

TERMS AND CONDITIONS OF SALE

1 TERMINOLOGY

In these terms and conditions of sale, unless the context otherwise requires:

- 1.1 "**Adilam**" means Adilam Technologies Pty Ltd ACN 113 495 462;
- 1.2 "**Customer**" means the purchaser of the goods from Adilam;
- 1.3 "**goods**" means the goods and/or (unless the context otherwise requires) the services purchased from Adilam by the Customer;
- 1.4 "**contract**" means the contract (including these terms and conditions) between Adilam and the Customer for the sale of the goods.

2 APPLICATION OF TERMS AND CONDITIONS

- 2.1 These terms and conditions shall apply to the sale of the goods from Adilam to the Customer and to the entire exclusion of any other terms or conditions which may be proffered by the Customer (including the Customer's order) which are in any way inconsistent with these terms and conditions and notwithstanding that but for this provision Adilam would or might otherwise be regarded as having accepted or agreed to be bound by such other terms and conditions.
- 2.2 Victorian law applies to the contract and any dispute which may arise between Adilam and the Customer in relation to it will be litigated in the appropriate court in Melbourne, Victoria.

3 ORDERS

- 3.1 If the Customer wishes to vary an order already placed, the Customer must give written notice to Adilam of the proposed variation. Adilam reserves the right to adjust the purchase price and anticipated delivery date for the goods in these circumstances.

- 3.2 The Customer cannot cancel an order, except with Adilam's written consent and on terms which will indemnify Adilam against all losses, damages or expenses suffered or incurred by Adilam as a result of that cancellation.

4 GST

All prices for goods are exclusive of GST, unless otherwise stated. In addition to the price for the goods, the Customer must pay GST at the prevailing GST rate on those amounts, if applicable. Adilam's tax invoice will include details of GST charged.

5 PAYMENT TERMS

- 5.1 The purchase price of the goods is, in the case of approved credit accounts, payable at the end of the month following the month in which the invoice is issued. Otherwise, the price is payable within seven days of the date of invoice.
- 5.2 Adilam reserves the right to suspend deliveries without liability where payment is not received in accordance with the foregoing provision or in accordance with an alternative arrangement agreed to in writing by Adilam.
- 5.3 Adilam reserves the right to charge interest at the rate of 1.5% per month on overdue accounts, until all overdue amounts are paid in full.
- 5.4 Unless stated otherwise, the price of goods quoted by Adilam includes packaging in accordance with recognised standards but the cost of any special packing requested or required by the Customer, or deemed necessary by Adilam, will be paid by the Customer.

6 DELIVERY OF GOODS

- 6.1 Freight arrangements and costs are the responsibility of the Customer.
- 6.2 The Customer waives any right to claim for any alleged shortages in goods

delivered unless a claim is lodged within 24 hours from the date of delivery.

- 6.3 All delivery times stated by Adilam are estimates only and do not make Adilam liable for late delivery or non-delivery of the goods.
- 6.4 Part supplies, or delays in delivery of the goods, shall not relieve the Customer from its obligations to pay for, or to receive, the goods delivered.
- 6.5 Adilam is not liable for any damage to goods or loss of goods while the goods are in transit unless otherwise agreed to in writing with Adilam.
- 6.6 Goods may not be returned for credit, replacement or warranty repair without the prior specific approval of Adilam. Unauthorised return of goods will not be accepted. Freight charges on returns are to the Customer's account, unless previously authorised by Adilam. Where freight is to Adilam's account, only nominated carriers are to be used. Please request carrier particulars from Adilam's office.

or deterioration of or damage to the goods;

- 7.3.2 the Customer must store the goods separately and not remove any of Adilam's markings, tags or labels from the goods or the packaging;
- 7.3.3 to the extent that the goods may be used in connection with any business conducted by the Customer, the Customer must advise in writing any potential customer, purchaser or other third party that the goods are the property of Adilam; and
- 7.3.4 if the Customer receives any proceeds from the sale of the goods or from the sale of products manufactured using any of the goods, the Customer receives those proceeds on trust for Adilam to be applied in payment of the purchase price for the goods and other amounts owed by the Customer to Adilam (to be applied first in payment of the purchase price, then interest and then other amounts owed by the Customer). Such proceeds must be kept separate and dealt with separately by the Customer at all times until all amounts owing have been duly paid to Adilam.

7 RISK AND RETENTION OF TITLE

- 7.1 From the time of despatch from Adilam's premises:
- 7.1.1 the goods are at the sole risk of the Customer; and
- 7.1.2 the risk of any loss or damage to or deterioration of the goods, however caused, will be the responsibility of the Customer.
- 7.2 Adilam remains the legal and beneficial owner of the goods until payment in full of the purchase price and all other amounts owed by the Customer to Adilam.
- 7.3 Until payment in full of the purchase price and all other amounts owed by the Customer to Adilam:
- 7.3.1 the Customer, having actual or constructive possession of the goods, will keep the goods as bailee only and owes Adilam the duties and liabilities of a bailee including, but not limited to, accepting all risk for loss of

8 DEFAULT AND INSOLVENCY

- 8.1 If the Customer defaults in payment of any amount owed by the Customer to Adilam or if the Customer becomes bankrupt, goes into liquidation, appoints a receiver or manager, goes into voluntary administration or enters into any arrangement with creditors:
- 8.1.1 Adilam or its duly authorised agents or both may, without affecting any of its other rights or remedies and without notice to the Customer, enter the Customer's premises or any other premises where the goods are situated for the purpose of recovering possession of the goods (without liability for trespass or any resulting damage) and

- recover possession of and retain or resell the goods; and
- 8.1.2 if the Customer has sold the goods or utilised, mixed, built into any other products or disposed of or stored the goods in such a manner as to render the goods irrecoverable or unidentifiable, the cost of the goods will immediately be a debt due by the Customer and recoverable by an action in law.
- 8.2 The Customer appoints Adilam as its attorney, in connection with Adilam's rights and remedies pursuant to these terms and conditions and any other rights or remedies which may accrue to Adilam, to do all things, execute all documents and otherwise act in place of the Customer for the purposes of giving effect to these terms and conditions. Without limiting this provision, the attorney may recover possession of the goods and recover the proceeds of the sale of the goods which may at any time be received or receivable by the Customer.
- 9 WARRANTIES, ETC**
- 9.1 So far as it is legally able to do so, Adilam assigns to the Customer the benefit of any warranties, guarantees and conditions given by the manufacturer of the goods, but otherwise gives no warranties, guarantees or conditions in relation to supply and sale of the goods.
- 9.2 Subject to clause 9.3 and to the maximum extent permitted by law, Adilam makes no warranties or representation and the Customer releases Adilam from all liability for any loss, claim, damage or injury suffered in connection with the supply of the goods.
- 9.3 Adilam's liability to the Customer in respect of any non-excludable warranty or condition is limited to the maximum extent possible to:
- 9.3.1 in the case of the goods supplied by Adilam, either of the following (as Adilam may decide):
- (a) the replacement of the goods or the supply of equivalent goods;
- (b) the repair of the goods;
- (c) the payment of the cost of replacing the goods or of acquiring equivalent goods; or
- (d) the payment of the cost of having the goods repaired; and
- 9.3.2 in the case of any services provided by Adilam, either of the following (as Adilam may decide);
- (a) the supply of the services again, or
- (b) the payment of having the services supplied again.
- 9.4 Except as provided for in these terms and conditions and to the maximum extent permitted by law, all express and implied warranties, guarantees and conditions under statute, general law or trade usage, as to merchantability, description, quality, suitability or fitness of the goods for any purpose, or as to design, assembly, installation, materials, workmanship or otherwise are expressly excluded.
- 9.5 Any warranty in relation to any defect concerning the goods will not apply and is expressly excluded if the defect is due to or caused by:
- 9.5.1 the misapplication, abuse or (except where goods are installed by Adilam) improper installation of goods;
- 9.5.2 abnormal or extreme temperatures outside the operating range of goods, abnormal power source or power disturbance;
- 9.5.3 other abnormal conditions including the presence of dirt, water or corrosive materials;
- 9.5.4 the use or operation of goods above the rated capacity of goods or in any other improper or unsuitable manner;

- 9.5.5 tampering with goods, other than by Adilam;
- 9.5.6 unauthorised modification of goods;
- 9.5.7 the unauthorised use of goods in conjunction with other equipment not supplied by Adilam for use with the goods;
- 9.5.8 damage during transportation of goods without fault on the part of Adilam;
- 9.5.9 the Customer's failure to ensure proper storage, operation and maintenance of goods; or
- 9.5.10 the goods have passed their life expectancy.
- 9.6 To the extent permitted by law, Adilam is not liable and the Customer must indemnify Adilam in respect of all claims for physical or financial injury, loss or damage, or for consequential loss or damage of any kind arising out of the supply, layout, assembly, installation or operation of the goods or arising out of the Customer's negligence or in any way whatsoever.
- 9.7 Where Adilam supplies software to the Customer, the Customer is and remains at all times solely responsible for the testing, installation and integration of the software within the Customer's or end user's computer systems. Subject to this clause 9 and to the extent permitted by law, Adilam takes no responsibility in ensuring that any software provided to a Customer will be compatible with the Customer's or end user's computer system and the Customer releases Adilam from any claim it may have against Adilam arising out of any loss or damage suffered as a result of the non-compatibility of the software with the Customer's or end user's computer system.
- 9.8 In addition to the exclusions contained in clause 9.5, where Adilam supplies Radio-frequency identification ("RFID") tags to the Customer, the Customer acknowledges and agrees that the readability of RFID tags are dependent on numerous factors that are beyond the control of Adilam, including (without limitation) the reader, and the environment in which the RFID tag and reader operates. The Customer is and remains at all times responsible for the testing and understanding of the RFID tags' and readers' environmental working conditions in order to maximise the readability of the RFID tags.
- 9.9 In addition to the exclusions contained in clause 9.5, where Adilam supplies RFID readers to the Customer, the Customer acknowledges and agrees that the readability of RFID readers are dependent on numerous factors that are beyond the control of Adilam, including (without limitation) the RFID tags and the environment in which the RFID tag and reader operates. The Customer is and remains at all times responsible for the testing and understanding of the RFID tags' and readers' environmental working conditions in order to maximise the readability of the RFID tags.
- 9.10 Adilam takes no responsibility for the condition of any existing machinery, plant or equipment which may be used in conjunction with any goods, and any effect that such machinery, plant or equipment may have on the goods.
- If you have any questions regarding any of the above terms or conditions, please contact Adilam's office before proceeding with your order because once you proceed, you will be bound by these terms and conditions.