

CONDITIONS OF SALE

AMN Engineering Pty Ltd
Trading as Plastics 2000
ABN 51 007 110 509

Effective 1 November, 2005

1. DEFINITION

In these terms and conditions:

"Goods" means all products and services agreed to be supplied by Plastics 2000 to the Buyer under any contract, arrangements or understanding between Plastics 2000 and the Buyer;

"Buyer" means the person to whom any quotation is made, any person offering to contract with Plastics 2000 on these terms and conditions and any person who purchases Goods from Plastics 2000;

"Plastics 2000" means AMN Engineering Pty Ltd which is trading under the business name of Plastics 2000 including its servants and employees;

"Quoted Date" means the date of delivery as agreed between the Buyer and Plastics 2000; and "Nominal Weight" means the formulated weight of goods as referenced on any invoices or quotations for the Buyer by Plastics 2000.

2. STATUTORY PROVISIONS

These terms and conditions:

- (a) shall be subject to the provisions of the Trade Practices Act 1974, any statutory amendment or re-enactment thereof for the time being in force and any other relevant and applicable State and/or Commonwealth legislation ("the Statutory Provisions");
- (b) unless Plastics 2000 otherwise agrees in writing, these are the only terms and conditions of sale to which Plastics 2000 will be bound and the Buyer agrees that these terms and conditions will in all circumstances prevail over the Buyer's terms and conditions of purchase (if any); and
- (c) supersedes and exclude all prior and other discussions, representations (contractual or otherwise) and arrangements relating to the supply of the Goods including, but not limited to, those relating to the performance of the Goods or the results that ought to be expected from using the goods.

3. WARRANTIES

Subject to the Statutory Provisions:

- (a) Plastics 2000 warrants that the Goods supplied are of merchantable quality;
- (b) Plastics 2000 does not warrant that the Goods supplied are of merchantable quality when the ordered Goods are manufactured from Remil or OFF Spec raw materials. Under these circumstances the Buyer will take all responsibility for performance and requirements for the delivered Goods;
- (c) No claims will be accepted by Plastics 2000 after goods have been printed or converted.
- (d) Plastics 2000' liability for breach of sub-clause 3(a) or a condition or warranty implied into this Contract by law including without the Statutory Provisions (other than a condition implied by section 69 of the Trade Practices Act) is limited to any one of the following as determined by Plastics 2000:
 - (i) the replacement of the Goods or the supply of equivalent Goods;
 - (ii) the repair of the Goods or payment of the cost of having the Goods repaired;
 - (iii) the refund of the price paid by the Buyer for the Goods; or
 - (iv) a discount off the price paid by the Buyer for the Goods.

The Buyer will examine the Goods for defects and shall notify Plastics 2000 of any defects in writing within fourteen (14) days of delivery. If the Buyer does not notify Plastics 2000 within fourteen (14) days of delivery the Buyer shall be deemed to have accepted the Goods.

To the extent the law permits and notwithstanding any other clause of these terms and conditions, Plastics 2000

excludes all liability whatsoever to the Buyer arising out of or in any way connected with a Contract for any consequential or indirect losses of any kind howsoever arising and whether caused by breach of statute, breach of contract, negligence or other tort. Consequential or indirect losses will be taken to include but not be limited to:

- (a) any loss of income, profit or business;
- (b) any loss in the nature of overhead costs; and
- (c) any loss of goodwill or reputation.

4. ADVICES

The Buyer hereby acknowledges that it has not relied on any service involving skill or judgement, or on any advice, recommendation, information or assistance provided by Plastics 2000 in relation to the Goods or their use or application.

5. DELIVERY AND QUANTITY

- (a) Plastics 2000 will make all reasonable efforts to have the Goods delivered to the Buyer on the date agreed between the parties as the Quoted Date, but Plastics 2000 shall not be liable for any failure to deliver or delay in delivery for any reason.
- (b) Plastics 2000 reserves the right to deliver by instalments. If delivery is made by instalments the Buyer shall not be entitled:
 - i. to terminate or cancel the contract; or
 - ii. to any loss or damage howsoever arising for failure by Plastics 2000 to deliver by the Quoted Date.
- (c) Every endeavour will be made to deliver the correct quantity ordered but, owing to the difficulties of producing exact quantities, Plastics 2000 shall not be liable if the quantity variation is within ten percent (10%) of the ordered Goods. Any such variation shall be charged for or deducted on a pro rata basis to the Buyer.
- (d) Where the price is calculated by reference to the weight, this shall be a reference to the Nominal Weight of the Goods. No claim will be accepted by Plastics 2000 for any variation in the actual weight where the variation is in the range of ten percent (10%) of the specified Nominal Weight of any Goods delivered to the Buyer.

6. RISK

- (a) Unless otherwise agreed in writing, all risk in and to the Goods purchased shall pass to the Buyer or his agent or to a carrier commissioned by the Buyer.
- (b) Without in any way limiting the operation of the foregoing, upon delivery of the Goods to the Buyer or his agent or to the carrier commissioned by the Buyer, the Buyer covenants and warrants to Plastics 2000, in the storage and handling of the Goods, the Buyer and his agents shall comply with all relevant environmental laws and regulations, and do comply with all necessary and/or relevant permits or licences pertaining to the storing and handling of the Goods, and the Buyer shall ensure that the Buyer and his agents and carriers are familiar with and adhere to all the necessary and appropriate precautions and safety measures relating to the storing and handling of the Goods.
- (c) If Plastics 2000 does not receive forwarding instructions sufficient to enable it to despatch the goods within fourteen (14) days of notification to the Buyer that they are ready, the Buyer shall be deemed to have taken delivery of the Goods from such date. The Buyer shall be liable for storage charges payable monthly on demand.

7. TITLE

- (a) Title in and to the Goods shall not pass to the Buyer until payment in full for all Goods is made.
- (b) The Buyer acknowledges that until title in and to the Goods passes to the Buyer in accordance with this clause, the Buyer holds the Goods as bailee of Plastics 2000 and that a fiduciary relationship exists between the Buyer and Plastics 2000.
- (c) Until title in and to the Goods passes to the Buyer in accordance with this clause the Buyer shall store the Goods separately and in such a manner that they are clearly identified as the property of Plastics 2000. Plastics 2000 shall be entitled at

any time until title in and to the goods passes to the Buyer to demand the return of the Goods and shall be entitled without notice to the Buyer and without liability to the Buyer to enter any premises occupied by the Buyer in order to search for and remove the Goods.

- (d) The Buyer acknowledges that if it sells the Goods before title in and to the Goods has passed to the Buyer in accordance with this clause, it sells the Goods as a fiduciary agent of Plastics 2000 provided that such sales shall not give rise to any obligations on the part of Plastics 2000. The Buyer shall hold the proceeds of sale on trust for Plastics 2000 in a separate account.
- (e) If title in and to the Goods has not passed to the Buyer in accordance with this clause, the Buyer's implied right to sell the Goods shall immediately terminate upon the happening of any of the events stipulated in paragraph 11(c)(i)-(v) hereof.

8. PRICE

Unless otherwise agreed in writing, the price charged for the Goods shall be the price ruling as determined by Plastics 2000 at the date of delivery. Any price indications or price lists are subject to alterations in accordance with the price ruling at that date.

9. FORCE MAJEURE

Deliveries may be totally or partially suspended by Plastics 2000 during any period in which Plastics 2000 may be prevented or hindered from manufacture, delivery or supply through any circumstance outside Plastics 2000's reasonable control, including but not limited to strikes, lockouts or other labour difficulty, inability to obtain any necessary materials, equipment, facilities or services, power or water shortages, accidents or breakdowns of plant, machinery, software, hardware or communication network. Plastics 2000 shall not incur any liability to the Buyer in respect of such suspension.

10. NOTIFICATION

If any of the events set out in (a) to (d) below occur, the Buyer shall be liable to Plastics 2000 for all Goods supplied to the new owner by Plastics 2000 until notice of any such change is received. The Buyer is entitled to notify Plastics 2000 in writing within seven (7) days of:

- (a) any alterations of the legal entity or ownership of the Buyer;
- (b) the issue of any legal proceedings against the Buyer;
- (c) the appointment of a receiver, receiver and manager, controller or voluntary administrator is appointed over any part of the property or assets of the Buyer; and
- (d) any change in the ownership of the business name of the Buyer.

11. PAYMENT AND DEFAULT

- (a) Subject to sub-clause 11(d) hereof, and unless otherwise agreed in writing all accounts shall be payable within thirty (30) days of delivery, or as otherwise identified on any invoices or statement of accounts issued by Plastics 2000. If payment is not received by the due date, Plastics 2000 may charge liquidated damages at a rate equivalent to two percent (2%) in excess of the rate of interest for the time being fixed under section 2 of the Penalty Interest Rates Act 1983.
- (b) The Buyer is liable for all reasonable expenses (including contingent expenses such as debt collection commission) and legal costs (on a solicitor/own client basis) incurred by Plastics 2000 for enforcement of obligations and recovery of monies due for the Buyer to Plastics 2000.
- (c) If any of the events set out in (i) to (v) below occur, Plastics 2000 may at its option withhold further deliveries or cancel the Contract without notice to the Buyer and without prejudice to any other action or remedy which Plastics 2000 has or might otherwise have had and all moneys owing and outstanding to Plastics 2000 on any account whatsoever and irrespective of whether the due date on any statement of account has occurred or will occur in the future shall become immediately due and payable:

- (i) the Buyer makes default in any payment or is unable or states that it is unable to pay its debts as and when they fall due;
- (ii) the Buyer being an individual commits an act of bankruptcy or has a controller appointed in respect of the Buyer's estate or any part of the Buyer's property or assets;
- (iii) the Buyer being a company passes a resolution for its winding up or enters into liquidation or has an application for winding up filed against it;
- (iv) a receiver, receiver and manager, controller or voluntary administrator is appointed over any part of the property or assets of the Buyer;
- (v) the Buyer experiences any analogous event having substantially similar effects to any of the events specified above.

- (d) Notwithstanding sub-clause 11(a) hereof Plastics 2000 may at all times in its sole and unpestered discretion and without being under any duty of obligation to assign reasons therefor review, alter or terminate the Buyer's credit limit or payment terms without notice. Without limiting the generality of the foregoing, the decision of Plastics 2000 shall be final and Plastics 2000 accepts no liability or responsibility for any loss, howsoever arising, incurred by the Buyer due to the operation of this condition.

12. PORTABLE MAGAZINES AND PALLETS

Unless otherwise agreed to in writing all portable magazines and pallets on which Goods are delivered remain the property of Plastics 2000 and must be returned at the Buyer's expense in good order and condition to the factory of Plastics 2000 from which they were delivered. Portable magazines and pallets will be deemed to be still in the Buyer's hands until received at such factory. To the extent the law permits, all risks whatsoever associated with portable magazines and pallets rest with the Buyer absolutely and the Buyer agrees to indemnify Plastics 2000 in respect of any portable magazines or pallets that is not returned in good order and condition to Plastics 2000 within one (1) month of delivery of the Goods.

13. GENERAL LIEN

In addition to the right of lien to which Plastics 2000 may be entitled by common law, Plastics 2000 shall be entitled to exercise a general lien over all items in its possession belonging to the Buyer until the Buyer has paid in full for all the Goods supplied by Plastics 2000 to the Buyer. Plastics 2000 may in its sole discretion sell any items that is subject to the said lien, provided that Plastics 2000 shall pay to the Buyer any surplus proceeds that are realised by it from a sale of any such items after discharging in full all monies outstanding to Plastics 2000 in respect to Goods that have been delivered by it to the Buyer and all reasonable costs of sale incurred by Plastics 2000.

14. SEVERANCE

If any provision of these terms and conditions or its application to any person or circumstance is or becomes invalid, illegal or unenforceable the provision shall so far as possible be read down to such extent as may be necessary to ensure that it is not invalid, illegal or unenforceable. If any provision or part of it cannot be read down the provision or part of it shall be deemed to be void and severable and the remaining provisions of these terms and conditions shall not in any way be affected or impaired.

15. GOVERNING LAW

The supply of Goods under these terms and conditions is governed by the law of the State of Victoria and Plastics 2000 and the Buyer submits to the non-exclusive jurisdiction of the courts of the State of Victoria.

16. TRANSACTION TAX

Where a transaction tax, including a goods and services tax ("GST") and any transaction taxes that come into existence after the date of these terms and conditions, applies to any supply made under these terms and conditions, Plastics 2000 may recover from the Buyer an additional amount on account of transaction tax in accordance with clause 11.