

TERMS AND CONDITIONS

These Terms and Conditions form a fundamental part of any Quotation or Order Acknowledgement

1. Definitions

- 1.1. **Customer (you)** means the party which has ordered the goods and to whom the goods will be or have been supplied. Also referred to as the Purchaser
- 1.2. **IMP** means IMP Electronics Solutions Pty Ltd ACN 601 759 531, 396 Payneham Road, Payneham, South Australia 5070.
- 1.3. **Goods** mean the goods identified in the relevant **Invoice**.
- 1.4. **Invoice** means the form upon which **IMP** records an order placed by a **Customer** for the supply of **Goods** specified in that order, and the **GST** applicable to that order.
- 1.5. **Purchase Price** means the price identified in the **Invoice** for the Goods
- 1.6. **Credit Limit** means the AUD value of any credit facility extended by IMP to the Customer
- 1.7. **GST** has the meaning it does in section 195-1 of the GST Act which is applicable to the goods/services purchased by the Customer.
- 1.8. **GST Act** means A New Tax System (Goods and Services Tax) Act 1999 (Cth), as amended, varied or replaced from time to time
- 1.9. **DAP** (Delivered At Place –reference Incoterms 2010) means all delivery charges are included in the invoice price but does not include any Customs Duties or unloading of the goods, which is the responsibility of the Customer
- 1.10. **Multi-drop** means goods that are stored by IMP and delivered at an agreed frequency specified by the customer, e.g., first of every month until the total of the goods have been delivered. The maximum time for this service is 3 months by which time, if the goods have not been taken, the quantity against the original purchase order will be shipped and the customer invoiced for those goods.
- 1.11. **Kanban** means goods that are stored by IMP and the customer draws from this stock until an agreed re-order point is reached. The customer is notified of the stock levels on a weekly basis. Stock will be held for a period of 3 months by which time if the goods have not been fully drawn as per the original purchase order then the remaining goods will be sent to the customer and the customer will be invoiced for those goods.
- 1.12. **Overseas Alliance Companies** mean companies that IMP contract to supply product to customer specification and that IMP have supply agreements in place with.
- 1.13. **IPC** means the trade organisation known as IPC Trade Organisation of Northbrook, Illinois, United States;
- 1.14. **IPC Class 2** means the Class II inspection protocol set out in the standard issued by the IPC and numbered IPC-A-600 "Acceptability of Printed Boards", as varied or replaced from time to time;
- 1.15. **Material** means a material used in the manufacture of a Product;
- 1.16. **Order** means an order for Products created as the result of The Customer's issue of a formal purchase order to IMP in hard copy or electronically (in a form agreed by IMP). Issuance of an Order is deemed to constitute acceptance of these Standard Terms and Conditions, together with the Quotation, by The Customer;
- 1.17. **Order Acknowledgement** means IMP's written confirmation that an Order has been received from The Customer in response to the Quotation issued by IMP, and the Agreement brought into existence;
- 1.18. **Order Value** means the total price charged by IMP to The Customer for any Order as specified in the Quotation;
- 1.19. **Products** means the products to be imported by IMP for The Customer as listed in the Order;
- 1.20. **Quotation** means the quote and commercial terms set out in Part A, to which these Standard Terms and Conditions of Supply are attached;
- 1.21. **RoHS** means Directive 2002/95/EC of the European Parliament and the Council of the European Union, entitled "Directive on the

restriction of the use of certain *hazardous substances in electrical and electronic equipment*";

- 1.22. **Specifications** means the specifications previously provided to IMP by The Customer, as referred to in the Quotation, in accordance with which a Product must be manufactured, detailing the methods, dimensions and requirements of manufacture;
- 1.23. **Supply** has the same meaning it does in section 9-10 of the GST Act and excludes any "GST-free supplies" and "input taxed supplies" as those terms are defined in section 195-1 of the GST Act; and
- 1.24. **USD** means US dollars

2. Quotations and Pricing Policy

- 2.1. IMP has prepared the quotation details and pricing on information provided by you (the customer). All effort has been made to ensure the quotation is accurate, however, unforeseen circumstances, incomplete information provided, misinterpretations or variations which affect tooling, production or freight costs may incur additional charges.
- 2.2. Orders for reduced batch sizes from those quoted may be subject to re-costing, which may lead to additional charges.
- 2.3. Unless otherwise requested, products shall be manufactured to your Approved Drawings and to IPC Class 2.
- 2.4. We reserve the right to re-quote for any subsequent or continuing production batches irrespective of any previous quotation or correspondence.
- 2.5. Quoted prices do not include, unless otherwise stated in writing, the supply of in any shape or form, product off tool samples or proofs. This includes but is not limited to, film outputs, laser colour prints, colour swatches or partially complete off tool samples.
- 2.6. Unless otherwise stated in writing, all prices are quoted in AUD and are exclusive of Goods and Services Tax (GST) or Customs Duties if applicable.
- 2.7. Unless otherwise specified, quoted prices are for DAP, which include freight costs but excludes Customs Duties for the product. All Customs Duties will be the responsibility of the customer.
- 2.8. All prices for overseas manufactured product will be subject to exchange rate variations at time of invoice. IMP has the right to vary pricing according to the FOREX Rate at time of invoice, should the variation be $\pm 2.0\%$ or greater from the rate specified on our Order Acknowledgement.
- 2.8.1. The exchange rate used will be from the official rates posted by the RBA the day before the Order Acknowledgement is raised, compared against the rate posted by the RBA the day before the Invoice is raised.
- 2.8.2. Multi-drop/Kanban orders placed for 2 and 3 months in advance, with orders drawn from this stock, will be priced at the exchange rate at the time the multi-drop/kanban order is received into IMP stores. This price will be fixed for the duration of the agreed supply period for that order and will be subject to review at the next multi-drop/kanban order
- 2.9. Because of manufacturing processes, special purchases, material sizes and stepped up arrays, minimum order quantities (MOQ) may apply on certain products, components or materials for products.
- 2.10. IMP reserve the right to use approved subcontractors for the manufacture and or treatment of certain products within the manufacturing process.
- 2.11. Quoted lead times are based on production loading and capabilities at the time of quoting. They are also based on receipt of expected artwork/tooling times for specific product. Incorrect data, changes to requirements, delays in providing further required information, delays in returning artwork approvals, or other circumstances causing a delay, may result in a rescheduling of the order and hence a change in the quoted despatch date. Despatch date is the date (until close of business that day) the goods leave IMP's premises or its alliance partners.
- 2.12. Orders received from customers who are on **Credit Hold** shall not be commenced until they have been cleared from credit hold.

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- 2.13. Orders received from customers who are on **Stop Supply** may commence subject to certain conditions but will be held at despatch until cleared from Stop Supply.
- 2.14. An **Order Acknowledgement** shall be sent at that time with notification of the expected despatch date.
- 2.15. In the event that the volume of Materials specially acquired by IMP to satisfy the Order of the Customer exceeds the Customers' actual requirements, the Customer must purchase the excess Materials from IMP at cost price. A handling and delivery charge shall also be payable by the Customer. IMP will invoice the Customer for these amounts, which must be paid by the Customer in accordance with clause 6.
- 2.16. The Customer is responsible for each of the following:
 - 2.16.1. The design.
 - 2.16.2. Approval of design outputs.
 - 2.16.3. Design validation for functionality and suitability for a particular application.
 - 2.16.4. To advise us of any statutory or regulatory requirements that the design / product must meet.
 - 2.16.5. Responsible to advise us of any environmental conditions under which the device will operate.

3. Tooling Terms & Conditions

- 3.1. Due to the technical complexity and custom designed nature of the product IMP recommend that the Customer take steps to validate the product against CAD data, particularly with new designs or iteration changes, in order to limit the liability of both parties.
- 3.2. Customers are reminded that in accordance with IMP's standard policy, Photo-Tooling that has remained inactive for a period of 4 years or longer may be destroyed. Electronic versions of files will be retained where possible. Re-tooling charges will apply if a product is ordered after the 4-year tooling storage period has expired.

4. Delivery

- 4.1. In circumstances where the normal arrangement for IMP to deliver goods to the Customer has not been agreed, the Customer will at its sole cost arrange for collection or delivery of all Goods ordered from time to time.
- 4.2. The Purchaser acknowledges and agrees that any delivery dates quoted by IMP for delivery of the Products are approximate only and will not be binding upon IMP
- 4.3. Goods shall be deemed to have been delivered to the Customer at the time the Goods leave IMP's premises.
- 4.4. For product that is being delivered direct from our alliance company to your facility, unless otherwise agreed, delivery of the product is deemed to have occurred the day that the product leaves the shipping port
- 4.5. For product supplied by our overseas alliance companies, delivery dates are an estimate only. IMP is using the best information that we have at the time of Acknowledging the order to provide an accurate date the goods will arrive at your premises.
- 4.6. IMP accepts no liability for any consequence arising from a late delivery of an order.
- 4.7. Customers have the right to use a preferred courier where additional handling charges may apply.

5. Cancellation of Orders

IMP reserve the right to invoice on the original scheduled date, any work undertaken, (including documentation) components or material purchased or committed to prior to cancellation or delayed delivery of an order.

6. Payment Terms and Conditions

Unless agreed to in writing otherwise, terms strictly 30 days from the end of the month in which the goods are purchased by the Customer with an approved account application.

If you do not have an account credit facility then you must pay for the products upon placement of a purchase order with the following options available for payment:

Credit Card

This is the quickest way to get an order underway. The only credit cards that we will currently accept are Visa, MasterCard and AMEX. The details required to use this option are the card type, the card number, the name on the card and the expiry date. When the boards have been despatched the card will then be charged.

Note that a surcharge applies to credit card payments at the following rate:

Visa, MasterCard & AMEX: 1.80%

Cheque

A bank cheque can be posted to IMP's P.O. Box address or payment can be made in person. As soon as the cheque has been received the order will then be processed. Products will not be despatched until cheques have been cleared.

Direct Deposit

Payment can be made into IMP's nominated bank account through either electronic transfer or directly depositing the funds at any local branch. If the payment is done electronically and the order is urgent, then IMP will require a copy of the bank receipt to be faxed or e-mailed before the order can be processed. If the order is not urgent then it will be processed upon receipt of our bank statement. Bank details are:

AUD

Bank: ANZ
Branch: 151 Glynburn Rd,
Firle SA 5070
BSB: 015237
Account No.:216325162

USD

Bank: ANZ
IMP Electronics Solutions Pty Ltd
BSB: 013033
Account No.: 460451USD00001
Swift Code: ANZBAU3MXXX

Account Application

An account application can be sent via fax or e-mail that will require all the relevant details to be filled out and returned back to IMP. Typically an account application will take 5-7 working days to process, however this may be delayed by a number of factors eg waiting on responses from referees. Should this option be selected then no purchase orders can be processed until the application has been cleared by Accounts Department. An application can still be processed at the same time as selecting one of the faster options if an order is urgent. Once approved, the credit facility with IMP will remain in the name stated by you on your application for credit facilities. Any changes to the credit facility must be requested in writing. Any changes to your business including structure, management or position or any other matter that may affect your credit status, you must inform IMP in writing within 48 hours.

Overdue Accounts

Interest may be charged on overdue accounts. If interest is to be charged it will be calculated daily from the date of the relevant invoice and up to and including the date of payment in full and will be based on the National Australia Bank's published overdraft rate from time to time plus 2%. Such interest will be compounding.

7. Ownership of Goods and Risk

Risk

Risk in the Goods will pass to the Customer upon collection of the Goods by the Customer or by any carrier commissioned by the Customer, or upon delivery to the Customer by any other means.

Ownership of Goods

- 7.1. Ownership of the Goods supplied by IMP will pass to the Customer only when full payment of the Purchase Price has been received by IMP (each item being considered separately).
- 7.2. For the purposes of this clause:
 - if the Purchase Price is paid by instalments, payment in full will only have been received when the final instalment has been received by IMP; and
 - if the Purchase Price or any part of it is paid by personal cheque, payment will only have been received by IMP upon clearance of that cheque.
- 7.3. Until payment in full of the Purchase Price:
 - IMP retains full legal title to the Goods;
 - the relationship between IMP and the Customer is a fiduciary relationship;
 - the Customer will hold the Goods as bailee for IMP; and
 - the Customer will ensure that the Goods are adequately separated from other goods so that they are clearly identifiable as the property of IMP.

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- 7.4. If, before payment in full of the Purchase Price:
- 7.4.1. the Customer seeks to take advantage of any law relating to insolvent companies or bankrupts;
 - 7.4.2. the Customer commits any act of insolvency or any proceedings relating to the insolvency of the Customer are pending or have arisen;
 - 7.4.3. an application to appoint a receiver of the Customer has been made;
 - 7.4.4. a receiver of the Customer has been appointed;
 - 7.4.5. the Due Date for payment of the Purchase Price has passed;
 - 7.4.6. the Customer has dealt with the Goods otherwise than in accordance with this Agreement; or
 - 7.4.7. the Customer does not comply with any condition contained in this Agreement
 - 7.4.8. then IMP may recover, or recover and sell, the Goods and IMP, or its authorised agent, is authorised to enter any premises where the Goods may be kept during business hours for this purpose. If IMP or its authorised agent is refused entry by reason of locked premises they may use reasonable force as may be required to gain entrance to those premises for the purpose of recovering the Goods. The right of IMP to recover, or recover and sell, the Goods is without prejudice to any other rights IMP may have against the Customer.
- 7.5. The Customer must notify IMP promptly if any of the events set out in clause 7.4 occur.

8. Force Majeure

IMP will not be in default or breach of any contract for failure to perform or any delay in performing any of its obligations as a result of force majeure event, including war, flood, fire, explosion, blacklisting, boycott or sanctions however incurred, civil commotion, strike, lockout, industrial dispute or other differences with workpersons, shortage of utility, facility, material or labour, freight embargo, transportation delay, breakdown or accident, act of terrorism, act of God, customs and governmental regulation or direction or any other cause beyond our reasonable control.

9. Liability

- 9.1. In the event that the supply of the Goods constitutes a supply of goods to a consumer as defined in the Trade Practices Act, 1974, then the liability of IMP for loss will at the election of IMP be limited to:
- 9.1.1. the replacement of the Goods or the supply of equivalent goods; or
 - 9.1.2. the refund of the Purchase Price
- 9.2. IMP accepts no liability for any consequential expenses incurred by a client as a result of a warranty claim.
- 9.3. IMP accepts no liability for the inappropriate treatment or poor handling of product after it has left our premises.

10. Indemnity

The Customer will indemnify and keep indemnified IMP against all loss suffered or incurred by IMP arising out of or in any manner connected with the use of the Goods which is caused by the negligent or willful act or omission of the Customer or its employees, agents or contractors.

11. Warranty

- 11.1. In the event that any Product manufactured by IMP's alliance companies is found to be faulty, IMP will use its reasonable endeavours to claim the benefit of any warranty it enjoys in relation to the faulty Product and pass such benefit onto The Customer. Such action will be the sole remedy available to The Customer in respect of any Products found to be defective Products.
- 11.2. The Customer acknowledges and agrees that IMP shall be under no obligation pursuant to clause 11.1 where the fault in any Product manufactured by IMP's alliance companies results from:
- 11.2.1. any faults in the Products caused by the Specifications provided by The Customer;
 - 11.2.2. any misuse or mishandling of the Products by The Customer; or
 - 11.2.3. any damage or faults due to the assembly of the Products together with other products or components by The Customer.
- 11.3. The Customer must notify IMP of a warranty claim under clause 11.1. Upon return of a Product to IMP at The Customer's expense, IMP will, within 15 Business Days, assess the returned

Product. If, in the reasonable opinion of IMP, the Product fails in a material respect to conform to the Specifications for that Product, IMP shall replace or repair at IMP discretion that Product, return the Product to The Customer, and reimburse The Customer for The Customer's reasonable costs of returning the Product to IMP. If, following assessment, IMP determines that the returned Product conforms with the Specifications for that Product in all material respects, the Customer must pay to IMP, and agrees to indemnify IMP against, all costs and expenses incurred by IMP in assessing and testing the Product.

- 11.4. Except to the extent that IMP is prevented by law from limiting its liability for such loss and except for any warranty expressly given in writing to the Customer, IMP warranty shall be limited to rectification of faulty workmanship. Components and other materials used in the manufacture of products are covered by, and limited to, any warranty provided by the original manufacturer.
- 11.5. Product that fails due to its application beyond the limit of the standard specifications shall not be covered under any warranty.
- 11.6. Any goods the subject of a warranty claim must be returned to IMP unless otherwise specified in writing by IMP.
- 11.7. IMP gives no warranty in relation to the suitability or performance of the goods for the end user's application.
- 11.8. Costs incurred by IMP to rectify products that are not attributable to faulty workmanship or material will be at the customer's expense.

12. Jurisdiction

Notwithstanding any implication of law to the contrary, all contracts between the Customer and IMP shall be deemed to be made and construed and to be enforceable in and according to the laws of the State of South Australia and by mutual consent to be subject to the jurisdiction of the Courts of that State.

13. No Obligations to Supply

Nothing in this Agreement imposes any obligation on IMP to supply Goods to the Customer either on credit or otherwise.

14. Variation

IMP may vary these Terms and Conditions of Sale at any time by notice to the Customer.