

## STANDARD CONDITIONS OF CONTRACT

### 1.1 Proposal Restrictions

This proposal, including any drawings and/or manuals submitted pertaining thereto: is the property of Saurin Technologies Pty Ltd it contains confidential information and is presented to Purchaser on condition that he and his representative have, by receiving it, agreed not to reproduce or copy it, in whole or in part, or to furnish information from it to others, or to make any use of it that is, or may be, injurious to Saurin Technologies Pty Ltd, and Purchaser agrees to return it upon request.

### 1.2 Drawings

Proposal pages, catalogue illustrations and preliminary drawings are submitted only to show general style, arrangement and approximate dimensions. Saurin Technologies Pty Ltd, reserves the right to make such changes of design, construction or arrangement as it deems necessary to represent improvement in practice over the specifications contained herein. Purchaser is to provide the drawings of all foundations, concrete construction and reinforcement and required housings, based upon Saurin Technologies Pty Ltd, equipment drawing.

### 1.3 Erection

Our price, unless stated otherwise in the tender document, does not includes for supervision of start-up of plant upon completion of erection. Saurin Technologies Pty ltd , will provide these erection, installation and commissioning services at the rate of \$550.00 per eight hour calendar day plus all living and travelling expenses.

### 1.4.Service

Unless specified, price quoted does not include service. If requested, Saurin Technologies Pty Ltd, will furnish a service man at the rate of \$550.00 per eight hour calendar day plus all living and travelling expenses.

### 1.5 Permits and Approval of Plans and Specifications

Where statutory regulations require permits to install equipment covered by this proposal, or the approval of the plans and specifications for installation, Purchaser assumes the responsibility for securing the approval from the proper authorities and for any required fees. If any changes are required in the equipment covered by this proposal to meet approval of said authorities. Purchase shall inform Saurin Technologies Pty Ltd, of such changes and shall reimburse Saurin Technologies Pty Ltd, for any out-of-pocket expenses incurred by them for inspection by regulatory officials.

### 1.6 Transportation

Where transportation is prepaid, equipment will be shipped to an unloading point designated by the Purchaser, unloading, hauling to the erection site from the unloading point and further handling shall be at the Purchases risk and expense independent of any erection services that may be requested by the Purchaser. The price quoted in this tender is ex works and unpacked.

### 1.7 Insurance

Purchaser accepts full responsibility for the safeguarding of said equipment until it is paid for in full. Until the contract price is paid in full, Purchaser shall provide and maintain insurance to the total value of the equipment delivered hereunder against risks of theft, fire and explosion in the names of Purchaser and Saurin Technologies Pty Ltd as interest may appear, and shall also provide and maintain insurance to the above value against flood, earthquake, windstorm, cyclone, tornado, hurricane, riot, strike and civil commotion. Purchase is responsible for the insurance during the transit.

### 1.8 Title

The parties mutually agree that the equipment specified herein shall at times, remain personal property regardless of the degree of its annexation to the real property and that the equipment shall not by any reason of annexation to personal property become a part thereof. The risk in any goods sold by the Seller to the Buyer shall pass on delivery, but the title to any such good shall not pass until the purchase price thereof together with any other charges has been received by the seller. The Seller may recover or re-sell such goods or any part thereof in any of the following events:-

- a. If the seller has not received full payment by the due date or,
- b. If before the due date the Buyer commits an act of bankruptcy, or has a Receiver or Administrator appointed over all or any part of its business, or a petition is insured, or a resolution passed, for the winding up of the buyer, or upon the commencement of any other act or proceeding in which the Buyer's solvency is involved or,
- c. If therefore the due date the Buyer ceases or threatens to cease carrying on its business.

## 1.9 Validity

Prices quoted are firm for sixty days. Beyond this time Saurin Technologies Pty Ltd, reserve the right to adjust prices and delivery promises.

## 1.10 Price Adjustment

Where the tender price indicated is not specified as fixed, Saurin Technologies Pty Ltd reserve the right to adjust the final contract price in line with the national rise or fall of material and labour rates as per CPI.

## 1.11 Suspension

Suspension can only be instituted upon written request by Purchaser and written acknowledgment by Saurin Technologies Pty Ltd, at which time the cost, including overhead, of all work done to the date of suspension, both on equipment and installation, is payable to Saurin Technologies Pty Ltd, immediately. The Purchaser agrees that when the contract is resumed, any increased costs in labour or materials will be added by Saurin Technologies Pty Ltd, to the prime contract.

## 1.12 Liability

Saurin Technologies Pty Ltd, shall not be liable for loss or damage of any kind resulting from:

1. Purchaser failing to supply and necessary technical data, as required.
2. Purchaser failing to supply the apparatus, material and services as required.
3. Any changes in designs or specifications made subsequent to acceptance of this proposal.
4. Inability of Saurin Technologies Pty Ltd, to delivery on account of fire, flood, accidents epidemics, quarantine restrictions, Force Majeur of any other cause beyond its control.
5. Failure of suppliers to furnish purchased material or auxiliary equipment within scheduled dates.
6. By any other reason beyond Saurin Technologies Pty Ltd control.

In no event shall Saurin Technologies Pty Ltd, be liable for loss of anticipated profits, loss by reason of plant shut-down, non-operation or increased expense of operation of other equipment or other special or consequential loss or damage of any nature except as may be here-in-after specifically provided.

## 1.13 Arbitration

If at any time any question, dispute, or difference shall arise between Saurin Technologies Pty Ltd, and the Purchaser, Saurin Technologies Pty Ltd can as soon as reasonably practical, advise the other party, in writing of the existence of such question, dispute or difference specifying its nature and the point of issue and at the same time shall be referred to the arbitration of a person to be agreed upon. Performance of the contract shall continue during arbitration proceedings unless the Purchaser shall order suspension of the whole or part of the works and if any such suspension shall be ordered the reasonable expenses of Saurin Technologies Pty Ltd, occasional by such suspension shall be added to the contract price.

## 1.14 Equipment Warranty and Limitation of Liability

Saurin Technologies Pty Ltd, warrants to the original Purchaser that the equipment will perform in accordance with the duty described in the tender and is free from defects in material and workmanship under normal use and service. Saurin Technologies Pty Ltd, warrants at it's option to replace and/or repair any equipment or components which Saurin Technologies Pty Ltd, examination shall disclose to be defective in material or workmanship within one year from date of shipments provided:-

1. Purchaser operates equipment in accordance with generally accepted practice and for the purpose for which sold and in accordance with the conditions of service, if any, herein specified.
2. Purchaser notifies Saurin Technologies Pty Ltd, in writing of the exact defect within three months after receipt on site.
3. Purchaser preserves defective equipment for inspection by Saurin Technologies Pty Ltd, and returns defective equipment freight collect as directed by Saurin Technologies Pty Ltd, if required.
4. Purchaser does not alter or attempt to repair any equipment without written authorisation from Saurin Technologies Pty Ltd. Saurin Technologies Pty Ltd, obligation under this warranty shall be to repair either in site or in factory, as Saurin Technologies Pty Ltd may decide, and in no event shall Saurin Technologies Pty Ltd be liable for consequential or special damages, transportation, installation, adjustments, or other expenses which may arise in connection with such equipment or components.

Saurin Technologies Pty Ltd, does not guarantee equipment if used for other than the purpose set forth in the proposal. Components or equipment are warranted by Saurin Technologies Pty Ltd, only to the extent of the original manufacturers warranty. No warranties, statutory, express, or implied (except as title) other than those expressly set forth above, shall apply

to equipment and components sold by us, an no waiver, alterations, or modification of the foregoing warranties shall be valid, unless made in writing and signed by an executive officer of Saurin Technologies Pty Ltd.

Saurin Technologies Pty Ltd neither assumes or authorises any person to assume on its behalf any obligation or liability in connection with this transaction with respect to the equipment of components which have been subject to any accident, alteration, abuse or misuse. Any claim for equipment replacement must be taken up with Saurin Technologies Pty Ltd in writing.

#### 1.15 Termination or Cancellation of Order

Termination or cancellation of order can only be instituted upon written request by Purchaser and written acknowledgment by Saurin Technologies Pty Ltd at which time Saurin Technologies Pty Ltd will estimate the percentage of completion of the order, including installation, purchased items, cancellation costs to Saurin Technologies Pty Ltd from suppliers, etc Purchasers obligation will be to pay Saurin Technologies Pty Ltd cancellation charges of 25% of the contract price or the sales cost of the percentage of completion, whichever is the greater, plus any cancellation charges which may be charged back by other manufacturers to Saurin Technologies Pty Ltd on items already ordered for the contract, but not delivered at the time of termination. If the monies already paid to Saurin Technologies Pty Ltd by Purchaser do not cover for foregoing, Purchaser will be liable for any difference, which shall be immediately payable to Saurin Technologies Pty Ltd.

#### 1.16 Returned Material

In no case are materials or equipment to be returned without first obtaining Saurin Technologies Pty Ltd, written permission. Materials and/or equipment accepted by Saurin Technologies Pty Ltd for credit are subject to a minimum charge of 10% plus all transportation charges. Materials or equipment built to order are not subject to return for credit under any circumstances. Any materials or equipment authorised for return must be securely packed to reach Saurin Technologies Pty Ltd without damage.

#### 1.17 Back Charges and Allowance

Saurin Technologies PtyLtd shall not be called upon to make any allowances for material, labour, repairs or alterations made for its account by Purchaser unless Saurin Technologies Pty Ltd authorises in writing in advance any such allowance.

#### 1.18 Repossession

Should the Purchaser fail to comply with the terms and conditions set forth herein, Saurin Technologies Pty Ltd may, without notice or demand, by process of law or otherwise take possession of all or any of the equipment wherever located and retain all monies thereto paid as compensation for the reasonable use of such equipment.

Any legal fees arising from defending repossession of plant would be reclaimable from the Purchaser.

#### 1.19 Waiver, Alteration or Modification

No waiver, alteration or modification of the foregoing terms and conditions, except as noted in the text of this proposal, shall be valid unless made in writing and signed by an authorised official of Saurin Technologies Pty Ltd.

#### 1.20 Access to site

Saurin Technologies Pty Ltd must be allowed free access to site at all times for personnel and/or plant up to the time of take over of the plant by the client or the final payment, whichever is the later.

Saurin Technologies Pty Ltd reserve the right at their discretion to conduct performance tests and obtain records including photographs of as installed plant supplied by Saurin Technologies Pty Ltd.

Saurin Technologies PtyLtd undertake not to disclose any information so obtained to any third party not to publish any photographs without written permission from the Purchaser.

#### 1.21 Site Service

Temporary power, lighting and telephone facilities must be provided by the Purchaser as required by Saurin Technologies Pty Ltd during the execution of site operations.

## 2.0 STANDARD EXCLUSIONS

This tender excludes the following unless otherwise stated within this tender document. In such cases where excluded items under this section appear within the tender, then these items are part of the contract and have been included within the price makeup.

## 2.1 Additional Plant

The plant listed below is excluded from the supply of Saurin Technologies Pty Limited as detailed within this tender document.

## 2.2 Services

No price has been included for gas, water, steam, condensate or electrical services. Such services included within the package will have defined terminal points to which the customer will connect.

## 2.3 Civil works

No civil engineering works or supporting steel work has been included within this tender. The customer will supply all such works ready to accept the plant upon arrival at its final destination or to the agreed timetable between the parties. Where civil works and supporting steel works are supplied by the customer, the customer will ensure that all such works are fit for the purpose for which they are intended and comply with the relevant codes of practice and standards as applicable within the state or province in which the plant is to be installed or erected.

## 2.4 Labour

Unless stated otherwise this tender is for the supply of equipment only and does not include for any additional or specialised labour to be supplied by Saurin Technologies Pty Limited. Where labour is supplied for commissioning purposes, Saurin Technologies Pty Ltd shall supply such engineers and specialist staff as required for the commissioning duties to be performed on specified plant, the customer will supply necessary skilled labour for electrical and mechanical repairs.

## 2.5 Loading and Unloading

Transportation and off loading is specifically excluded from this tender unless stated otherwise. In such cases where the customer undertakes to transport the equipment purchased, Saurin Technologies Pty Limited will load such equipment at their works as supplied by the customer. The customer will ensure that where the supply of transportation is at their own cost, all goods are insured at the customer's own cost from the point of goods placed upon the transport. The customer will also ensure that all goods as supplied under this tender are properly loaded and secured once plant has been loaded onto transport.

## 2.6 Crane hire

In all cases unless specifically included within the tender, the customer will be responsible for the hire and supply of carnage and applicable insurances as applicable to the state \ province within which the equipment is offloaded or assembled.

## 2.7 Consumable materials

Unless stated within the tender the supply of consumable assembly materials do not fall within the scope of supply for the plant specified. Such items may be defined as any material necessary to use in the construction or assembly of the plant or sub assemblies by third parties and not itemised or designed by Saurin Technologies Pty Limited.

## 2.8 Spare Parts

This tender explicitly excludes the provision of spare parts for the plant and sub assemblies.