

TERMS AND CONDITIONS

- 1. APPLICABLE LAW.** The definitions of terms used, interpretation of this purchase order, and rights of parties hereto shall be construed under and governed by the laws of the State of Texas.
- 2. ACCEPTANCE.** If this purchase order is an offer, Seller's acceptance of this purchase order shall be on, and expressly limited to, the terms and conditions hereof. If this purchase order is an acceptance of an offer, acceptance is expressly made conditional on Seller's assent to the terms and conditions of this purchase order. Shipment of any goods covered hereunder shall constitute acceptance or assent. Seller may not ship under reservation. None of Seller's terms and conditions of sale contained in any quotation, acknowledgment, invoice, acceptance of this purchase order or any other document shall apply.
- 3. TERMINATION AT BUYER'S OPTION.** Should Buyer's need for the goods or services to be supplied hereunder be reduced or eliminated, Buyer may terminate this purchase order in whole or in part. If Seller is unable to make other disposition of the goods, Buyer shall pay Seller the reasonable value of the work performed by Seller in respect of such goods up to the time of written notification of termination by Buyer, Buyer's liability under this paragraph shall never exceed the aggregate price specified in this purchase order.
- 4. PACKAGING AND SHIPPING INSTRUCTIONS.** All goods shall be suitably packed and properly marked (including notice of hazardous substances) or otherwise prepared for shipment so as to secure the lowest transportation rates and to meet carrier's requirements. No charge will be allowed for packing, crating or carriage unless stated herein. Unless otherwise directed by Buyer, all surface shipments shall be declared at the lowest release valuation allowed by the carrier. If this purchase order states that Buyer is responsible for freight charges, the Seller shall ship per instructions on the purchase order, unless directed otherwise on a separate document from the Buyer. Data on packing list delivered with the goods must include: Seller name and address, Buyer ship to address, Buyer purchase order number and purchase order line number, Part Number for all goods, no pricing or cost information, item description, quantity shipped, serial number if applicable, shelf life, date of manufacture and expiration date, manufacture batch or LOT number and hazardous UN number if applicable. Manufacturer's certification must be provided. This information will certify that the goods were manufactured in accordance with the drawings & specifications approved by the manufacturer. If the product being purchased is FAA approved, the certificate should state that the part was manufactured in accordance with applicable FAR's (FAR 21.1 – Commercial, FAR 21.121 – PC, FAR 21.303 – PMA, FAR 21.601 – TSOA). If the goods being purchased are a MIL Spec item, the MIL Spec should be referenced. If commercial type item, the certification will state that the goods being furnished are being supplied in accordance with the manufacturer's procedures. The certification statement must be signed and may be at the bottom of the packing list. A standard certification can be on a separate page that is referenced back to the packing list. All handwritten data must be initialed and dated by the person doing the writing.
- 5. RISK OF LOSS.** Risk of loss of goods purchased hereunder shall be borne by Seller until the goods are delivered FCA (Incoterms 2010) at the point specified in this purchase order or, if no point is given, until delivery to Buyer, at Buyer's facility. Notwithstanding the above, if the goods purchased are explosive, flammable, toxic or otherwise hazardous, Seller shall hold Buyer harmless against all claims asserted against Buyer for any personal or property damage caused by such goods or by the transportation thereof before unloading at Buyer's plant or warehouse.
- 6. DELIVERY.** Time is of the essence hereof. If any goods are not delivered within the time specified in this purchase order, Buyer, in addition to other remedies provided by the laws in place in the United States or Australia (as applicable), may either (i) refuse to accept such goods and cancel this purchase order without penalty or cost or (ii) cause Seller to ship the goods by the most expeditious means of transportation, with any additional transportation charges for Seller's account. However, Seller shall not be liable for delays in delivery or failure to manufacture or deliver due to acts of God, acts of civil or military authorities, Governmental priorities, fires, strikes, floods, epidemics, war or riot, provided that the cause for such delay is reported in writing to Buyer within seven (7) days from the time commencement of such delay. Seller shall not deliver goods more than two weeks prior to the scheduled delivery date unless authorized in writing by Buyer.
- 7. INSPECTION.** All goods ordered shall be subject to inspection and approval at destination by Buyer or its duly authorized representative after delivery to Buyer's facility. Payment for any goods or services shall not be deemed acceptance thereof or waiver of any right to test or inspect such goods or services.
- 8. INVOICES.** SELLER MUST PROVIDE TO BUYER A COMMERCIAL INVOICE PRIOR TO SHIPMENT OF THE GOODS PURCHASED HEREUNDER, WHICH CONTAINS SUCH INFORMATION AS IS REQUIRED BY BUYER INCLUDING (A) NAME AND ADDRESS OF BUYER AND SELLER, (B) BUYER'S PURCHASE ORDER NUMBER, (C) DATE OF INVOICE, (D) ITEM NUMBERS, (E) COMPLETE AND CLEAR DESCRIPTION OF GOODS OR SERVICES, (F) SIZES, (G) QUANTITIES, (H) UNIT PRICES AND FINAL PRICE, (I) CURRENCY, (J) SHIPPING DATES, (K) INCOTERM, (L) COUNTRY OF ORIGIN, AND (M) IF APPLICABLE, TIME AND MATERIAL CHARGES AND SUBCONTRACT CHARGES.
- 9. PRICE OFFSET.** Any price decrease announced by Seller for the same or similar goods or services shall automatically reduce the price of the goods or services purchased hereunder by a comparable amount or percentage. Buyer shall have the right (but no duty) to withhold monies payable by it hereunder and apply them to the payment of any obligation of Seller to Buyer or any other part arising in any manner out of this purchase order.
- 10. WARRANTIES.** Seller warrants that (a) all goods and services purchased under this purchase order when delivered will be merchantable and free from defects in workmanship or material, will conform strictly to the specifications, drawings, samples, or other descriptions specified or furnished with this purchase order and will be fit for their ordinary intended purposes and any special purpose specified by Buyer; (b) it has good title to the goods free from all encumbrances; (c) the goods, if produced in the United States, were or will be produced in compliance with the Fair Labor Standards Act of 1938, as amended; (d) for any goods that have a shelf life, such goods will have at least (i) 80% of its shelf life or (ii) two (2) years of shelf life remaining at the time of shipment, as applicable. The warranties set forth herein are in addition to and not in limitation of all expressed or implied warranties of Seller and all warranties provided by the laws of the United States or Australia (as applicable).
- 11. REMEDIES.** With respect to defective or rejected goods (a) Buyer may return such goods to Seller, at Seller's risk, for credit, and Seller shall pay Buyer for all packing, handling, and transportation expenses, or (b) Seller shall pay Buyer promptly for expenses incurred in remedying the defective or nonconforming goods, or (c) Seller, at its expense, shall, upon notification from Buyer, expeditiously replace any defective or rejected goods. The remedies provided in this paragraph are in addition to and not in limitation of all other remedies provided by agreement with Seller or by law.
- 12. INDEMNITY.** Seller shall indemnify Buyer and anyone buying or using any of the goods or services sold to Buyer or any party to which Buyer provides services, and shall defend and hold each of them harmless against all losses, liabilities, damages, costs, and expenses arising from (a) infringement or alleged infringement of any United States, Australian or foreign patent, copyright or other intellectual property right with respect to any of the goods delivered hereunder or their use, (b) claims made by reason of injury or death to person or damage to property suffered or claimed to have been suffered by any entity or person caused by or alleged to have been caused by defective goods furnished hereunder or by any act or omission, negligent or otherwise, of Seller or any subcontractor of Seller or any of their employees, workmen, servants, or agents, any customer of Buyer or any other third party, (c) labor or material liens arising out of or on account of the goods or their use or of any work performed by Seller or any subcontractor of Seller, (d) claims by any third party for any fee, commission or other compensation for services performed or allegedly performed on behalf of Seller in connection with this purchase order, and (e) fines and civil or criminal penalties arising out of the manufacture or delivery or performance by Seller of goods or services hereunder. The negligence of Buyer, its customers or third parties shall not mitigate or otherwise invalidate Seller's liability under this paragraph. Promptly on Buyer's request, Sellers shall pay all such losses, liabilities, damages, costs and expenses and all costs and expenses including without limitation reasonable attorney's fees for any claim, demand, suit, action, proceeding, litigation, or settlement relating thereto.
- 13. INSURANCE:** If this purchase order requires the performance of work on Buyer's property or on the property of a third party, Seller shall provide, at its sole expense, public liability and property damage insurance in amounts satisfactory to Buyer. Seller shall also carry, at its sole expense, automobile liability insurance, including automobile, non-ownership liability insurance for all liabilities arising out of injury, death, or destruction of property for all automobiles owned or hired by Seller and comprehensive general liability insurance including contractual liability insurance (broad or intermediate form), manufacturer's and contractor's liability insurance and completed operations and product-liability insurance all in amounts satisfactory to Buyer. Before starting work hereunder, Seller shall furnish Buyer certificates of such insurance, which shall be with companies and in form satisfactory to Buyer. The certificates shall provide that thirty (30) days prior written notice must be given to Buyer before cancellation of or material change in the coverage.
- 14. SAFETY STANDARDS.** Seller warrants that the goods sold and services performed under this purchase order comply or will comply with the United States Occupational Safety and Health Act of 1970 (OSHA) as amended, applicable Australian occupational health and safety legislation, and all applicable, regulations, rulings, orders, and standards promulgated such United States and Australian legislation. Failure to comply with Buyer's safety standards or with OSHA or applicable Australian occupational health and safety legislation will be cause for termination of this purchase order. No advice or warning about safety measures given by Buyer shall be construed to relieve Seller of its liability as an independent contractor. Seller shall immediately notify Buyer in writing of any condition or work practice on Buyer's premises that Seller believes may expose its employees, workmen, servants, or agents to a hazardous condition or work practice.
- 15. PROOF OF PAYMENT.** Seller shall furnish affidavits and instruments in form and substance satisfactory to Buyer, certifying that payment has been made for all labor, materials and services furnished in the performance or filling of this purchase order and Buyer may withhold payment without liability to Seller until Buyer receives such certifications.
- 16. TOOLS, DRAWINGS, MATERIALS, ETC.** Seller shall use all designs, tools, jigs, patterns, drawings, information, equipment, and other items ("items") furnished by Buyer only in the production of the goods or performance of services called for herein. Buyer makes no warranty, express or implied, concerning the accuracy of any of the items it furnishes. All work must be in strict accordance with specifications, regardless of any deficiency in items supplied by Buyer. Title to all items furnished shall remain in Buyer, and upon completion or termination of this purchase order all items shall be returned to Buyer or disposed of in accordance with Buyer's directions. Seller shall assume all risk of loss of the items or damage to persons or property (including to the items) resulting in any way from Seller's possession or use of the items, and Seller agrees to hold Buyer harmless from all claims due to injury or damage to any person or property resulting directly or indirectly from the Items or use thereof.
- 17. EQUAL EMPLOYMENT OPPORTUNITY.** Where applicable under the provisions of the following orders and statutes, Seller agrees to comply with Executive Order No. 11246, dated September 24, 1955, as amended by Executive Order No. 11375, dated October 13, 1967, and all administrative regulations issued pursuant thereto. The said Executive Order is incorporated herein by reference and Seller agrees to be bound by paragraphs (1) through (7) of Section 209 thereof. Further, by entering into this contractual agreement, Seller certifies that it does not maintain any segregated facilities for its employees and that it will not permit its employees to perform services at any other location where segregated facilities are maintained. In addition, where applicable, Seller also agrees to be bound by Executive Order 11598 and the rules and regulations promulgated thereunder relating to the listing of job openings with state employment systems where openings occur. Further, where applicable, Seller agrees to comply with the provisions of the Vocational Rehabilitation Act of 1973 and provisions of the equal opportunity clauses entitled "Affirmative Action for Handicapped Workers" set forth in Section 60-741.4 of Title 41, Chapter 60 of the U.S. Code of Federal Regulations, as in effect on the date of this purchase order, and such provision is incorporated herein by reference. Further,

where applicable, the Seller agrees to comply with the provisions of the Vietnam Era Veterans Readjustment Assistance Act of 1974 and specifically the contract clause entitled "Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era" set forth at Section 60-250.4 of Title 41, Chapter 60 of the U.S. Code of Federal Regulations as in effect on the date of this purchase order, and such provision is incorporated herein by reference. **Also, where applicable, Seller and any subcontractor shall abide by the requirements of 41 CFR 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.** Where the term "contractor" is used in any of the above-incorporated provisions it shall be taken to mean "Seller". Further, where applicable, the Seller agrees to comply with comparable Australian legislation.

18. **ASSIGNMENT AND SUBCONTRACTING.** Seller shall not delegate any duty or assign this purchase order in whole or in part nor make any subcontract for furnishing goods or services hereunder nor assign any claim arising or sum payable hereunder without the prior written consent of Buyer. Any attempted delegation, subcontract or assignment shall be void.
19. **MODIFICATION.** No modification of this purchase order shall be binding on Buyer unless in writing and signed by Buyer or its agent. Usage of trade, course of performance, and course of dealing cannot supplement or modify the written terms of this purchase order. Buyer reserves the right and Seller agrees to accept reasonable changes to this purchase order, including changes as to packing, testing destinations, specifications, designs, and delivery schedules, but changes shall be authorized only by Buyer's written release order. Buyer's (a) failure to insist on strict performance of any term or condition hereof or (b) failure or delay to exercise any right or remedy provided herein or by law or properly to notify Seller in the event of breach or (c) acceptance of or payment for goods hereunder or (d) approval of any design shall not release Seller from any of the warranties or obligations of this purchase order and shall not be deemed a waiver of any right of Buyer to insist upon strict performance hereof or of any of its rights or remedies as to any prior or subsequent default hereunder nor shall any purported oral modification or rescission of this purchase order by Buyer operate as a waiver of any term or condition hereof.
20. **GENERAL.** If there is an express conflict between the terms of this purchase order and the provisions of any current written agreement signed by both Seller and Buyer, the provisions of the agreement shall control. In the performance of work hereunder, Seller and its sub-contractors shall comply with all applicable United States and Australian federal, state and local laws and rules and regulations and shall furnish evidence of such compliance as required by Buyer. Nothing in this purchase order or any acceptance hereof shall constitute Seller or any of its officers, directors, or employee's as Buyer's agent, legal representative or employee.
21. **CONDITIONS APPLICABLE ONLY IF THIS PURCHASE ORDER IS PLACED UNDER GOVERNMENT CONTRACTS OR SUBCONTRACTS.** If this purchase order is placed pursuant to a United States Government prime contract or subcontract referenced by a number or otherwise in this purchase order, Seller must comply with all FAR or DFAR flow down clauses deemed necessary or advisable by Buyer including, but not limited to, the following mandatory flow down clauses for commercial items set forth in FAR 52.212-5(e)(1) and DFARS 252.244-7000 are effective as applicable to this Contract:

| | |
|---|--|
| FAR 52.203-6 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT ALTERNATE I (OCT 1995) | FAR 52.222-50 COMBATTING TRAFFICKING IN PERSONS (MAR 2015) (22 U.S.C. CHAPTER 78 AND E.O. 13627) |
| FAR 52.203-13 CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT (APR 2010) (41 U.S.C. 3509) | FAR 52.222-51 EXEMPTION FROM APPLICATION OF THE SERVICE CONTRACT LABOR STANDARDS TO CONTRACTS FOR CERTAIN SERVICES REQUIREMENTS (MAY 2014) (41 U.S.C. CHAPTER 67) |
| FAR 52.204-7 and FAR 52.204-8(d), as applicable | FAR 52.222-53 EXEMPTION FROM APPLICATION OF THE SERVICE CONTRACT LABOR STANDARDS TO CONTRACTS FOR MAINTENANCE, CALIBRATION, OR REPAIR OF CERTAIN EQUIPMENT REQUIREMENTS (MAY 2014) (41 U.S.C. CHAPTER 67) |
| FAR 52.204-10 REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS (JUL 2013) | FAR 52.222-54 EMPLOYMENT ELIGIBILITY VERIFICATION (AUG 2013) (ONLY APPLICABLE TO NON-COMMERCIAL ITEMS) |
| FAR 52.211-15 DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS (APR 2008) (REQUIRED IN ALL RATED CONTRACTS) | FAR 52.222-55 MINIMUM WAGES UNDER EXECUTIVE ORDER 13658 (DEC 2014) (E.O. 13658) |
| FAR 52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS (MAY 2014) (15 U.S.C. 637(d)(2) and (3))(ONLY IF SUBCONTRACT EXCEEDS \$650,000, UNLESS SUB IS A SMALL BUSINESS) | FAR 52.223-18 CONTRACTOR POLICY TO BAN TEXT MESSAGING WHILE DRIVING |
| FAR 52.222-17, NONDISPLACEMENT OF QUALIFIED WORKERS (May 2014) (E.O. 13495). Flow down required in accordance with paragraph (1) of FAR clause 52.222-17. | FAR 52.225-26 CONTRACTORS PERFORMING PRIVATE SECURITY FUNCTIONS OUTSIDE THE UNITED STATES (JUL 2013) (SECTION 862, as amended, of the NDAA for Fiscal Year 2008; 10 U.S.C. 2302 Note) |
| FAR 52.222-21 PROHIBITION OF SEGREGATED FACILITIES (APR 2015) | FAR 52.226-6 PROMOTING EXCESS FOOD DONATION TO NONPROFIT ORGANIZATIONS (MAY 2014) (42 U.S.C. 1792). Flow down required in accordance with paragraph € of FAR clause 52.226-6. |
| FAR 52.222-26 EQUAL OPPORTUNITY (APR 2015) (E.O. 11246) | FAR 52.247-64 PREFERENCE FOR PRIVATELY OWNED US-FLAG COMMERCIAL VESSELS (FEB 2006) (46 U.S.C. appx 1241(b) and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause 52.247-64. |
| FAR 52.222-35 EQUAL OPPORTUNITY FOR VETERANS (JUL 2014) (38 U.S.C. 4212) | DFAR 252.204-7012 SAFEGUARDING OF UNCLASSIFIED CONTROLLED TECHNICAL INFORMATION (DEC 2015) |
| FAR 52.222-36 EQUAL OPPORTUNITY FOR WORKERS WITH DISABILITIES (JUL 2014) (29 U.S.C. 793) | DFAR 252.225-7009 RESTRICTION ON ACQUISITION OF CERTAIN ARTICLES CONTAINING SPECIALTY METALS (OCT 2014) |
| FAR 52.222-37 EMPLOYMENT REPORTS ON VETERANS (JUL 2014) (38 U.S.C. 4212) | DFAR 252.225-7012 PREFERENCE FOR CERTAIN DOMESTIC COMMODITIES (FEB 2013) |
| FAR 52.222-40 NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NATIONAL LABOR RELATIONS ACT (DEC 2010) (E.O. 13496) Flow down required in accordance with paragraph (f) of FAR clause 52.222-40. | DFAR 252.244-7000 SUBCONTRACTS FOR COMMERCIAL ITEMS (JUN 2013) |
| FAR 52.222-41 SERVICE CONTRACT LABOR STANDARDS (MAY 2014) (41 U.S.C. CHAPTER 67) | DFAR 252.246-7007 CONTRACTOR CONTERFEIT PART DETECTION AND AVOIDANCE SYSTEM (MAY 2014) |

22. **REQUIREMENTS (HARDWARE GOODS).** With each shipment of aviation hardware goods to Buyer pursuant to the purchase order, Seller must furnish a written certificate that such goods conform to all applicable published specifications for the goods established by the manufacturer(s) thereof in effect as of the date of sale to Buyer. In addition, each of such goods must be manufactured in the United States unless specifically exempted in advance by the Buyer, and packed in a sealed container on which is plainly marked with this purchase order number, the manufacturer, the manufacturer's lot number, the quantity and cure date (if applicable). Upon request by Buyer, Seller must furnish Buyer all test reports for the goods, which are required by law, applicable specifications, and good industry practice.
23. **REQUIREMENTS (HARDWARE AND NONHARDWARE GOODS):** Upon the sale of each of the goods, and per part number, Seller must provide to Buyer all U.S., and Non U.S. export and import classifications upon receipt of Buyer, to include, but not limited to:
- 1) **Export Control Commodity Classification Number (ECCN) for all goods controlled for export by the U.S Department of Commerce, Bureau of Industry and Security, Export Administration Regulations (15 CFR Part 700 et. seq.) or United States Munitions List (USML) Classification for all items controlled for export by the U.S. Department of State, Directorate of Defense Trade Controls, International Traffic and Arms Regulations (22 CFR Part 120 – 130) or International equivalent,**
 - 2) **Harmonized Tariff Schedule Code (HTS) and Schedule B number, (see 19 CFR and 15 CFR Part 30 et. seq. respectively), and**
 - 3) **Country of Origin Certification (see 19 CFR Parts 134 and 102) or International equivalent.**
24. **REQUIREMENTS (HAZARDOUS MATERIALS).** If material is considered hazardous as defined by EPA, OSHA, DOT, or any other local, state, federal or foreign regulation, Seller must provide a Material Safety Data Sheet, along with the United Nations Hazardous Material Code (see 49 CFR 100 et., seq.) before or with the shipment. Seller is responsible for providing an updated or changed Material Safety Data Sheet prior to first shipment of applicable material. If the goods include explosives, as defined by the Bureau of Alcohol Tobacco and Firearms, U.S. Department of Treasury (see 27 CFR et. seq.), Seller must provide Buyer with an ATF Exemption Letter prior to shipment.
25. **RIGHT OF ACCESS.** Seller and its subcontractors shall provide right of access to Buyer, its customers and regulatory authorities to all facilities involved in the manufacture or supply of the goods or services ordered hereunder and to all records of Seller or its subcontractors applicable thereto.

26. **NON-CONFORMING GOODS.** Seller shall notify Buyer of non-conforming goods that it discovers during the fulfillment of this purchase order and arrange with Buyer in advance of shipment for Buyer's express approval of supplier/maker non-conforming goods before any such goods are shipped to Buyer.
27. **FLOW DOWN OF NOTED REQUIREMENTS.** Seller shall pass on to its subcontractors and agents any specific requirements for the goods or services ordered hereunder that are noted on the front of this purchase order.
28. **REPRESENTATION REGARDING STATUS.** Seller represents and warrants that it is not, and will not be at any time during the performance of this purchase order, listed or named on, or affiliated with a party listed or named on, the "Excluded Parties List System" or "EPLS," as described in the Federal Acquisition Regulations (currently Section 9.404). In the event of a violation of this representation, without limiting its other rights and remedies, Buyer reserves the right to terminate this purchase order without penalty. As of the date of sale to Buyer, Seller shall immediately advise Buyer's purchasing representative in writing if Seller is unable to make any warranty or representative set forth above for any goods covered by this purchase order. The Seller agrees not to ship such goods to Buyer unless instructed to do so in writing by Buyer's purchasing representative.
29. **TRANSPORTATION.** Seller agrees to use Supply Chain Security Program certified carriers, local cartage companies and others involved with the transport and handling of Buyer's shipments. In the absence of Supply Chain Security Program certified transport and handling providers, Seller may use companies that have agreed in writing to follow Supply Chain Security Program guidelines and will promptly notify Buyer of such usage. If no certified transport and handling providers or companies that have agreed to follow the Supply Chain Security Program guidelines are available to move Buyer's shipments, Seller will contact Buyer's Global Logistics representatives immediately for direction.
30. **COUNTERFEIT PARTS.** Seller is hereby notified that the delivery of counterfeit parts is of special concern to Buyer. Seller shall not deliver counterfeit parts to Buyer under this purchase order. Seller shall only purchase goods to be delivered to Buyer from the Original Component Manufacturer (OCM), or the Original Equipment Manufacturer (OEM), or through the OCM/OEM authorized distributor chain. Parts shall not be acquired from independent distributors or brokers unless approved in advance in writing by Buyer. Regardless of the source of procurement, Seller must provide OCM/OEM documentation that authenticates traceability of the part to the applicable OCM/OEM.
- 1) If suspect or counterfeit parts are furnished under this purchase order or are found in any of the goods delivered hereunder, such part shall be impounded by Buyer. Seller shall, at its own expense, promptly replace such counterfeit parts with parts acceptable to the Buyer and Seller shall be liable for all costs related to the removal and replacement of said parts. The remedies contained in this paragraph are in addition to any remedies Buyer may have at law, equity or under other provisions of this purchase order.
 - 2) Seller shall include this clause or equivalent provisions in lower tier subcontracts for the delivery of goods that will be included in or furnished to Buyer under this purchase order.
31. **PERSONAL PROPERTY SECURITIES REGIME**
- 1) **DEFINITIONS**
For the purposes of this purchase order section 311, the following definitions apply:
"Buyer Property" means all goods and/or property in which Buyer has an interest under the terms of the Transaction Documents or a Security Interest for the purposes of the PPS Law;
"PPSA" means the *Personal Property Securities Act 2009* (Commonwealth of Australia);
"PPS Law" means the PPSA and any amendment made at any time to any other law as a consequence of the PPSA;
"Security Interest" has the meaning given to that term in section 12 of the PPSA;
"Transaction" means any transaction contemplated by or in connection with any "Transaction Document"; and
"Transaction Document" means: (i) this purchase order, (ii) any document or agreement that the Parties agree in writing is to be a transaction document for the purposes of this purchase order; (iii) any document or written agreement that is entered into under any of the above; and (iv) any written undertaking by or to a party or its lawyers that is given under or related to any of the above.
 - 2) **PPSA FURTHER STEPS**
If in Buyer's opinion: (i) any Transaction Document contains or any of the Transactions create a Security Interest for the purposes of the PPS Law; or (ii) the PPS Law does or could affect Buyer's rights or obligations under or in connection with any Transaction Document (each a "PPSA Event"), Buyer may, at its discretion, do any of the following: (iii) register or give any notification in connection with any relevant Security Interest and exercise rights in connection with the Security Interest; and (iv) give notice to Seller requiring it to do anything at Seller's expense that Buyer requires for the purposes of the relevant PPSA Event including, but not limited to, amending any Transaction Document, executing any new document or agreement, obtaining consents and supplying information. Seller must comply with any notice received pursuant to this purchase order section 31(2) within the time stipulated in the notice.
 - 3) **RIGHT TO TERMINATE**
If: (i) any action referred to in this purchase order section 31(2) is not taken to Buyer's satisfaction; or (ii) despite such action, Buyer determines that its rights or obligations under or in connection with the Transactions or any Transaction Document have been or will be materially adversely affected, then Buyer may give notice to Seller terminating all or any part of the Transaction Documents or any other document in connection with the Transactions and requiring: (iii) full repayment of all outstanding monies; and (iv) the return of all Buyer Property within the control of Seller within 30 days after the date of notification.
 - 4) **GENERAL**
Seller irrevocably and unconditionally waives its right to receive from Buyer any notice under the PPS Law (including notice of a Verification Statement) unless required by the PPS Law and if the notice cannot be excluded. Seller must not register a Security Interest against Buyer without its prior written consent. Seller must notify Buyer immediately of any change in its name, address, and any other information provided to Seller to enable Buyer to register a financing change statement under the PPS Law if required. The parties agree that the subject matter referred to in section 275(1) of the PPS Law is confidential and each party must not disclose any such information to a third party. Seller is responsible for the costs of complying with this purchase order section 31(4).
 - 5) **CONTRACTING OUT**
The following provisions of the PPS Law do not apply and, for the purposes of section 115 of the PPSA are "contracted out" of these terms, namely sections 95, 96, 121(4), 125, 130, 132(3) (d), 132(4), 135, 142 and 143. The Parties agree that Buyer has the power to retain, deal with or dispose of any property seized by it in the manner specified in sections 123, 125, 126, 128, 129 and 134(1) of the PPS Law and in any other manner it deems fit.
32. **AUSTRALIAN GOODS AND SERVICES TAX**
- 1) For the purposes of this purchase order section 32, terms used have the meaning given to them by the *A New Tax System (Goods and Services) Act 1999* (Commonwealth of Australia). The term "GST" refers to the Australian Goods and Services Tax.
 - 2) If the supplier of a supply made under or in connection with this purchase order is liable by law to pay GST on the supply, the consideration otherwise payable by the recipient of the supply will be increased by an amount equal to the GST paid or payable by the supplier.
 - 3) If this purchase order requires a party to pay for, reimburse or contribute to any expense, loss or outgoing ("Reimbursable Expense") suffered or incurred by another party, the amount required to be paid, reimbursed or contributed by the first party must be the sum of:
 - (i) The amount of the Reimbursable Expense net of input tax credit (if any) to which the other party is entitled in respect of the Reimbursable Expense; and
 - (ii) If the other party's recovery from the first Party is a taxable supply (being a supply to which GST has application), any GST payable in respect of that supply.
 - 4) Each party agrees to do all things, including providing a "Correctly Rendered Tax Invoice" and other documentation that may be necessary or desirable to enable or assist the party to claim any input tax credit, set-off, rebate or refund in relation to any amount of GST paid or payable in respect of any supply under this purchase order.
 - 5) Unless otherwise expressly stated, all prices and other sums payable or consideration to be provided under or in accordance with this purchase order agreement are exclusive of GST.
 - 6) For the purposes of this purchase order section 32, "Correctly Rendered Tax Invoice" means a Tax Invoice that: (i) is in accordance with the price or rates and any payment schedules set forth in this purchase order; (ii) includes the purchase order number; (iii) provides sufficient detail, including description and quantities of the goods or services to allow Buyer to obtain a clear understanding of the work that has been performed and to which the invoiced amount relate; (iv) the amount claimed in the invoice is due for payment; and (v) is delivered to Buyer at the address listed in this purchase order.