



**AML Spares Pty Ltd** (ACN: 130 249 820)

# Standard Terms & Conditions

The Standard Terms and Conditions of purchase that appear on all invoices are the terms and conditions upon which AML Spares Pty Ltd ('AML Spares') make all sales. AML Spares will not accept any other terms and conditions of sale, unless the Purchaser and AML Spares have executed a master contract which specifically supersedes and replaces these terms and conditions. Acceptance of all purchase orders is expressly made conditional upon the Purchasers assent, expressed or implied, to the terms and conditions set forth herein without modification or addition.

All additions or alterations to these Standard terms and Conditions shall be in writing and attached as Special Conditions to the Standard Terms and Conditions Contract. In the event of any inconsistency between these Standard Conditions and any Special Conditions, the latter shall prevail.

## **ACCEPTANCE OF ORDER**

Upon receipt by AML Spares of a Purchase Order (Order) the Contract shall take effect and shall form the entire agreement between the parties, notwithstanding any previous agreements or understandings and notwithstanding the AML Spares terms of sale. AML Spares will acknowledge receipt of the Order within 24 hours by email or facsimile; the Purchaser reserves the right to cancel an Order within forty-eight (48) hours of placing the Order without further liability.

## **PRICES AND TERMS OF PAYMENT**

Except as otherwise specified in the Order, the price includes all federal, state, local or foreign taxes (including any goods and services tax), stamp duties and other governmental charges upon the manufacture, sale or transportation of the goods or on the provision of services. Any invoice for goods must include a tax invoice complying with the legislation under which goods and services tax is imposed. The provision of a tax invoice is a precondition to payment of any invoice. Without limitation, credits due to rejection or non-conformances will be set off from the amount on the invoice or will be deducted from subsequent payments. Exemption certificates must be presented prior to shipment if they are to be honoured.

No extra charges of any kind including, but not limited to, packing, boxing, crating, delivery freight or insurance will be paid for by the Purchaser unless so provided in the Order. Prices shown on an Order are not subject to escalation or variation for any reason whatsoever unless agreed to in writing by the Purchaser's relevant Manager or Director (or equivalent). Invoices for goods are to be mailed to the address set out in the Order the day following delivery or collection of the goods, unless otherwise agreed in writing. The invoice terms (30 days) will commence from the date of delivery or collection of goods. Accounts will nominally be settled by cheque or Electronic Funds Transfer (EFT), as detailed on the AML Spares invoice, within the agreed term unless there is a prior arrangement in writing with Purchaser's relevant Manager (or equivalent). Purchaser shall not be responsible for delay in receipt of the AML Spares invoice.

Unless otherwise specified, payment terms are 30 days from delivery to the Purchasers appointed delivery location detailed on the Order. Delivery date will commence in accordance with the shipping notice as printed by AML Spares distribution courier or its appointed agent, reflecting receipt by the Purchaser or Purchaser's nominated agent. AML Spares, at its discretion, may require reasonable advance assurances of payment through irrevocable bank letters of credit or otherwise. All unpaid invoices, following 30 days, shall bear interest at an amount equal to 1-1/2% of the outstanding balance per month (30 days) (or the maximum rate of interest allowed to be contracted for by law, whichever is less), commencing upon the date payment is due. Purchaser's failure to make timely payment may result in such action as commencement of proceedings for collection, revocation of credit, stoppage of shipment, delay or cessation of future deliveries, repossession of unpaid delivered goods and termination of any one or more sales agreements. Notwithstanding any "net" payment provisions specified on the invoice, AML Spares shall have no continuing obligation to deliver Products on credit, and any credit approval may be withdrawn by AML Spares at any time and without prior notice. AML Spares retains (and Purchaser grants to AML Spares by submitting an Order) a security interest in the Products to secure payment in full and compliance with all sales agreements, and Purchaser agrees to execute any additional documents necessary to perfect such security interest. In the event the sales invoice shall be placed by AML Spares in the hands of its legal representatives for the purpose of collection, with or without litigation, or for the purpose of enforcing AML Spares security interest in the Products, the Purchaser agrees to pay any and all costs associated with such placement, including, without limitation, legal fees and costs incurred prior to, during, or subsequent to trial, and including, without limitation, collection, bankruptcy, or other creditor's rights proceedings.

If a sale is to occur, or the Product is to be shipped, outside of Australia, The Purchaser acknowledges and agrees that the amount due AML Spares is contracted in Australian Dollars and that payment in Australian Dollars is of the essence. Any payment by the Purchaser in local currency or the receipt by AML Spares of local currency as a consequence of enforcement procedures against Purchaser will be deemed an authorisation for AML Spares to use that local currency to purchase Australian Dollars or, if such purchase is prohibited by local law, an authorisation to purchase appropriate bonds or other instruments and export them from the Purchaser's country in order to convert the currency into Australian Dollars and apply the proceeds to the payment of any amounts owed to AML Spares by the Purchaser. Any deficiency as a result of conversion of payment into Australian Dollars shall be the responsibility of Purchaser.

## **PACKING AND DELIVERY**

All labelling of documentation and supplies shall include as a minimum, but not be limited to, Part Number, Quantity, Serial Number, Batch Number and Purchase Order Number. The time for delivery specified in the Order shall be of the essence.

Packaging will conform to the requirements detailed by the Purchaser in the Order. Products, where appropriate or legally required, will be packaged in accordance with the prime manufacturer's requirements and be accompanied by the original or legally certified true copy of the actual Manufacturer's Certificate of Conformity and contain all the information that is included on the packaging.

AML Spares must ensure that aerospace equipment is manufactured/ assembled to a USA Military Standard, Associated Military Specification, and Qualified Products List (QPL) as per AML Spares' Purchase Order requirements. The manufacturers of the aerospace equipment must be listed on the appropriate QPL, when applicable.

Delivery of goods will be in accordance with the Order to the Purchasers nominated location. Unless detailed in the Order, AML Spares will deliver goods through its own distribution services or through their appointed agent. Costs incurred for distribution will be included in the price quoted for goods, unless separate arrangements are made between the Purchaser and AML Spares.

## **INSPECTION AND ACCEPTANCE**

Goods shall be deemed to have been accepted when the Purchaser, or its delegate, has inspected the goods and signified its acceptance, or following forty-eight (48) hours from delivery of products contained in the Order, whichever is the lesser period. Goods, if delivered damaged or defective or are incorrect will be returned at AML Spares expense. On receipt of a report from the Purchasers relevant Manager (or equivalent) by email or facsimile, AML Spares will issue a return authorisation to the Purchaser allowing the Purchaser to return products to AML Spares in Australia or permit AML Spares to collect product/s. AML Spares will bear all applicable federal, state, municipal and other government taxes (such as sales, use and similar taxes) as well as import or customs duties, license fees and similar charges, however designated or levied, on any replacement Product to be shipped by AML Spares to the Purchaser. Where required by the Purchase Order or legal requirement, all goods must be accompanied by an original manufacturer's certificate of conformity (or legally certified true copy) and contain the following information:

- (a) A Certificate of Conformity is an original manufacturer's document, which certifies that the supplies conform to the requirements of the order;
- (b) The purpose of this document is to ensure the goods supplied are authentic, their origin traceable, and is certified by an authorised member of the manufacturer's quality system.
- (c) The AML Spares Certificate of Conformance shall state:  
"It is certified that the whole of the supplies and/or services supplied have been inspected or otherwise quality controlled and unless otherwise stated above are in accordance with the requirements of the order, drawings and specifications relative thereto and conform in all respects with the conditions and requirements of the contract."

## **TITLE AND RISK**

Risk of loss for goods shall pass to Purchaser at the delivery point specified in the Order. Title and risk of loss of the goods shall remain with the AML Spares until the goods are delivered to the Purchaser's nominated point of delivery.

## **TERMINATION**

The Purchaser reserves the right to cancel an Order within forty-eight (48) hours of the Order being placed with AML Spares without further liability. Notice of termination of the Order must be provided to AML Spares in writing and be authorised by the Purchasers manager (or equivalent). If notice is given to AML Spares to terminate the Contract, the Purchaser (without limiting the remedies available to it):

- (a) May recover any sums paid to AML Spares on the Order for Goods or Services which have not been performed;
- (b) Be regarded as being discharged from any further obligations under the Order. Termination of the Order following the forty-eight (48) hour cooling off period is at the sole discretion of AML Spares. AML Spares may invoice for the Order in part or in whole for any costs incurred in processing the Order to the point that it is terminated by the Purchaser.

## **WARRANTY and NON-CONFORMING PRODUCT**

AML Spares warrants that the goods are free and clear of all liens, charges and encumbrances and that the Purchaser has a good and marketable title to the same, and all goods (including repaired or replacement items):

- (a) Shall be free from defects in materials and workmanship and be of merchantable quality and fit for the purpose contemplated by Purchaser;
- (b) Shall strictly conform to the requirements of the Order.
- (c) Must be covered by a ninety (90) day warrantee period or a period as stated or referenced in the AML Spares quotation.

All goods shall be deemed by the Purchaser to be non-conforming if:

- (i) The part number ordered is not the part number delivered to the Purchaser.
- (ii) For aeronautical parts, AML Spares has not provided an Original Equipment Manufacturers Certificate of Conformance; an FAA 8130 Certificate or equivalent; or Distributors notarised Certificate of Conformance showing traceability to the Manufacturers Release Documentation.

## **INSURANCE AND INDEMNITY**

AML Spares shall indemnify Purchaser from and against any and all proceedings, claims, demands, losses, costs, damage and expenses arising out of or in respect of any act, omission or negligence of AML Spares or any of its officers, employees, agents or representatives in connection with the goods or services to be provided under this Order or otherwise in connection with AML Spares performance or breach of this Order. AML Spares shall, if requested by Purchaser, at its sole expense, effect proper insurance against all risks, including product liability and shall, if required by Purchaser, produce evidence of the currency and validity of any such policy.

**ASSIGNMENT / SUBCONTRACTING**

AML Spares must obtain the prior written approval of the Purchaser to assign or subcontract the Purchase Order and Contract or any part thereof. Approval to assign or subcontract shall not relieve the Contractor from any of its obligations under the Purchase Order and Contract, or impose any liability upon the Purchaser to an assignee or a subcontractor.

**DISPUTE RESOLUTION**

The parties agree that if a dispute arises out of or relates to this Order, a party may not commence any court or arbitration proceedings relating to the dispute unless the party claiming that a dispute has arisen has provided written notice to the other party specifying the nature of the dispute.

**EXCUSABLE DELAY**

Notwithstanding anything else contained in this Agreement neither party shall be liable for any delay in performing its obligations hereunder if such delay is caused by circumstances beyond its reasonable control.

**OCCUPATIONAL HEALTH & SAFETY**

AML Spares warrants and represents that in connection with the supply of goods or services performed under the Order, AML Spares will comply with any relevant occupational health and safety legislation applicable in the jurisdiction, and applicable in each and every location in which work is performed or services provided under this Order.

**AMENDMENT**

The Order or Contract may only be amended in writing signed by both parties.

**WAIVER**

Failure by either party to enforce a provision of the Purchase Order and Contract shall not be construed as in any way affecting the enforceability in any other instance, or the enforceability of the Purchase Order and Contract as a whole.

**EQUAL OPPORTUNITY FOR WOMEN IN THE WORKPLACE**

AML Spares shall not appoint any subcontractors that have been named in the Parliament of Australia as not complying with the requirements of the Equal Opportunity for Women In The Workplace Act 1999 (Commonwealth) for the purposes of this Purchase Order and Contract.

**APPLICABLE LAW**

This Purchase Order and Contract shall be governed by and construed in accordance with the laws of Victoria, Australia.

**HEAD OFFICE**

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