be added to the Price except when they are expressly included in the Price.

4.9 All fees of any regulatory, council, local authority or statutory bodies including but not limited to search fees, connection fees, application fees and the like shall be added to the Price except when they are expressly included in the Price.

#### 5. Delivery of Goods and/or Services

5.1 At the Contractor's sole discretion delivery of the Goods shall take place when:

(a) the Client takes possession of the Goods at the Contractor's address or the Contractor performs the Services; or

(b) the Client takes possession of the Goods at the Client's nominated address (in the event that the Goods are delivered by the Contractor or the Contractor's nominated carrier) or the Contractor performs the Services.

5.2 At the Contractor's sole discretion the costs of delivery are:

(a) included in the Price; or

(b) in addition to the Price; or

(c) for the Client's account.

5.3 The Client shall make all arrangements necessary to take delivery of the Goods whenever they are tendered for delivery. In the event that the Client is unable to take delivery of the Goods as arranged then the Contractor shall be entitled to charge a reasonable fee for redelivery.

5.4 Delivery of the Goods to a third party nominated by the Client is deemed to be delivery to the Client for the purposes of this agreement.

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

5.6 The failure of the Contractor to deliver shall not entitle either party to treat this contract as repudiated.

5.7 The Contractor shall not be liable for any loss or damage whatever due to failure by the Contractor to deliver the Goods (or any of them) or perform the Services promptly or at all.

#### 6. Risk

6.1 If the Contractor retains ownership of the Goods nonetheless, all risk for the Goods passes to the Client on delivery.

6.2 If any of the Goods are damaged or destroyed following delivery but prior to ownership passing to the Client, the Contractor is entitled without prejudice to any of its rights or remedies under

these Terms and Conditions of Trade (including the right to receive payment of the balance of the Price for the Goods) to receive all insurance proceeds payable for the Goods. The production of these terms and conditions by the Contractor is sufficient evidence of the Contractor's rights to receive the insurance proceeds without the need for any person dealing with the Contractor to make further enquiries.

#### 7. Title

7.1 The Contractor and the Client agree that ownership of the Goods shall not pass until:

(a) the Client has paid the Contractor all amounts owing for the particular Goods and/or performance of the Services; and

(b) the Client has met all other obligations due by the Client to the Contractor in respect of all contracts between the Contractor and the Client.

7.2 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 and until then the Contractor's ownership or rights in respect of the Goods shall continue.

7.3 It is further agreed that:

(a) where practicable the Goods shall be kept separate and identifiable until the Contractor shall have received payment and all other obligations of the Client are met; and

(b) until such time as ownership of the Goods shall pass from the Contractor to the Client the Contractor may give notice in writing to the Client to return the Goods or any of them to the Contractor. Upon such notice the rights of the Client to obtain ownership or any other interest in the Goods shall cease; and

(c) the Contractor shall have the right of stopping the Goods in transit whether or not delivery has been made; and

(d) if the Client fails to return the Goods to the Contractor then the Contractor or the Contractor's agent may enter upon and into land and premises owned, occupied or used by the Client, or any premises as the invitee of the Client, where the Goods are situated and take possession of the Goods; and

(e) the Client is only a bailee of the Goods and until such time as the Contractor has received payment in full for the Goods then the Client shall hold any proceeds from the sale or disposal of the Goods, up to and including the amount the Client owes to the Contractor for the Goods, on trust for the Contractor; and

(f) the Client shall not deal with the money of the Contractor in any way which may be adverse to the Contractor; and

(g) the Client shall not charge the Goods in any way nor grant nor otherwise give any interest in the Goods while they remain the property of the Contractor; and

(h) the Contractor can issue proceedings to recover the Price of the Goods sold notwithstanding that ownership of the Goods may not have passed to the Client; and

(i) until such time that ownership in the Goods passes to the Client, if the Goods are converted into other products, the parties agree that the Contractor will be the owner of the end products.

#### 8. Application of the PPSA

8.1 In this clause 8, PPSA means the *Personal Property Securities Act 2009* (Cth). If a term used in this clause has a particular meaning in the PPSA, it has the same meaning in this clause.

8.2 This clause 8 applies to the extent that Contractor's interest in any Goods is a security interest.

8.3 The Goods are as defined by these Terms and Conditions of Trade.

8.4 The Client acknowledges and agrees that Contractor may apply to register a security interest in the Goods at any time before or after delivery of the Goods. The Client waives its right under s 157 of the PPSA to receive notice of any verification of the registration.

8.5 The Contractor can apply amounts it receives from the Client towards amounts owing to it in such order as the Contractor elects.

8.6 If the Client defaults in the performance of any obligation owed to the Contractor under these Conditions or any other agreement for the Contractor to supply Goods to the Client, the Contractor may enforce its security interest in any Goods by exercising all or any of its rights under these Conditions or the PPSA. To the maximum extent permitted by law, the Client and Contractor agree that the following provisions of the PPSA do not apply to the enforcement by Contractor of its security interest in the Goods: sections 95, 118, 120, 121(4), 125, 130, 132(3)(d), 132(4), 135, 142 and 143.

8.7 The Client and Contractor agree not to disclose information of the kind mentioned in s 275(1) of the PPSA, except in circumstances required by sections 275(7)(b) to (e) of the PPSA.

8.8 The Client must promptly do anything required by Contractor to ensure that the Contractor's security interest is a perfected security interest and has priority over all other security interests in the Goods.

8.8 Nothing in this clause 8 is limited by any other provision of these Terms and Conditions of Trade or any other agreement between the parties.

#### 9. Defects

9.1 The Client shall inspect the Goods on delivery and shall within seven (7) days of delivery (time being of the essence) notify the Contractor of any alleged defect, shortage in quantity, damage or failure to comply with the description or quote. The Client shall afford the Contractor an opportunity to inspect the Goods within a reasonable time following delivery if the Client believes the Goods are defective in any way. If the Client shall fail to comply with these provisions the Goods shall be conclusively presumed to be free from any defect or damage.

9.2 For defective Goods which the Contractor has agreed in writing that the Client is entitled to reject, the Contractor's liability is limited to either (at the Contractor's discretion) replacing the Goods and/or performing the Services or repairing the Goods provided that:

(a) the Client has complied with the provisions of clause 9.1 of these Terms and Conditions of Trade;

(b) the Contractor will not be liable for Goods which have not been stored or used in a proper manner;

(c) the Goods are returned in the condition in which they were delivered and with all packaging material, brochures and instruction material in as new condition as is reasonable in all of the circumstances.

9.3 For avoidance of doubt, Goods will not be accepted for return other than in accordance with clause 9.1 above.

#### 10. Warranty

10.1 Subject to the conditions of warranty set out in clause 10.2 the Contractor warrants that if any defect in any workmanship of the Contractor becomes apparent and is reported to the Contractor within one (1) month of the date of delivery (time being of the essence) then the Contractor will either (at the Contractor's sole discretion) replace or remedy the workmanship.

10.2 The conditions applicable to the warranty given by clause 10.1 are:

(a) the warranty shall not cover any defect or damage which may be caused or partly caused by or arise through:

(i) failure on the part of the Client to properly maintain any Goods; or

(ii) failure on the part of the Client to follow any instructions or guidelines provided by the Contractor; or

(iii) any use of any Goods otherwise than for any application specified on a quote or order form; or

(iv) the continued use of any Goods after any defect becomes apparent or would have become apparent to a reasonably prudent operator or user; or

(v) fair wear and tear, any accident or act of God.

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- (b) the warranty shall cease and the Contractor shall thereafter in no circumstances be liable under the terms of the warranty if the workmanship is repaired, altered or overhauled without the Contractor's consent.
- (c) in respect of all claims, the Contractor shall not be liable to compensate the Client for any delay in either replacing or remedying the workmanship or in properly assessing the Client's claim.
- 10.3 For Goods not manufactured by the Contractor, the warranty shall be the current warranty provided by the manufacturer of the Goods. The Contractor shall not be bound by nor be responsible for any term, condition, representation or warranty other than that which is given by the manufacturer of the Goods.
- 10.4 The conditions applicable to the warranty given on Goods supplied by the Contractor can be provided to the Client on request.

#### 11. Intellectual Property

- 11.1 Where the Contractor has designed, drawn or written Goods for the Client, then the copyright in those designs and drawings and documents shall remain vested in the Contractor, and shall only be used by the Client at the Contractor's discretion.
- 11.2 The Client warrants that all designs or instructions 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.

#### 12. Warranties, Liabilities and Indemnities

- 12.1 The Contractor acknowledges that consumer legislation contains certain guarantees for the supply of goods or services that cannot be excluded, restricted or modified by this Agreement. For example, for Consumers:
- (a) goods come with non-excludable guarantees that they are of acceptable quality and fit for the purpose for which they are commonly acquired or for a purpose made known to the Contractor and based on which the goods are supplied, and
- (b) services come with non-excludable warranties that they will be provided with due care and skill and are fit for the purpose for which they are commonly acquired or for a purpose made known to the Contractor and based on which the services are supplied.
- Nothing in this Agreement is intended to exclude or restrict the application of such laws.
- 12.2 Except to the extent required by law and as detailed in clause 10 of this Terms and Conditions of Trade, neither the Contractor or its affiliates, directors, officers, employees, agents, service providers, other contractors, successors or assigns will be liable for any losses, damages, liabilities, claims or expenses (including legal costs and defence or settlement costs) whatsoever, whether in contract, tort (including negligence), statutes or otherwise, arising out of, or in any way related to the supply of Goods and/or Services. This limitation applies to all direct, indirect, consequential, special, punitive or other losses, damages, liabilities, claims or expenses you or others may suffer, including for loss of profits, business interruption or loss or corruption of data or information.
- 12.3 The Contractor's liability for a breach of a condition or warranty which is implied by law and cannot be excluded is limited, to the maximum extent possible, to any of the following at the Contractor's option:
- (a) the supply of the Goods and/or Services again; or
- (b) the payment by the cost of having the Goods supplied again or the Goods repaired.
- 12.4 The Client agrees to indemnify and hold the Contractor, its officers, directors, shareholders, predecessors, successors in interest, employees, agents, subsidiaries and affiliates, harmless from any demands, loss, liability, claims or expenses (including legal fees), made against the Contractor by any third party due to or arising out of or in connection with the supply of the Goods.

#### 13. Default & Consequences of Default

- 13.1 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 one 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.
- 13.2 In the event that the Client's payment is dishonoured for any reason the Client shall be liable for any dishonour fees incurred by the Contractor.
- 13.3 If the Client defaults in payment of any invoice when due, the Client shall indemnify the Contractor from and against all costs and disbursements incurred by the Contractor in pursuing the debt including legal costs on a solicitor and own client basis and the Contractor's collection agency costs.
- 13.4 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), the Contractor may suspend or terminate the supply of Goods to the Client and any of its other obligations under the terms and conditions. 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.
- 13.5 If any account remains overdue after thirty (30) days then an amount of the greater of twenty dollars (\$20.00) or ten percent (10.00%) of the amount overdue (up to a maximum of two hundred dollars (\$200.00)) shall be levied for administration fees which sum shall become immediately due and payable.
- 13.6 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 in the event that:
- (a) any money payable to the Contractor becomes overdue, or in the Contractor's opinion the Client will be unable to meet its payments as they fall due; or
- (b) the Client becomes insolvent, 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
- (c) a receiver, manager, liquidator (provisional or otherwise) or similar person is appointed in respect of the Client or any asset of the Client.

#### 14. Security And Charge

- 14.1 Despite anything to the contrary contained in these Terms and Conditions of Trade or any other rights which the Contractor may have howsoever:
- (a) where the Client and/or the Guarantor (if any) is the owner of land, realty or any other asset capable of being charged, both the Client and/or the Guarantor agree to mortgage and/or charge all of their joint and/or several interest in the said land, realty or any other asset to the Contractor or the Contractor's nominee to secure all amounts and other monetary obligations payable under these terms and conditions. The Client and/or the Guarantor acknowledge and agree that the Contractor (or the Contractor's nominee) shall be entitled to lodge where appropriate a caveat, which caveat shall be withdrawn once all payments and other monetary obligations payable hereunder have been met.
- (b) should the Contractor elect to proceed in any manner in accordance with this clause and/or its sub-clauses, the Client and/or Guarantor shall indemnify the Contractor from and against all the Contractor's costs and disbursements including legal costs on a solicitor and own client basis.
- (c) the Client and/or the Guarantor (if any) agree to irrevocably nominate constitute and appoint the Contractor or the Contractor's nominee as the Client's and/or Guarantor's true and

lawful attorney to perform all necessary acts to give effect to the provisions of this clause 14.1.

#### 15. Cancellation

- 15.1 The Contractor may cancel any contract to which these terms and conditions apply or cancel delivery of Goods at any time before the Goods are delivered 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. The Contractor shall not be liable for any loss or damage whatever arising from such cancellation.
- 15.2 In the event that the Client cancels delivery of Goods the Client shall be liable for any loss incurred by the Contractor (including, but not limited to, any loss of profits) up to the time of cancellation.

#### 16. Privacy Act 1988 (Cth)

- 16.1 The Client and/or the Guarantor/s agree for the Contractor to obtain from a credit reporting agency a credit report containing personal credit information about the Client and Guarantor/s in relation to credit provided by the Contractor.
- 16.2 The Client and/or the Guarantor/s agree that the Contractor may exchange information about the Client and the Guarantor/s with those credit providers either named as trade referees by the Client or named in a consumer credit report issued by a credit reporting agency for the following purposes:
- (a) to assess an application by 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 credit worthiness of Client and/or Guarantor/s.
- 16.3 The Client consents to the Contractor being given a consumer credit report to collect overdue payment on commercial credit (Section 18K(1)(h) *Privacy Act 1988* (Cth)).
- 16.4 The Client agrees that personal credit information provided may be used and retained by the Contractor for the following purposes and for other purposes as shall be agreed between the Client and Contractor or required by law from time to time:
- (a) provision of Goods; and/or
- (b) marketing of Goods by the Contractor, its agents or distributors in relation to the Goods; and/or
- (c) analysing, verifying and/or checking the Client's credit, payment and/or status in relation to provision of Goods; and/or
- (d) processing of any payment instructions, direct debit facilities and/or credit facilities requested by Client; and/or
- (e) enabling the daily operation of Client's account and/or the collection of amounts outstanding in the Client's account in relation to the Goods.
- 16.5 The Contractor may give information about the Client to a credit reporting agency for the following purposes:
- (a) to obtain a consumer credit report about the Client; and/or
- (b) allow the credit reporting agency to create or maintain a credit information file containing information about the Client.
- 16.6 The Client acknowledges that the collection, use and disclosure by the Contractor of the Client's personal information will be governed by the terms of the Contractor's Privacy Policy which can be accessed on the Contractor's website.

#### 17. Unpaid Contractor's Rights to Dispose of Goods

- In the event that:
- (a) the Contractor retains or regains possession or control of the Goods; and
- (b) payment of the Price is due to the Contractor; and
- (c) the Contractor has made demand in writing of the Client for payment of the Price in terms of this contract; and
- (d) the Contractor has not received the Price of the Goods, then, whether the title in the Goods has passed to the Client or has remained with the Contractor, the Contractor may dispose of the Goods and may claim from the Client any and all losses to the Contractor on such disposal.

#### 18. No Liability

- 18.1 The Contractor is not liable to the Client in any way for loss or damage suffered directly or indirectly by the Client by reason of:
- (a) defects in existing installations, services or appurtenances in, on our about the Client's premises; or
- (b) insufficient or defective foundations, walls or other structures not erected by the Contractor; which may become apparent from, or are accentuated or accelerated by, the provision of the Goods or the performance of the Services by the Contractor.
- 18.2 To the maximum extent permitted by law, the Client acknowledges and agrees that it is the Client's sole responsibility for ensuring that the products supplied by the Contractor meets any applicable industry or Australian standards.

#### 19. General

- 19.1 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.
- 19.2 These terms and conditions and any contract to which they apply shall be governed by the laws of Queensland and are subject to the jurisdiction of the courts of Queensland.
- 19.3 The Contractor shall be under no liability whatsoever to the Client for any indirect 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.
- 19.4 In the event of any breach of this contract by the Contractor the remedies of the Client shall be limited to damages which under no circumstances shall exceed the Price of the Goods.
- 19.5 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.
- 19.6 The Contractor may license or sub-contract all or any part of its rights and obligations without the Client's consent.
- 19.7 The Client agrees that the Contractor may review these terms and conditions at any time. If, following any such review, there is to be any change to these terms and conditions, then that change will take effect from the date on which the Contractor notifies the Client of such change.
- 19.8 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.
- 19.9 The failure by the Contractor to enforce any provision of these terms and conditions shall not be treated as a waiver of that provision, nor shall it affect the Contractor's right to subsequently enforce that provision.

Issue Date: 31 August 2016

Authorised By: General Manager