

SUPPLY TERMS AND CONDITIONS

1. DEFINITIONS

"Act" means A New Tax System (Goods and Services Tax) Act 1999 and any related tax imposition Act (whether imposing tax as a duty of customs excise or otherwise) and includes any legislation which is enacted to validate recapture or recoup the tax imposed by any such acts.

"Adjustment" means each form adjustment to consideration provided for in this agreement;

"Contractor" means CP BROTHERS Pty Ltd ACN 128 007 545 trading as Amerro, Amerro Engineering

"Contractor's Personnel" means the Contractor's servants or agents, employees, consultants and/or sub-contractors;

"Customer" means the name of the Customer noted overleaf and the person who signs the Contractor's Order form and any person for and on behalf of whom that form is signed;

"GST" means any tax imposed by or through the Act on supply (without regard to any input tax credit);

"Services" includes any parts which may need to be supplied by the Contractor to perform the services and includes the design manufacture and installation of machined products;

"Supply" means any supply (within the meaning which it bears in the Act) by the Contractor under this agreement;

"Worksite" means the site where the services are to be performed; and includes, where appropriate, the vessel upon which work is to be done by the Contractor;

2. SERVICES

The Contractor will perform the services only in accordance with these terms and conditions.

If the Contractor agrees, at the Customer's request, to perform other services, they shall be performed in the manner agreed. Unless otherwise agreed, the Customer shall pay for such additional services in accordance with the Contractor's schedule of charges and/or standard hourly rates in effect from time to time.

3. TIME

3.1 The Contractor will endeavour to carry out the services in accordance with any timetable the Contractor has given to the Customer but time is not of the essence in that respect. The Contractor accepts no liability whatsoever for any delivery of services not in accordance with any such timetable and the Contractor makes no warranty or representation that the services will be provided according to that timetable.

3.2 If the Contractor cannot adhere to the timetable because of any act or omission of the Customer (such as failure to give access or to have necessary facilities available) the Customer will pay an additional charge calculated having regard to the increased time, commitment of resources, costs and expenses resulting directly or indirectly from the Customer's act or omission, and the Contractor's calculation of these additional charges shall be binding upon the customer.

4. SECURITY

4.1 The Customer shall ensure that all equipment provided by the Contractor in the course of carrying out the services is protected at all times from misuse, damage or destruction by any person whilst such equipment is on the worksite (where this is other than the contractor's workshop).

5. FEES

5.1 The Customer will pay to the Contractor the fees set out on the order form or where no such fee is detailed for any of the work, then those services will be performed at the Contractor's scheduled rates for such services. Any parts or items of equipment which are supplied by the Contractor and which comprise part of the services will be supplied at additional cost to the Customer. The Contractor may change its scheduled rates from time to time.

5.2 All fees payable by the Customer to the Contractor are exclusive of:-

all taxes, duties, levies and charges, whether governmental or otherwise, payable in respect of all or any part of the services or this agreement;

all out-of-pocket expenses and other disbursements incurred by the Contractor in performing the services;

all travelling expenses incurred by the Contractor in performing the services, other than in respect of travel within a radius of 25 kilometres from the Contractor's workshop at 14 Premier Circuit Queensland, to the Customer's address specified in the order form; and

all accommodation expenses reasonably incurred by the Contractor in performing the services.

5.3 All amounts payable by the Customer to the Contractor shall be paid within the terms detailed on the invoice. Without limiting any right given to the Contractor to terminate this agreement, the Customer will pay interest on any outstanding fees at the rate of fifteen (15%) percent per annum for each day during which the Customer is in arrears.

5.4 Where completion of the services to be supplied is delayed through no fault of the Contractor the fees set out

on the order form shall be increased by any increase in the Consumer Price Index ("CPI") that occurs during the period of delay.

6. GOODS AND SERVICES TAX

6.1 In the case of a Supply which is a taxable supply:- the consideration payable to the Contractor will be increased by an amount equal to the applicable GST;

the applicable GST shall be the GST payable on the supply calculated in accordance with the act and on the value stipulated in the Act in relation to the supply;

the applicable GST shall be added to the consideration payable under the other provisions of this Agreement so as to form an additional part of the consideration for the supply;

the Customer shall be entitled to a refund equal to any refund amount;

the refund shall be characterised as an abatement of the consideration.

6.2 The Customer will pay on demand to the Contractor an amount equal to any increment in consideration which is payable in respect of that supply, and such amount will be a debt due and owing by the Customer to the Contractor which is recoverable without setting off any refund or counter claim.

6.3 The Contractor shall provide the Customer with tax invoices and/or adjustment notes in relation to the supply (but shall not be obliged or required to create such invoices for amounts in excess of amounts received from the Customer and do all things reasonably necessary to assist the Customer to enable it to claim and obtain any input tax credit available to the Customer in respect of the supply..

7. FORCE MAJEURE

7.1 The Contractor shall not be liable for any circumstances affecting the Contractor's performance of the services which are caused by factors beyond the Contractor's reasonable control.

8. LIABILITY

(a) Except as provided by Clause 8(b):-

(i) all terms conditions warranties undertakings inducements or representations whether express, implied, statutory or otherwise relating in any way to the services or this agreement, which are not expressly stated herein are expressly excluded;

(ii) the Contractor shall not be liable to the Customer for any breach of this agreement, or in connection with this agreement. The contractor shall not be under any liability to the Customer in respect of any loss or damage (including consequential loss or damage howsoever caused (whether by the Contractor's negligence or otherwise) which may be suffered or incurred or which may arise directly or indirectly in respect of the services or this agreement;

(b) Where any Act of Parliament implies into this agreement any term, condition or warranty, and that Act avoids or prohibits provisions in any contract excluding or modifying the application of or exercise of or liability under, such term, condition or warranty, such term, condition or warranty shall be deemed to be included in this agreement. The Contractor's liability for any breach of such term, condition or warranty shall be limited, however, at the company's option, to any one or more of the following -

If the breach relates to goods -

(i) the replacement of the goods with the supply of equivalent goods;

(ii) the repair of the goods;

(iii) the payment of the cost of replacing the goods or of acquiring equivalent goods; or

(iv) the payment of the cost of having the goods repaired;

if the breach relates to services -

(i) the supplying of the services again; or

(ii) the payment of the cost of having the services supplied again.

The Contractor takes no responsibility whatsoever for any system, appliance or equipment installed or fitted to the vessel and not within the scope of the services to be performed hereunder, and the Contractor makes no representations as to the suitability or condition of any such equipment.

Subject to subclause (b) hereof the Contractor offers no warranty on any equipment or components supplied and fitted by it under this agreement in addition to that offered by the manufacturer of such equipment and components who alone shall be responsible for satisfying that warranty.

9. ASSIGNMENT

9.1 The Customer shall not in any way assign or deal with interests under this agreement without the Contractor's prior written consent.

9.2 The Contractor may assign or sub-contract the performance of its rights and obligations under this

agreement on such terms as the Contractor deems appropriate.

10. APPLICABLE LAW

This agreement is governed by the laws of the State of Queensland. The parties submit to the exclusive jurisdiction of the Courts and Tribunals of and in that State or capable of hearing appeals there from.

11. SEVERABILITY

If any provision of this agreement is held invalid, unenforceable or illegal for any reason, these terms and conditions shall remain otherwise in full force, apart from such provision, which shall be deemed to be deleted.

12. CUSTOMER OBLIGATIONS

The Customer must -

ensure appropriate access is available to the Contractor and its personnel so as to enable the Contractor to perform the services at the site where the services are to be performed in accordance with any timing indicated by the Contractor;

ensure that no person hinders the Contractor in performing the services;

ensure that any representative of the Customer or any third party does not hinder or interfere with the performance of any representative of the Contractor in carrying out the services;

provide adequate facilities so as to enable the Contractor to carry out the services including access to electrical power outlets.

where any third party consents are necessary or desirable to enable the Contractor to perform the services (such as the consent of any boat yard where a vessel may be moored or slipped), obtain those consents within sufficient time as to enable the Contractor to perform the services in accordance with this agreement;

if appropriate, provide all plans and drawings necessary for the contractor to perform his obligations under this agreement, and the customer warrants that all plans and drawings provided are correct, and if applicable have all requisite approvals required by law and issued by the appropriate authority;

ensure the Contractor and the Contractor's personnel are provided with such information, facilities and assistance as the Contractor may reasonably require to enable the Contractor to perform its obligations under the agreement.

13. RETENTION OF TITLE

13.1 Until payment in full of all fees and charges payable under this agreement has been made by the Customer, the Customer authorises and permits the Contractor by its servants, agents or any other person appointed by it to enter upon the worksite and to remove the goods;

13.2 In the event that the Contractor supplies any goods for inclusion in or on the vessel it is expressly agreed that title to such goods shall not pass to the Customer until payment in full of all fees and charges payable to the Contractor under this Agreement has been made by the Customer;

13.3 For the purpose of this clause "goods" includes all equipment, parts and components of whatever description supplied by the Contractor.

14. HIMALAYA CLAUSE/SUBCONTRACTOR

The customer acknowledges and agrees:-

the contractor contracts with the customer both on its own behalf and on behalf of the contractor's servants, agents and subcontractors; and the customer undertakes that the customer will not make any claim against any such servant, agent or subcontractor which may impose upon any of them any liability whatsoever in connection with the services whether or not arising out of negligence or a wilful act or omission by any of them; and

in respect of any clause herein which excludes or in any way limits the liability of the contractor in respect of the services, the contractor, in addition to acting for itself, is acting as agent of and trustee for each of its employees and also any other person or company with whom the contractor arranges for the services to be supplied and the employees of such person or company so that its employees and such person or company and their employees are parties to this contract so far as the clause or clauses containing exclusions or limitation of liability are concerned and, in so far as may be necessary to give effect to this clause the contractor will hold the benefit of these conditions for its employees and for any such person or company and their employees; and the customer shall indemnify the contractor against:-

the consequences of any such claim or allegation thereof; and

all claims or demands whatsoever by whomsoever made in respect of any loss, damage or injury however caused, whether or not by negligence or wilful act or omission of the contractor, its servants, agents or subcontractors.