

1. GENERAL INFORMATION AND DEFINITIONS

1. In these General Conditions of Purchase (GCP) the below information and listed definitions are applicable:

1.1 The GCP shall apply to all PO's, SA's, offers, tenders and requests for the purchase of goods and/or services between Incos and the supplier

1.2 In case of any conflict with the supplier's sales conditions this GCP is leading

1.3 Notices and consents must be communicated by e-mail or in writing

Adverse Weather means any weather or climate condition which prevents and/or delay performance and/or is a safety hazard (and that is not a Force Majeure)

Confidential Information means any and all information, knowledge, know-how and other data etc. protected by Intellectual Property (IP) rights or are deemed confidential by mere nature

Days shall mean calendar days if not specified otherwise

Delivery means delivery of any goods and/or services and including documentation by the supplier to Incos at the place as stated in the PO or SA or otherwise agreed upon in writing

Defect means any defect of any kind to goods and/or services or being non-conformant to specifications, design life and/or intended service as stated in the PO, SA or not in compliance with this GCP

Documentation means all required (technical) documents and drawings for the goods and/or services to be of full value commercially

Goods means all products and/or materials including documentation purchased by Incos from a supplier

Incos means Incos Engineering Pty Ltd

Intellectual Property (IP) means all patents, copyright, design rights, trade names, trade secrets, (engineering) models and any other intellectual property (IP) of a similar nature

Purchase Price means the purchase price(s) as stated in the PO or SA for purchased goods and/or services

Party or Parties means Incos, the supplier and/or both.

Purchase Order (PO) means an order for goods and/or services by Incos

Scope of Supply means any goods and/or services to be supplied to Incos

Services means any workmanship or engineering services

Sub-Supplier means a sub-supplier to either the supplier or Incos

Supplier means the supplier stated on the PO from Incos

Supplier Agreement (SA) means a written agreement between Incos and the supplier and possible sub-suppliers thereof

Third Party means anyone or any company that is not a party to the PO or SA or a sub-supplier

Variation Order means a written request or PO by Incos to change the scope of supply

Warranty Period means any period where the supplier is warranting goods and/or services

2. ACCEPTANCE

2.1 Incos enters any purchase of goods and/or services by referencing the GCP in a PO, SA or other written communication. The supplier shall acknowledge acceptance or rejection of a PO by email within three (3) days of receipt. In case the Supplier does not send an acceptance or rejection of the PO within the 3-day period, Incos is entitled to cancel and terminate the PO without any liability for Incos. In the following circumstances the Supplier unconditional accepted the PO;

- a) the supplier commences performance in any manner
- b) sends an invoice
- c) accepts any payment in relation to the PO

2.2 In case the supplier uses (a) main sub-supplier(s), this must be approved by Incos if the sub-supplier is not stated in the PO or SA. The supplier remains fully responsible for goods and/or services from its sub-supplier(s) regardless

2.3 The following order of priority shall be applicable to documents in case of doubt, unclarity or doubt;

- a) Incos's SA
- b) Incos's PO
- c) Incos's GCP
- d) Supplier's order acknowledgement
- e) Other documents, including supplier's proposal or quote included as attachment to a SA or PO

3. QUALITY MANAGEMENT STANDARDS

3.1 The goods and/or services shall be supplied in accordance with any relevant law, directive, guideline and the highest applicable industry

standard as well as in accordance with any specified standard and/or specification agreed upon by the parties.

4. INSPECTIONS

4.1 The supplier and their sub-suppliers shall always grant access to Incos, relevant inspection authorities and Incos's end-customer for inspection of all relevant facilities

4.2 The supplier shall be solely responsible for rectification of any faults and/or any change, rejection or results from any inspection

4.3 Incos shall be entitled to reject goods and/or services or parts thereof not in conformity with the specifications or the inspection

4.4 Incos shall not be responsible for the result of any inspection and the supplier shall not be released from any obligation regardless of the result of any inspection

4.5 The supplier shall not be able to claim any rejection as a result of an inspection as being the cause for a delay of delivery, nor as the justification for price increases

5. TESTING

5.1 All necessary tests shall be performed by the supplier, unless otherwise agreed upon

5.2 Payment includes all compensation for all tests and documents related to the supply. Test shall be performed in accordance with best practices and industry standards as required and applicable

5.3 Any test can be performed regardless of whether Incos is represented at the test, provided Incos received a 5 working days prior written notice of the test

5.4 The supplier shall keep a written record of the test which shall be sent to Incos on request

5.5 If any test proves that the scope of supply is not in conformity with the PO, SA or otherwise, it's the supplier's responsibility to bring it back in compliance

6. DOCUMENTATION

6.1 All deliveries of goods and/or services shall be accompanied by the agreed documents, which shall as a minimum include:

- a) Delivery note with relevant details and Incos's PO number
- b) Documents, certificates, drawings, operating instructions, maintenance instructions, technical specifications as required
- c) MSDS / Hazardous goods certificates & handling procedure (if applicable)
- d) Certificate of origin for overseas suppliers

6.2 If the accompanying documentation is inadequate or incorrect, delivery shall be considered as being incomplete until documentation complies

6.3 All documentation becomes property of Incos at creation, delivery or upon payment, whichever comes first, and Incos can use free of charge the documentation as it sees fit

7. DELIVERIES AND PACKING

7.1 Latest INCOTERMS are applicable for delivery of goods and services

7.2 The supplier is responsible that the goods are packed, marked and labelled as per the highest (inter)national standards. Any loss or damage to the goods due to insufficient and/or inappropriate packing is the sole responsibility of the supplier

7.3 The supplier shall submit a delivery schedule or update of the schedule of the scope of supply when requested by Incos within 3 working days

7.4 The time of delivery is the date in the PO or SA or agreed upon date by the parties. Unspecified delivery date in PO or SA means as per supplier quoted delivery time or communicated with supplier in any other form

7.5 Goods supplied to Incos but not used and in the condition as supplied, within a reasonable time, can be returned to the supplier at the cost of Incos. Supplier will reimburse Incos the actual full value of the returned goods

8. DELAYS

8.1 The supplier shall immediately notify Incos in writing if it is unable to deliver (part of) the goods and/or services at the agreed time including reason for the delay as well as the date on which delayed delivery is expected to take place

8.2 In case a delay by supplier is not accepted by Incos in writing, Incos can at any time terminate deliveries or PO partially or in total

8.3 If delayed delivery date is not accepted by Incos in writing, the supplier shall pay delay liquidated damages for each day of delay from original delivery date as agreed upon between parties. Such delay liquidated

damages shall be 0.5% of the PO value for each calendar day of delay with a maximum of 15% of PO value

8.4 A notification of delayed delivery to Incos does not give the supplier the right to delay the time of delivery, unless the delay is due to a Force Majeure

8.5 Delay liquidated damages become due and payable instantly upon written demand of Incos

9. EXPORT CONTROL

9.1 Supplier is obliged to inform Incos about any applicable licence requirements for export or re-export for their goods as per Australian, European or USA export control law and customs regulations

9.2 The Harmonized Systems (HS) code shall be provided unless otherwise agreed upon

10. PAYMENT AND TRANSFER OF OWNERSHIP

10.1 Prior to delivery to Incos the supplier shall identify and document the goods as early as possible by marking and labelling the goods with Incos's name

10.2 Deliveries become Incos's property as soon as the goods have been delivered at Incos site or put at Incos's disposal, whichever comes first

10.3 Payment date of purchases are 35 days from end of month from delivery date unless the parties have agreed otherwise in writing

10.4 The currency used in the invoice shall be AUD or the currency specified in the PO

10.5 The purchase prices and any other PO amount shall be firm and not increase for any reason whatsoever

10.6 Incos shall be entitled to set-off any claim, including liquidated damages, money or otherwise against the supplier's outstanding amounts or by Incos owed amounts

10.7 The Tax Invoices shall be in English, sent to accounts@incos-e.com and require as a minimum:

- a) Incos's PO or SA reference number
- b) Incos's full name and address as per PO or SA
- c) Quantity and description of the scope of supply
- d) Taxes or charges on the supply, if any
- e) Full address of the supplier's bank account including IBAN/Swift code and ABN number
- f) any other information reasonably required to facilitate invoice approval and payment

10.8 The order amount, purchase price or any price includes all taxes including but not limited to withholding tax, GST/VAT, import and/or export duties. The supplier indemnifies Incos from any and all such tax or fiscal claims or losses

11. WARRANTY

11.1 The supplier warrants that the goods and/or services are:

- a) Compliant with the obligations and conditions specified in the PO or SA
- b) Are fit for the purpose for which they are intended according to specifications
- c) Are free from defects
- d) Are compliant / in conformity with best industry practices and quality standards
- e) Are in accordance with dimensions and weights stipulated

11.2 The supplier warranty period shall be 24 months from delivery or 18 months from installation or commissioning at end-user site, whichever is the latest

11.3 Goods that are repaired or replaced under warranty will be warranted for an additional 12 months from such replacement or repair (regardless if performed by 3rd party). The warranty period shall never be less than as per 12.2

11.4 In case of defect that supplier does not rectify within reasonable amount of time, Incos can use a 3rd party to rectify or repair the defect at supplier's cost. Remedies by a 3rd party do not release the supplier from the warranty herein

12. INSURANCE

12.1 The supplier shall have insurance cover including general, public and product liability, cover as per minimum liability limit of the relevant industry standard and laws for personal injury and damage to property respectively

12.2 The supplier shall provide relevant insurances proof on request by Incos

12.3 Incos is in no way responsible for and cannot be made liable under any circumstances for any claims related to the supplier's insurance covers

12.4 A mutual waiver of subrogation is agreed and accepted by either party and their respective insurance companies for offshore deliveries

13. FORCE MAJEURE

For purposes of this agreement, Force Majeure means any event which is beyond the control of a party, which is unforeseen, unavoidable and insurmountable, and which prevents total or partial performance by such party.

14. INTELLECTUAL PROPERTY (IP)

14.1 The PO includes a non-exclusive, irrevocable and worldwide licence to the supplier's goods and/or services related IP, if any, for the purpose of fulfilling any part of a PO or SA or this GCP

14.2 All IP arising from cooperation between the parties will become the exclusive property of Incos, free of charge, even if they are produced or developed by the supplier, sub-supplier or 3rd party

14.2 The supplier shall indemnify Incos against claims and losses for violation of any IP as a result of any of supplier's delivery of goods and/or services

14.3 If requested by Incos, the supplier shall enter legal proceedings at the court of law or arbitration which deals with any IP claim made against Incos by a 3rd party

15. VARIATIONS

15.1 Incos is entitled to issue a variation order for the deliveries

15.2 The supplier shall within 3 days after receipt of the variation order issue conform acceptance including delivery date impact, if any

16. SUSPENSION

Incos has the right to suspend / put on hold deliveries from the supplier at any given time during the project execution. If the supplier is liable for the situation of suspension, the supplier is liable for any of Incos's costs in connection with the suspension. Supplier can be reimbursed its costs if the supplier is not the root cause behind the suspension

17. TERMINATION

17.1 Incos is at any time entitled to terminate the PO or SA in whole or in part for Incos's convenience with immediate effect

17.2 If terminated for convenience the supplier must immediately cease all work or sub-supply on any PO or SA to limit Incos's loss as much as practically possible

17.3 In case the PO or SA is terminated for convenience Incos must pay for goods and/or services already supplied and must reimburse the supplier's fair and documented expenses and costs. This reimbursement will be full and final, and the supplier will not be entitled to make any further claim against Incos

17.4 In case the PO or SA is terminated by Incos due a breach by or non-performing supplier (or its sub-suppliers), Incos is entitled to pursue any legal remedies available including the right to claim Incos's documented losses or damages from the supplier

17.5 If the supplier is declared bankrupt, entered any form of insolvency proceedings or is unable to pay its creditors Incos shall be entitled to terminate the PO or SA for breach without prior notice and with immediate effect

18. APPLICABLE LAW AND DISPUTE RESOLUTION

18.1 This GCP is governed by the laws of Australia. The parties are explicitly excluding the UN Convention on CISG (Contracts for the International Sale of Goods) for the deliveries under this GCP

18.2 Any dispute, claim or liability arising out of or in connection with this GCP, PO, SA or the breach itself, termination or invalidity etc thereof, shall be settled by Australian arbitration. Place of arbitration is Western Australia and the language in any arbitration shall be English