

PREFORMED LINE PRODUCTS (AUSTRALIA) PTY LIMITED
ACN 004 533 877

TERMS AND CONDITIONS OF PURCHASE

1. DEFINITIONS AND INTERPRETATION

1.1. In these terms and conditions:

- 1.1.1. "Agreement" means the agreement between the Purchaser and the Supplier for the supply of Goods and/or Services constituted by the Purchase Order, these Conditions and any agreed variation;
- 1.1.2. "Conditions" means these terms and conditions of purchase;
- 1.1.3. "Delivery Date" means the date for delivery of the Goods and/or performance of the Services as set out in the Purchase Order;
- 1.1.4. "Delivery Point" means:
 - 1.1.4.1. in relation to Goods, the delivery address for the Goods as set out in the Purchase Order; and
 - 1.1.4.2. in relation to Services, the place for performance of the Services as set out in the Purchase Order;
- 1.1.5. "Early Delivery" means where Goods have been delivered 4 weeks before the Delivery Date;
- 1.1.6. "Free Into Store (FIS)" has the meaning given to it by the Incoterms published by the International Chamber of Commerce;
- 1.1.7. "Free on Board (FOB)" has the meaning given to it by the Incoterms published by the International Chamber of Commerce;
- 1.1.8. "Goods" means the goods described in the Purchase Order;
- 1.1.9. "Goods Inward Inspection" means the Purchaser's inspection procedure of goods that are delivered to it;
- 1.1.10. "GST" means GST as defined in the GST Law;
- 1.1.11. "GST Law" means *A New Tax System (Goods and Services Tax) Act 1999 (Cth)* as in force from time to time;
- 1.1.12. "Laws" includes any provision of any statute, rule, regulation, proclamation, order, ordinance or by-law, whether of the Commonwealth, a state, a territory or a local council;
- 1.1.13. "Loss" means any loss, liability, costs (including legal costs) or expense incurred by the Purchaser relating to an Agreement;
- 1.1.14. "Parties" means the Purchaser and the Supplier under these Conditions, and each of them is a "Party";
- 1.1.15. "PPSA" means the *Personal Property Securities Act 2009 (Cth)*;
- 1.1.16. "Price" means the price payable by the Purchaser to the Supplier as shown on the Purchase Order;
- 1.1.17. "Purchase Order" means an order made by the Purchaser for the acquisition of Goods from, or the performance of Services by the Supplier, or otherwise placed with or communicated to the Supplier;
- 1.1.18. "Purchaser" means Preformed Line Products (Australia) Pty Limited ACN 004 533 877 and any related body corporate within the meaning of section 50 of the *Corporations Act 2001 (Cth)* as specified in the Purchase Order;

- 1.1.19. "Services" means the services described in the Purchase Order and/or a contract between the Purchaser and the Supplier for the performance of services as stated in the Purchase Order;
 - 1.1.20. "Specifications" means any technical or other specification in relation to the Goods and/or Services referred to in the Purchase Order, details of which have been supplied by the Purchaser to the Supplier;
 - 1.1.21. "Supplier" means the person, whether a natural person or a legal person, selling the Goods or providing the Services to the Purchaser; and
 - 1.1.22. "Tax Invoice" has the meaning given to that term in the GST Law.
- 1.2. In the interpretation of these Conditions, unless the context or subject matter otherwise requires:
- 1.2.1. the singular includes the plural and vice versa;
 - 1.2.2. a reference to a Party includes that Party's executors, administrators, substitutes, successors and permitted assigns;
 - 1.2.3. if a Party consists of more than one (1) person, the Agreement binds each of them jointly and severally;
 - 1.2.4. an obligation, representation or warranty in favour of more than one (1) person is for the benefit of them jointly and severally; and
 - 1.2.5. time is of the essence in respect of all of the Supplier's obligations to the Purchaser.

2. APPLICATION AND ENTIRE AGREEMENT

- 2.1. These Conditions apply to all Purchase Orders, and
 - 2.1.1. to the extent that the Supplier's terms and conditions or any of them are supplied with the Goods and/or Services (including as printed on consignment notes or other documents, or at any other time), those terms and conditions will be of no legal force or effect as between the Purchaser and the Supplier unless the terms and conditions of the Supplier have been agreed to in writing and signed by the Purchaser; and
 - 2.1.2. any terms and conditions implied by statute or otherwise are excluded to the extent that it is lawful to do so.
- 2.2. The entire Agreement between the Purchaser and the Supplier for the purchase of the Goods and/or Services by the Purchaser from the Supplier is constituted by:
 - 2.2.1. these Conditions;
 - 2.2.2. any other terms and conditions (including Specifications) incorporated by reference in the Purchaser Order as long as the Supplier has been provided with the details of such other terms and conditions;
 - 2.2.3. any other terms and conditions that are imposed by law and that cannot be excluded; and
 - 2.2.4. any written variation agreed to in writing by the Parties.
- 2.3. The Supplier will be deemed to have agreed to these Conditions on the earlier of:
 - 2.3.1. issuing an acknowledgement of the Purchase Order; or
 - 2.3.2. commencing performance of the Purchase Order.
- 2.4. The provisions of the United Nations Convention on Contracts for the International Sale of Goods revised in Vienna, Austria on 11 April 1980 do not apply to these Conditions.

3. PRICING

- 3.1. The Price specified in the Purchase Order is fixed, and is not subject to increase unless stated otherwise in the Purchase Order.
- 3.2. The Price includes all costs of testing, inspection, labeling, packing and freight and delivery to and off-loading at the Delivery Point as specified in the Purchase Order.
- 3.3. The Price at which the Goods and/or Services are provided by the Supplier to the Purchaser includes GST, if applicable and unless otherwise stated or agreed in writing.

4. PAYMENTS AND INVOICING

- 4.1. Supplier shall make payment within thirty (30) days of the end of the month in which a correctly rendered invoice has been submitted.
- 4.2. Unless requested otherwise by the Purchaser, all invoices must be sent to the Purchaser's address specified in the Purchase Order.
- 4.3. The Supplier must provide the Purchaser with GST compliant invoice(s) for the Goods and/or Services provided under the Agreement and each invoice must be a valid Tax Invoice and must include:
 - 4.3.1. a reference to the Purchase Order number;
 - 4.3.2. a detailed description of the Goods being delivered (including item number, sizes, quantities, weight, unit and price per unit) and/or the Services being performed; the price of the Goods and/or Services, set out to reflect the same Price as in the
 - 4.3.3. Purchase Order;
 - the amount of any applicable GST; and
 - 4.3.4. any other requirements (such as certificates of conformity) stated in the Purchase
 - 4.3.5. Order.
- 4.4. Payment made does not imply the acceptance of the Goods until all provisions contained in these Conditions have been met.

5. DELIVERY AND PERFORMANCE

- 5.1. In the case of Goods:
 - 5.1.1. the Goods must be delivered to the Purchaser on the Delivery Date and at the Delivery Point specified in the Purchase Order;
 - 5.1.2. unless otherwise agreed to in writing, Early Delivery of Goods is not acceptable;
 - 5.1.3. if the Supplier fails to meet the Delivery Date, the Purchaser may, without limiting its other rights and remedies in the Agreement, cancel all or part of the Purchase Order and be entitled to a refund of any deposit that it has paid for or in respect of the Purchase Order;
 - 5.1.4. all invoices, packing lists, delivery dockets and correspondence must include the Purchase Order number and the Purchaser's product code of the consignment. Failure to do so may result in delays in processing such documents as well as the inspection and acceptance of Goods, and will entitle the Purchaser to claim a corresponding extension of time regarding payment;
 - 5.1.5. delivery must be as Free on Board (FOB) or Free into Store (FIS) unless otherwise agreed in writing;
 - 5.1.6. the Purchaser reserves the right to refuse liability for any Goods delivered in excess of the quantity ordered (+/- manufacturer's tolerance) or not in accordance with any delivery schedule

- 5.1.7. provided by the Purchaser;
the Supplier is liable for:
 - 5.1.7.1. any premium transportation charges resulting in order to ensure the Goods arrive within the agreed leadtime; and
 - 5.1.7.2. any handling, fumigation, custom or storage charges resulting from missing, incomplete and/or incorrect documentation being provided; and
- 5.1.8. acceptance of the Goods by the Purchaser occurs only when all of these Conditions have been met and the Goods have successfully passed Goods Inward Inspection.
- 5.2. In the case of Services:
 - 5.2.1. the Supplier must ensure that the Services are performed at the Delivery Point on or by the Delivery Date;
 - 5.2.2. if, for any reason, the Supplier proposes to alter the Delivery Date, the Purchaser must be notified in writing immediately; and
 - 5.2.3. if the Purchaser rejects a proposal to alter the Delivery Date and the Supplier fails to perform the Services on or by the Delivery Date, the Purchaser may by written notice terminate all or any part of the Agreement.
- 5.3. Subject to clause 5.4 or if otherwise agreed in writing by the Purchaser, delivery of the Goods and/or performance of the Services cannot be by instalments and the Supplier will not be entitled to progress payments.
- 5.4. Where the Purchaser has agreed in writing that the delivery of the Goods and/or the performance of the Services may be by instalments or that progress payments may be claimed by the Supplier in respect of the Goods and/or Services:
 - 5.4.1. the Supplier may invoice each instalment or progress payment; and
 - 5.4.2. each invoice will be paid within thirty (30) days of the end of the month in which the instalment is delivered and/or performed, or the relevant invoice received by the Purchaser, whichever is later.

6. PACKAGING

- 6.1. All goods must be suitably packed or otherwise prepared for transportation in such a way as to avoid damage, to comply with the carrier's requirements and to secure minimum transportation costs and insurance rates.
- 6.2. Where delivery relates to Goods that may be affected by environmental conditions, the Goods must be packed and freighted in a way that prevents deterioration in quality and functionality.
- 6.3. Each consignment must be identified with the Purchase Order number, a recognized part number of the Purchaser, quantity of Goods being delivered and the Delivery Date.

7. INSPECTION AND TITLE

- 7.1. The signature of a delivery docket does not constitute acceptance by the Purchaser. Acceptance of the Goods by the Purchaser occurs only when all the relevant conditions set out in these Conditions have been met and the Goods have successfully passed Goods Inward Inspection.
- 7.2. All Goods are subject to Goods Inward Inspection and testing by the Purchaser after delivery to and unpacking at the Delivery Point. Goods Inward Inspection and testing is required regardless of whether the Purchaser paid the whole or any part of the Price in advance.

- 7.3. In the event that the Goods are found to be unsatisfactory, defective, of inferior quality, of poor workmanship or not in accordance with these Conditions and/or any Specifications, the Purchaser may, without prejudice to any other rights or remedies available to it, reject the Goods and return the rejected Goods to the Supplier within ninety (90) days of the Delivery Date.
- 7.4. Where Goods are rejected pursuant to clause 7.3, the Supplier must:
- 7.4.1. reimburse the Purchaser for any amount paid by the Purchaser for the rejected Goods within seven (7) days of the request;
 - 7.4.2. remove any of the Purchaser's intellectual property or other distinguishing features from the rejected Goods at the Supplier's cost;
 - 7.4.3. bear all costs and expenses incurred by the Purchaser in returning the rejected Goods;
 - 7.4.4. replace the Goods to the Purchaser's satisfaction if, and only if, replacement is requested by the Purchaser; and
 - 7.4.5. be liable for all Loss incurred by the Purchaser arising from and related to the rejection of the Goods.
- 7.5. The Purchaser reserves the right to inspect and test the Goods while they are being manufactured, and may, without being guilty of trespass, enter upon the premises of the Supplier for this purpose from time to time with prior approval from the Supplier, which approval will not be unreasonably withheld. Any such inspection and testing at the premises of the Supplier will not relieve the Supplier of any obligations contained in these Conditions. The Purchaser may reject any work performed or being performed that does not conform to the Agreement. In that case, the work rejected will be re-done at no additional cost or expense to the Purchaser.
- 7.6. Title to and risk of the Goods:
- 7.7.
- 7.7.1. will pass to the Purchaser after acceptance of the Goods by the Purchaser as set out in clause 7.1; and
 - 7.7.2. immediately re-vests in the Supplier in the case of Goods rejected pursuant to clause 7.3.
- 7.8. The Purchaser's acceptance of the Goods does not waive the Purchaser's rights. If the Purchaser accepts any Goods, this does not extinguish any of the Purchaser's rights if the Goods do not comply with a term of the Agreement.

8. WARRANTIES

- 8.1. In the case of Goods, the Supplier warrants that the Goods:
- 8.1.1. are new;
 - 8.1.2. are safe and free from risk to health and safety;
 - 8.1.3. are free from all defects or faults in material and workmanship;
 - 8.1.4. are of acceptable and merchantable quality;
 - 8.1.5. are fit for the purpose for which they are purchased;
 - 8.1.6. comply with all relevant Laws relating to the Goods including those relating to manufacturing, packaging, labeling and transportation;
 - 8.1.7. match the description and the Specifications, if any, referred to in the Purchase Order;
 - 8.1.8. comply with any representations, specifications, standards, descriptions and/or samples previously approved by the Purchaser's engineering department;
 - 8.1.9. comply with the Purchaser's engineering standards to the extent that the

- 8.1.10. Purchaser has notified the Supplier of those engineering standards; are and will remain free from any security interest (as defined in the PPSA), or any other security, charge or encumbrance;
 - 8.1.11. are clearly and durably labeled, identifying the Goods and including any appropriate and correct warning and instructions; and
 - 8.1.12. include any applicable Supplier's warranty that passes to the Purchaser's customer from the Purchaser without liability to the Purchaser.
 - 8.2. In the case of Services, the Supplier warrants that the Services:
 - 8.2.1. are performed with due care and skill;
 - 8.2.2. are performed with the same or higher level of care and skill as would reasonably be expected of a person qualified and experience in supplying the same or similar Services; and
 - 8.2.3. are performed in a way that takes all necessary care to avoid Loss or damage.
 - 8.3. The warranties contained in this clause are in addition to any express warranties given by the Supplier and any warranties implied by Law.

9. WORK HEALTH AND SAFETY

With regard to Services, the Supplier undertakes to the Purchaser that it will:

- 9.1. safeguard the health, safety and welfare of those performing the Services in accordance with the Law;
- 9.2. bring to the notice of those performing the Services, the work health and safety policies of:
 - 9.2.1. the Supplier; and
 - 9.2.2. the Purchaser, to the extent that the Purchaser has notified the Supplier of its work health and safety policies;
- 9.3. provide appropriate information, training and supervision in safe working practices to manage the risks associated with the performance of the Services;
- 9.4. maintain any equipment required for the performance of the Services in compliance with applicable Laws; and
- 9.5. have reasonable regard for the health and safety of those not employed by the Supplier, but who may be affected by the Supplier's work under the Agreement.

10. CONFIDENTIAL INFORMATION

- 10.1. Any information provided to the Supplier by the Purchaser or a third party at the request of the Purchaser, including but not limited to the Specifications, engineering and other data, software, drawings, sketches and blueprints, belong to the Purchaser and is strictly confidential.
- 10.2. In relation to the confidential information described in clause 10.1, the Supplier must:
 - 10.2.1. not use or copy the confidential information for any purpose other than the fulfilment of the Agreement;
 - 10.2.2. not disclose the confidential information to any other person without the prior written consent of the Purchaser which will be at the Purchaser's absolute discretion;
 - 10.2.3. return or hand the same (including, if so demanded by the Purchaser, all copies) to the Purchaser on completion of the delivery of Goods and/or performance of Services; and
 - 10.2.4. ensure that the Price and the provisions of the Agreement are exclusive to the

Purchaser and not disclosed to any other party without the prior written approval of the Purchaser.

11. NOT INFRINGE INTELLECTUAL PROPERTY RIGHTS

- 11.1. The Supplier warrants that the manufacture, supply and/or use of the Goods will not infringe the rights of any third party (whether in relation to copyright, registered design, patent, trademark, confidential information or otherwise) or violate any applicable Law.
- 11.2. The Supplier will indemnify, defend and hold the Purchaser harmless from and against any Loss and claims arising from the breach of the warranty set out in clause 11.1.

12. INSURANCE

- 12.1. For the duration of the Agreement (and for six (6) years following the expiry of the Agreement in relation to the insurances referred to in clauses 12.1.1 to 12.1.3 inclusive), the Supplier must, at its own expense:
 - 12.1.1. maintain appropriate insurance in relation to public liability for the Goods that the Supplier delivers and the Services that the Supplier performs with a reputable insurer for at least \$20 million;
 - 12.1.2. maintain appropriate insurance in relation to product liability for the Goods that the Supplier delivers with a reputable insurer for at least \$20 million;
 - 12.1.3. maintain appropriate insurance in relation to professional indemnity for the Services that the Supplier performs with a reputable insurer:
 - 12.1.3.1. for at least \$10 million; and
 - 12.1.3.2. covering the Supplier for any claims against it by any person for any actual or alleged fault or negligence by the Supplier in carrying out its obligations under the Agreement;
 - 12.1.4. maintain workers' compensation in accordance with applicable Laws; and
 - 12.1.5. insure the Goods with a reputable insurer for their full replacement cost.
- 12.2. The Supplier must, at the Purchaser's request, provide the Purchaser with true copies of certificates of currency with respect to the insurance policies set out in clause 12.1.

13. NON-ASSIGNMENT

- 13.1. This contract is personal to the Supplier and cannot be assigned, mortgaged, charged or encumbered in any way without the Supplier's express prior written permission.
- 13.2. The Supplier must not subcontract the whole or any part of its obligations under the Agreement without the prior written consent of the Purchaser.

14. RELATIONSHIP

- 14.1. The Supplier is an independent contractor of the Purchaser.
- 14.2. Nothing in these Conditions constitutes the Supplier as the Purchaser's agent.
- 14.3. Nothing in these Conditions constitutes any other type of relationship between the Parties.

15. INDEMNITIES

The Supplier indemnifies the Purchaser, its affiliated companies, successors and assigns and holds them harmless from and against any and all claims, suits, actions, liabilities, Losses, judgments or damages, whether ordinary, special or consequential, arising directly or indirectly from or in connection with:

- 15.1. the acts, negligence, omissions or wilful misconduct of the Supplier;
- 15.2. the Goods supplied under the Agreement;
- 15.3. the Services performed under the Agreement;
- 15.4. a breach of any of the Supplier's warranties given under the Agreement or any other term or condition of the Agreement;
- 15.5. the Supplier's negligent, unauthorised or wrongful acts or omissions with regards to the use or installations of hazardous materials;
- 15.6. a claim that any Goods and/or Services supplied to the Purchaser infringe upon or misappropriate the rights of another person; and
- 15.7. a claim of any lien, security interest or other encumbrance made by a third party.

16. CANCELLATION AND TERMINATION

- 16.1. The Purchaser may, at any time prior to delivery of the Goods, cancel all or any part of the Purchase Order. In the case of cancellation without any event of default as set out in clause 16.2 on the part of the Supplier, the Purchaser will:
 - 16.1.1. give written notice of the cancellation to the Supplier, and following receipt of such notice, the Supplier must, to the extent specified by the Purchaser, cease all work in relation to the Goods and/or Services;
 - 16.1.2. be liable only for non-recoverable costs actually incurred by the Supplier up to the date of cancellation; and
 - 16.1.3. not be liable for the reimbursement of anticipated profits for undelivered Goods or unperformed Services.
- 16.2. Without limiting clause 16.1, the Purchaser may terminate the Purchase Order in whole or in part immediately if the Supplier:
 - 16.2.1. fails to deliver the Goods or perform the Services within the time specified in the Purchase Order;
 - 16.2.2. fails to replace defective Goods and/or Services in accordance with these Conditions;
 - 16.2.3. fails to perform any other term or condition of the Agreement; or
 - 16.2.4. becomes insolvent, files or has filed against petition in bankruptcy, enters into administration, or makes an assignment for the benefit of creditors.
- 16.3. In the case of termination pursuant to clause 16.2:
 - 16.3.1. the Purchaser must give written notice to the Supplier of the termination;
 - 16.3.2. the rights and remedies of the Purchaser under or in respect of these Conditions are not thereby prejudiced but will continue to bind the Parties without limitation in time; and
 - 16.3.3. the Purchaser will not be obliged to make any payment to the Supplier in respect of such termination.

17. WAIVER

The failure by the Purchaser to enforce any of these Conditions or to take action in respect of any breach will not be a waiver of any of these Conditions even if such failure or breach is continuing and habitual or repeated from time to time, and no estoppels may be pleaded against the Purchaser either at law or in equity in any circumstances whatsoever.

18. DISPUTE RESOLUTION

- 18.1. Subject to clause 18.6, any dispute or difference between the Parties arising from or in

connection to the Agreement, the Goods and/or the Services, must be resolved in accordance with this clause 18.

- 18.2. A Party claiming the existence of a dispute must give the other Party a notice in writing that:
 - 18.2.1. sets out the matter in dispute; and
 - 18.2.2. contains a proposal as to how the dispute can be solved.
- 18.3. If a notice pursuant to clause 18.2 is issued by either Party, the Parties must refer the dispute for resolution by their nominated representatives, who must:
 - 18.3.1. have authority to resolve the dispute on behalf of the respective Party;
 - 18.3.2. negotiate in good faith on behalf of the respective Party; and
 - 18.3.3. seek to resolve the dispute within 15 business days of a notice referred to in clause 18.2, or such longer period as the Parties mutually agree.
- 18.4. If a dispute is not resolved within the time referred to in clause 18.3.3 then either Party may commence court proceedings.
- 18.5. Despite the existence of a dispute, the Parties must continue to perform their respective obligations under the Agreement.
- 18.6. A Party may commence court proceedings relating to any dispute arising under the Agreement at any time where that Party seeks urgent interlocutory relief.

19. GOVERNING LAW

The laws applicable in the state of New South Wales and the Commonwealth of Australia govern these Conditions and the Parties irrevocably submit to the non-exclusive jurisdiction of the courts of New South Wales and the Commonwealth of Australia.

20. HAZARDOUS MATERIALS INCLUDING ASBESTOS

The Supplier shall provide goods and services without the use of asbestos in any form. Any goods or services which include asbestos shall be deemed defective, and the Buyer shall have all rights and obligations herein for defective goods, including the right to suspend payment and/or terminate the Agreement immediately. In addition, the Supplier shall immediately remove and dispose of any goods containing asbestos and will indemnify, hold harmless and defend the Buyer for its failure to comply hereof.

21. DATE THESE CONDITIONS WERE LAST AMENDED

14 December 2016