

CONDITIONS OF SUPPLY

Pentarch Group Pty Ltd
ACN 607 144 196 and its Associated Entities



Acknowledgement of receipt or fulfilment of a Purchase Order by the Supplier will be deemed to be the Supplier's acceptance of these Conditions of Supply

1. Definitions and Interpretation

1.1 Terms defined in the Purchase Order have the meaning expressed in the Purchase Order.

1.2 **Associated Entities** has the same meaning as in the Corporations Act 2001 (Cth). For clarity, Pentarch Holdings Pty. Ltd. (ACN 064 165 635) (and its subsidiaries) and Allied Natural Wood Enterprises Pty Ltd (ACN 607 144 089) (and its subsidiaries) are Associated Entities of Pentarch.

1.2 **Confidential Information** means any information relating to the business of the Pentarch Group that is not in the public domain.

1.3 **Conditions of Supply** means these conditions of supply.

1.4 **Contract** means these Conditions of Supply, the Purchase Order, any Procurement Agreement and any other document attached to or incorporated by reference in the Purchase Order, these Conditions of Supply, or any applicable Procurement Agreement.

1.5 **Delivery Point** means the place for delivery specified on the Purchase Order.

1.6 **Goods** means the goods identified in the Purchase Order.

1.7 **Price** means the price set out in the Purchase Order which is exclusive of GST (unless otherwise stated), but inclusive of all other costs and charges.

1.8 **Pentarch** means Pentarch Group Pty Ltd (ACN 607 144 196).

1.9 **Pentarch Group** means Pentarch and each of its Related Bodies Corporate and Associated Entities.

1.10 **Pentarch Forestry** is the brand name and logo used by the ANWE Group. Any reference in this document, or any sales contract, to "Pentarch Forestry" means and includes ANWE Group, ANWE and ATC.

1.11 **Procurement Agreement** means any procurement agreement or supply agreement between a Pentarch Group member and the Supplier in connection with supply to an Pentarch Group member by the Supplier.

1.12 **Purchase Order** means the order issued by Pentarch to the Supplier for the supply of the Goods and/or Services.

1.13 **Services** means the services identified in the Purchase Order.

1.14 **Supplier** means the supplier named on the face of the Purchase Order or, if no supplier is named, the supplier supplying the Goods and/or Services.

1.13 Headings are for reference only and must not be used in the interpretation of the Contract.

2. Supply and Payment

2.1 The Supplier must supply and deliver the Goods and/or perform the Services in accordance with the terms of the Contract.

2.2 Pentarch will pay the Supplier the Price for accepted Goods and/or Services within 45 days of the end of the month in which Pentarch receives the Supplier's tax invoice (which must include any additional information and supporting documentation required by Pentarch).

2.3 The Supplier must in supplying the Goods or performing the Services comply with and ensure all the Supplier's employees, agents and sub-contractors are aware of and comply with:

- (a) all applicable laws and regulations;
- (b) all applicable Pentarch site standards, policies and procedures; and
- (c) any lawful directions and orders given by a Pentarch representative.

2.4 The Supplier must in supplying the Goods or performing the Services ensure that any of the Supplier's employees, agents and sub-contractor's entering Pentarch premises are appropriately skilled and qualified for the safe performance of the Services.

3. Contract

3.1 The Contract supersedes all other communications and negotiations (whether oral or written) between the Supplier and Pentarch in relation to the Goods and/or Services and constitutes the entire terms of the Contract unless otherwise agreed in writing by Pentarch, and will prevail over the terms of any documents provided to Pentarch by the Supplier (such as delivery dockets, invoices, packing slips or other confirmations), unless agreed in writing by an authorised officer of Pentarch.

3.2 A valid Purchase Order number must be quoted by the Supplier on all documentation relating to a supply of Goods and/or performance of Services.

3.3 If there is any conflict, ambiguity or inconsistency between the documents comprising the Contract, the following order of precedence shall prevail: Procurement Agreement, Purchase Order, Conditions of Supply.

3.4 The Supplier must not, without the prior written approval of Pentarch, assign, subcontract, encumber or transfer any of its rights or obligations under the Contract. Any such approval will not relieve the Supplier of its obligations under the Contract.

3.5 The benefit of any obligation, warranty or indemnity given by the Supplier in the Contract will extend to each Pentarch Group Member.

4. GST

4.1 If the Supplier becomes liable for GST for any supply made under the Contract, the Supplier may add this GST to the amount otherwise payable under the Contract and will issue a tax invoice to Pentarch as a precondition for being paid this GST. The Supplier will pass onto Pentarch the benefits of any abolition or reduction in prices brought about by any amendment to the GST.

4.2 The Supplier acknowledges that if supplies are to be made under a recipient created tax invoice then a recipient created tax invoice agreement between the Supplier and Pentarch is required.

4.3 In this clause, the terms GST, supply, tax invoice and recipient created tax invoice have the same meaning as in A New Tax System (Goods and Services Tax) Act 1999 (Cth).

5. Delivery, Risk and Title

5.1 The Supplier must deliver the Goods to the Delivery Point by the delivery date provided in the Purchase Order or the Contract.

5.2 Packages must be marked with the Purchase Order number, destination, contents, date and weight of each package.

5.3 The Supplier must perform the Services by the date specified in the Purchase Order or the Contract.

5.4 Property, risk and title in the Goods will pass to Pentarch upon delivery to, and acceptance of, the Goods by Pentarch at the Delivery Point.

5.5 The Supplier must insure the Goods against all risk of loss and damage for the full replacement value until delivery to and acceptance of the Goods by Pentarch at the Delivery Point.

5.6 The Supplier must effect and maintain for the life of the Contract, public and product liability insurance with a limit of indemnity of not less than \$10,000,000.

5.7 Where the Services include professional services (including design activities), the Supplier must effect and maintain for 7 years following completion of the Services, professional indemnity insurance with a limit of indemnity of not less than \$5,000,000.

5.8 The Supplier must take out workers compensation insurance as required by law.

6. Warranties

6.1 The Supplier warrants:

- (a) from the time the Goods are delivered to the Delivery Point, Pentarch will be entitled to clear title to the Goods, free from any liens, charges and encumbrances, and to quiet possession of the Goods;
- (b) the Goods will be free from defects, and be new and of merchantable quality;
- (c) the Goods and/or Services will match any description in the Contract, any relevant specifications and any samples provided by the Supplier;
- (d) the Goods and/or Services will be fit for the purpose for which Goods of the same kind are commonly supplied, or for which those types of Services are commonly provided, and for any other purpose which Pentarch makes known to the Supplier;
- (e) the Goods and/or Services will comply with any other warranties or guarantees contained in the Contract or ordinarily supplied by the Supplier and/or the manufacturer of the Goods and/or Services;
- (f) the Goods and/or Services will comply with the provisions of any relevant legislation, industry standards and standard of the Standards Association of Australia; and
- (g) the Goods and/or Services will be free from any right or claim of a third party.

6.2 The Supplier warrants that it has all intellectual property rights (including, without limitation, any patents, trademarks and copyrights) necessary to supply the Goods and/or Services in accordance with the Contract and indemnifies the Pentarch Group against any losses, costs, damages or expenses incurred by the Pentarch Group as a consequence of any claim by a third party that it has a right to any intellectual property in the Goods or that the Goods or Services infringe their intellectual property rights.

6.3 The warranties in clause 6.1 are in addition to any conditions, guarantees and warranties which are or may be implied under any State or Federal legislation applicable to the Goods and/or Services and their supply or performance, except that all of the terms of the United Nations Convention on Contracts for the International Sale of Goods (adopted in Vienna Austria on 10 April 1980) are expressly excluded from the Contract.

7. Indemnities

7.1 The Supplier shall indemnify each Pentarch Group Member for any and all losses, actions, liabilities and claims whatsoever, arising directly or indirectly out of or in connection with the Goods and/or Services or the Contract.

8. Defective Goods

8.1 If Pentarch discovers that the Goods and/or Services do not comply with any warranty given under clause 6, or are otherwise defective or unacceptable to Pentarch, Pentarch may (at its option):

- (a) have the defect(s) rectified and the cost to the Pentarch Group of so doing will be a debt due from the Supplier to Pentarch;
- (b) request the Supplier to rectify any defect(s) at the Supplier's expense;
- (c) request the Supplier to replace the Goods or re-perform the Services at the Supplier's expense;
- (d) reject the Goods, in which case the Supplier must arrange to collect the Goods immediately at the Supplier's expense; and
- (e) require the Supplier to indemnify the Pentarch Group pursuant to clause 7.

8.2 Nothing in this clause limits or excludes any other rights or remedies available to the Pentarch Group, whether provided elsewhere in the Contract or provided by law (and including in relation to defects which are discovered or become apparent after the expiry of any warranty period).

9. No fault termination

9.1 Pentarch may terminate the Purchase Order or part of the Purchase Order by giving the Supplier at least 5 days' notice.

10. Confidentiality

10.1 The Supplier must not, and must ensure that its subcontractors, employees and agents do not without prior written approval, disclose any information about the Contract or any Confidential Information.

11. Miscellaneous

11.1 No waiver by Pentarch of a breach of the Contract by the Supplier will constitute a waiver for any subsequent or continuing breach by the Supplier.

11.2 Pentarch may deduct from any amount owing to the Supplier under the Contract any amount owing by the Supplier to the Pentarch Group under the Contract or otherwise.

11.3 The law of the Contract will be the law of the State of the Delivery Point of the Goods or performance of the Services, and the parties submit to the jurisdiction of the courts of that State.