



TERMS AND CONDITIONS OF PURCHASE

1. DEFINITIONS

“Agreement”	means the Purchase Order and its terms and conditions or the Purchase Order and the other terms expressly referred to and incorporated therein, all documents attached to or expressly incorporated by reference in the Purchase Order
“Business Day”	means any day other than a Saturday or Sunday on which registered banks are open for business in the state where the business is to be transacted.
“Confidential Information”	includes all business, operations, finances, and plans, as well as any patterns, drawings and specifications prepared, supplied or derived by or on behalf of us.
“Contract”	means the contract comprising the Purchase Order and these Terms and Conditions of Purchase.
“Data”	means engineering drawings, data, manuals, detailed specifications, certifications and any other data specified or related to the Purchase Order
“Documents”	means correspondence and any other documents (including but not limited to specifications and drawings) referred or annexed to the Purchase Order.
“Goods”	includes goods, materials, equipment, parts and any other ancillary items provided by the Supplier to us as identified in the Purchase Order under the Contract and which are not required to be expressly manufactured, fabricated or built to MMM' specific design or requirements and can be categorised as being “stock” Goods.
“GST”	means the Goods and Services Tax as defined in A New Tax System (Goods and Services Tax) Act 1999 (Cth). “GST Act” and “GST Law” also has direct reference to this Act.
“Intellectual Property”	means any subject matter, whether tangible or intangible, that attracts, or is susceptible to protection by Intellectual Property Rights.
“MMM”	means Monadelphous Muhibbah Marine and represents the trading entity of the Joint Venture Agreement between Monadelphous Engineering Pty Ltd & Muhibbah Construction Pty Ltd.
“Non-Stock Goods”	means all other goods not within the definition of “Goods” and which are manufactured, fabricated or built to MMM' specific design or requirements and are categorised as being “non-stock” Goods.
“Party” or “Parties”	Refers to MMM and the Supplier individually as “a Party” or collectively as “the Parties”. Nothing in the Contract is or will be taken as constituting the relationship of partners, agents, servants, employees, representatives or joint ventures between the two parties.
“Price”	means the price for or the aggregate of the quantities multiplied by the Purchase Order rates for supply of the Goods, Non-Stock Goods and/or Services or performance of the Services sold to us by the Supplier under the Contract.
“Purchase Order”	means the document containing a unique purchase order number provided by MMM to the Supplier called the 'order', 'original order', 'purchase order' or other document of similar style or type and all Documents attached thereto or expressly incorporated therein and any other provisions, things or matters agreed between the Parties and expressly incorporated therein.
“Services”	includes all services provided and performed by the Supplier under the Contract (and includes any part of the specified Service and the results of the specified Services).



“Site”	means every place in the control or possession of us at which the Goods, Non-Stock Goods and/or Services are being supplied to.
“Supplier”	means the person, business or entity described in the Purchase Order or otherwise from whom the Goods, Non-Stock Goods and/or Services have been ordered.
“Supplier’s Equipment”	means all appliances, equipment, plant, vehicles, vessels, tools and things that the Supplier requires for the performance of the Services, whether leased, hired or owned.

2. INTERPRETATION

Unless the context otherwise requires, words in the singular include the plural and vice-versa, and “MMM”, “we”, “our” and “us” means the Monadelphous Muhibbah Marine company issuing the Purchase Order.

PART A – STANDARD CONDITIONS

3. APPLICATION OF THIS PART

Part A conditions apply to all Contracts for the supply of Goods, Non-Stock Goods and/or Services.

4. CONTRACT AND PRECEDENCE

- a) Unless otherwise expressly agreed to in writing by the Parties, the Contract encompasses the Purchase Order, all Documents attached to or expressly incorporated by reference in the Purchase Order and these Terms and Conditions of Purchase. The Purchase Order, bearing an order number issued by MMM, is the only form which will be recognised by us as authority for charging Goods, Non-Stock Goods and/or Services to our account and supersedes all previous communications and negotiations, thereby becoming the entire Contract. No terms stated by the Supplier in making a quotation or accepting or acknowledging the Purchase Order which differ from the terms of the Purchase Order shall be binding upon us or shall be deemed to be any part of the Contract between the Parties.
- b) Where the terms of the Contract (including anything incorporated in the Purchase Order by reference) conflict with these Terms and Conditions of Purchase then the Contract shall take precedence over and be construed as varying these Terms and Conditions of Purchase to the extent to which the conflict occurs.
- c) Upon receipt of a Contract (or Purchase Order), unless otherwise specified in the Contract, the performance of the Contract by the Supplier shall constitute acceptance.

5. PRICE

- a) Unless otherwise specified in the Contract, all Prices are fixed and not subject to escalation, are in Australian Dollars, exclusive of GST, fully inclusive of delivery and mobilisation, and inclusive of all other direct and indirect taxes, levies, duties, costs and charges.
- b) The Price as defined shall be the sole consideration payable to the Supplier for performance in accordance with the Contract.

6. INVOICING AND PAYMENT

- a) The Supplier’s invoice must be forwarded to the dedicated contact set out below:
Email: mmmap@mmmarine.com.au
Post Box: PO Box 551, Victoria Park WA 6979
- b) The invoice must be valid for the purposes of GST Act and show the relevant Purchase Order number. Any amount payable to the Supplier for taxation, including GST, duty, excise or other government charges, must be stated separately on the invoice.



- c) Invoices that do not comply shall be returned to the Supplier for correction and resubmission.
- d) Our standard terms for the payment of an approved invoice are 30 days from the end of the month in which the Goods, Non-Stock Goods and/or Services are received and accepted, provided that the valid tax invoice is available for processing at least 30 days prior to the payment being due.
- e) MMM shall at its own discretion, make payment of any amounts invoiced which are not in dispute.
- f) Neither Party is to set off payments made or credits due against one invoice for amounts owing on another invoice unless agreed in writing prior to the set off.
- g) All payments, prior to the final payment, made by MMM to the Supplier are made on an "on account" only basis.

7. PROVISION OF DATA

The Supplier is required to furnish all Documents and Data specified in accordance with or related to the Contract within the time stated. The Supplier grants us permission to hold and use all the Data in relation to the Goods, Non-Stock Goods and/or Services supplied and acknowledges that we can rely on the Data in accordance with its specified purpose.

8. CONTRACT VARIATIONS

Neither Party shall make any amendment or variation to the Contract unless agreed to in writing by the other Party.

9. TIME AND DELAY

- a) The Supplier is required to adhere to the specified delivery dates and shall take all reasonable steps to avoid or mitigate delays. In the event that the Supplier does not meet the agreed delivery dates (or subsidiary milestones if forming part of a delivery program) then MMM will issue a notice of remedy. Upon receipt of the notice, the Supplier will be required to take urgent remedial action and notify MMM within two business days from date of issue of the remedy notice, clearly specifying the underlying issue and the remediation plan. MMM will review this notice and, acting reasonably and without prejudice to any other rights, negotiate with the Supplier with a view to agreeing revised delivery dates or a delivery program.
- b) When the Supplier is aware of a delay or pending delay in the specified delivery dates or subsidiary milestones then it, irrespective of receiving or not receiving a notice from MMM in accordance with Clause 9(a), must notify MMM of the delay or pending delay and the Parties shall act as if the Supplier received a notice from us in accordance with Clause 9(a).
- c) Neither Party shall be liable for damages resulting from delay arising from causes beyond its reasonable control and without its fault or negligence including but not limited to acts of God, criminals, Government, fires, floods, epidemics and severe weather. However this will not apply to strikes or personnel issues, design errors, manufacturing errors or equipment failures in any circumstances. MMM may cancel the Contract if the issue will result in a delay to the contracted delivery date of more than thirty days.

10. TERMINATION FOR DEFAULT

If the Supplier breaches any term, condition or warranty in the Contract and, following receipt of our written notice in relation to any such breach, fails to remedy the default within the timeframe stated in the notice or if such notice does not state a timeframe then a reasonable timeframe, then the Contract may be cancelled by us and if we cancel or terminate the contract pursuant to this provision the liability of the Supplier shall be the same as they would have been at common law had the Supplier repudiated the Contract and we elected to treat the Contract as at an end and recover damages. In addition, if the Supplier becomes insolvent or a receiver of its business or assets is appointed, or makes any assignment of arrangement for the benefit of its creditors then we may, without prejudice to any other rights that we may have, cancel the Contract.

11. CANCELLATION AND SUSPENSION

- a) In addition to our remedies under Clause 10 above, we may at any time cancel or suspend in part or whole our requirement for the Goods, Non-Stock Goods and/or Services to be supplied pursuant to the Purchase Order. If the Contract is for Goods then we will only be required to pay for Goods shipped prior to cancellation or



suspension. In the case of a cancellation under this Clause for Non-Stock Goods and/or Services, the Supplier shall cease supply and/or manufacture and do everything possible to prevent incurring further cost. Provided the Supplier is not in default of the Contract and has mitigated the costs incurred then it may issue an invoice for Non-Stock Goods and/or Services supplied and demonstrable costs properly incurred prior to receipt of our cancellation notice and we shall make payment in accordance with Clause 6 above, and, upon payment, title and property to any Goods, Non-Stock Goods and/or Services will pass to us.

- b) In the case of a suspension under this clause which is subsequently waived then MMM will notify the Supplier and both Parties, in good faith, will negotiate a revised delivery timeframe.

12. WARRANTIES

- a) The Supplier warrants that the Goods, Non-Stock Goods and/or Services shall:
- (i) conform with the requirements of the Contract,
 - (ii) be of good merchantable/professional quality and fit for the intended purpose,
 - (iii) be new (unless otherwise specified),
 - (iv) be free from all liens and encumbrances and the Supplier has good marketable title thereto.
- b) These warranties are in addition to any other warranty specified in the Purchase Order or implied by law including, but not limited to, standard trade or manufacturer's warranties, supplier assigned warranties or those specified by MMM.

13. LICENCES, PATENTS, TRADEMARKS AND COPYRIGHTS

- a) The Supplier shall at its cost obtain all requisite licences, permits and authorities required in performance of the Contract and shall comply with all applicable laws and regulations in relation to the Goods, Non-Stock Goods and/or Services.
- b) The Supplier warrants to us and our successors in interest that the manufacture, sale or use of the Goods, Non-Stock Goods and/or Services will not infringe or contribute to the infringement of any patents, trademarks, designs or copyrights and irrevocably licences to us all rights of use royalty free. The Supplier shall indemnify and keep indemnified us and our successors in title against any loss or damage (including legal fees and costs) arising from breach of this warranty or prevention or hindrance of use of the Goods, Non-Stock Goods and/or Services.

14. INTELLECTUAL PROPERTY

Each Party will retain the rights to any of its own background Intellectual Property that was in existence prior to the Contract. To the extent that it relates to the Contract, each Party grants to the other royalty free, non-transferable, non-exclusive right to use the background Intellectual Property. Any Intellectual Property created during the performance of and in relation to this Contract shall become our property. Any new Intellectual Property that has been jointly created during the performance and in relation to this Contract shall become the property of MMM and the Supplier will have revocable, non-exclusive and royalty free right to use of it for the purposes of the Contract. Neither Party will do anything, whether by act or omission and whether directly or indirectly, which may prejudice or infringe the other Party's background Intellectual Property.

15. CONFIDENTIALITY AND PRIVACY

- a) Each Party warrants that it will comply with the Privacy Act 1988 (Cth) as amended from time to time in relation to the collection, use or disclosure of personal information.
- b) Each Party warrants that any information provided under this Contract which is noted as confidential, or ought reasonably to know to be confidential, will be treated as Confidential Information and must not be disclosed to any third party without the prior written consent of the other Party except:
- (i) where necessary for the purpose of supplying the Goods, Non-Stock Goods and/or Services, or
 - (ii) where the Confidential Information is public knowledge or as required by any law, judicial or parliamentary body or governmental agency.
- c) Each Party warrants that the Confidential Information revealed in relation to this Contract will be used solely for the performance of the Contract and no other, and that it will safeguard all Confidential Information.



- d) Each Party will retain ownership of their Confidential Information and each Party must return all Confidential Information immediately on completion of the Contract. The Parties agree that these obligations shall survive termination or expiration of the Contract.

16. INSURANCES

- a) In addition to any insurance which the Supplier is by law obliged to effect, the Supplier shall procure and maintain at its own expense and with a reputable insurance company, such policies of insurance which may reasonably be required by MMM having regard to the nature of Goods, Non-Stock Goods and/or Services being supplied. In any event, the Supplier shall maintain relevant and prudent insurance cover for its liabilities covering all events that may cause loss of or damage to property or injury or death of a person in the performance of the Contract. Such insurance shall at least include Workers Compensation, Public Liability and Goods in Transit until the Goods, Non-Stock Goods and/or Services are delivered to MMM.
- b) The Supplier shall, on request, produce copies of Certificates of Currency for each and any relevant insurance policy pertaining to their industry.
- c) The Supplier shall ensure that every subcontractor it engages in relation to the Contract carries similar policies of insurance or is covered under the Supplier's own policies.

17. INDEMNITY

- a) The Supplier shall indemnify MMM against loss of or damage to our property, and claims in respect of personal injury or death or loss of, or damage to, any other property, arising out of or as a consequence of the Supplier's performance of the Contract. However, the Supplier's liability to indemnify MMM arising as a direct result of performance of the Contract shall be reduced proportionally to the extent that an act or omission by us contributed to the injury, death, loss or damage.
- b) Neither Party will be liable to the other with respect to consequential losses arising from this Contract.
- c) For the purpose of Item (b) above consequential loss means loss of profit, loss of production, loss of use of plant or facility, business interruption, loss of business opportunity or any indirect, consequential, special, contingent or penal damages suffered or incurred by the other Party.

18. DISPUTES

- a) The Parties agree to work together to quickly settle disputes that may arise. In the event that any such disputes cannot be negotiated quickly and amicably then the matter must be escalated to the respective Chief Executive Officers or their nominated representatives. If the Chief Executive Officers or their nominated representatives fail to resolve the dispute within Ten Business Days then the matter will be referred to an independent expert where the cost will be equally shared and the decision binding.
- b) Either Party may commence court proceedings in relation to any dispute at any time where that Party seeks urgent interlocutory relief.
- c) Despite the existence of any dispute, both Parties will continue to fulfil their obligations in relation to the Contract, unless a notice has been issued requesting the other Party to do otherwise.

19. ASSIGNMENT AND SUBCONTRACTING

The Supplier shall not assign or subcontract the work or any payment or any other right, benefit or interest without our prior written consent. Such consent shall not be unreasonably withheld.

20. GOVERNING AND APPLICABLE LAWS

- a) The Parties shall submit to the jurisdiction, law and the courts of the Country, State or Territory in which the MMM entity which is contracting with the Supplier resides. We may take proceedings to the courts of any Country, State or Territory in which the Supplier is resident or the Services are to be performed, and the Supplier in such case accepts and submits to the jurisdiction of those Courts.
- b) Both Parties shall comply with all applicable laws, by-laws, ordinances, regulations, proclamations, orders and rules and with the lawful requirements of public and other authorities in any way related to the Contract.



21. NOTICES AND REPRESENTATIVES

- a) The nominated representatives from both Parties shall be identified as such on the Contract.
- b) Any notice required or permitted to be given or delivered under this Contract shall be delivered and addressed to the nominated representatives. Notice shall be deemed to have been received by any Party, and shall be effective on:
 - i. the day given (if personally delivered, sent by confirmed facsimile, electronic mail transmission including any attached scanned documents, receipt verified, to a facsimile number or electronic mail address provided by the receiving Party to the sending Party for the purpose of receiving such notices); or
 - ii. on the third Business Day after which such notice is deposited, if mailed by certified or prepaid post.

22. RELATIONSHIP

The Supplier is an independent contractor and must exercise independent control, management and supervision in the performance of the Contract. The Supplier is not our agent in any way. The Suppliers' personnel will not under any circumstances be considered our employees for any purpose.

23. WAIVER

Subject to the express terms of the Contract, a right may only be waived in writing, signed by MMM, and;

- (a) No other conduct by MMM (including but not limited to a failure to exercise, or delay in exercising the right) operates as a waiver of that right or otherwise prevents the exercise of the right;
- (b) A waiver of a right on one or more occasions does not operate as a waiver of that right if that occasion arises again; and
- (c) The exercise of a right does not prevent any further exercise of that right or of any other right.

24. CONFLICT OF INTEREST

The Supplier and its personnel must not hold any office, possess any property, engage in any business, trade or calling, have any obligations by virtue of any contract whereby directly or indirectly, duties or interests are created in conflict with or might appear to be created in conflict with the Suppliers duties or interests under the Contract (Conflict). The Supplier must inform MMM of any matter which may give rise to a Conflict at any time during the Term.

25. SITE POLICIES AND RULES

The Supplier, at their own expense, must inform itself and its employees of all applicable policies and rules pertaining to the Site at which the Goods or Non-Stock Goods are to be delivered and/or installed or Services are to be performed. This includes, but is not limited to, attending site inductions and adhering to security processes and occupational health and safety requirements

26. DEFECTS

Unless otherwise specified in the Contract, a defects liability period of twelve months applies from either the date of delivery to the specified delivery point or the installation of the Goods, Non-stock good or Services by the Supplier, whichever is the later.



PART B – CONDITIONS RELATING TO GOODS OR NON-STOCK GOODS

27. APPLICATION OF THIS PART

Part B conditions apply to all Contracts for the supply of Goods or Non-Stock Goods, in conjunction with the supply of Services or otherwise.

28. QUALITY AND QUANTITY

Unless agreed to in writing by MMM, the specification, quality and quantity of Goods or Non-Stock Goods delivered shall not differ from that specified in the Contract.

29. DELIVERY, RISK AND TITLE

Where it is agreed that the supplier will be responsible for delivery

- a) The Supplier shall supply the Goods or Non-Stock Goods to the delivery point that is specified in the Contract. All Goods or Non-Stock Goods shall be packed, marked and transported as specified in the Contract but, if not specified, then packed, marked and transported in a proper and suitable manner in accordance with relevant industry standards and in all cases in accordance with the proper requirements of the manufacturer and transportation carriers.
- b) Unless otherwise agreed, the Supplier shall be liable for any incremental or additional freight charges arising from its failure to follow any transport instruction in the Contract or properly describe the Goods or Non-Stock Goods being transported.
- c) The risk of the Goods or Non-Stock Goods passes to us upon completion of delivery of the Goods or Non-Stock Goods to our specified delivery point and the title for the Goods or Non-Stock Goods passes upon payment following receipt of the Goods or Non-Stock Goods. This transference of risk to us pertains specifically to loss or damage to the Goods or Non-Stock Goods but, for the avoidance of doubt, the Supplier's product warranty and defects liability obligations still apply.

30. INSPECTION AND TESTING

- a) We will inspect the Goods or Non-Stock Goods as soon as practical following delivery. If we find that the Goods or Non-Stock Goods are defective or fail to meet the specifications at any time following delivery and prior to the end of the defects liability period, then we will issue a notice to the Supplier. The Supplier, at its cost, must repair or replace the Goods or Non-Stock Goods as soon as possible.
- b) If test certificates for Goods or Non-Stock Goods are specified in the Purchase Order the Supplier must forward these to us upon completion of testing.

31. INSTALLATION

If the Contract specifies an installation component in the supply of Goods or Non-Stock Goods, then the installation shall be treated as Services and will be subject to the conditions set out in Part C of this document.

32. LIABILITY

MMM' liability under this Purchase Order does not exceed the overall Purchase Order Price. For avoidance of any doubt, this is the sum of the total Price for each of the individual supplied Goods or Non-Stock Goods line items in the Purchase Order.

The Suppliers liability in respect of breaches of express or implied terms, conditions and warranties, is limited to any one of the following:

1. the replacement of the Goods or Non-Stock Goods or
2. the supply of equivalent Goods or Non-Stock Goods or
3. the repair of the Goods or Non-Stock Goods or
4. the payment of the cost of replacing the Goods or Non-Stock Goods or
5. of acquiring equivalent Goods or Non-Stock Goods ; or



6. the payment of the cost of having the Goods or Non-Stock Goods repaired, or as imposed by the Trade Practices Act 1974.

PART C – CONDITIONS RELATING TO SERVICES

33. APPLICATION OF THIS PART

Part C conditions apply to all Contracts for the supply of Services, in conjunction with the supply of Goods or Non-Stock Goods.

34. EXECUTION AND RISK

The Supplier shall commence provision of the Services at the agreed commencement date and in accordance with the Contract. The risk remains with the Supplier until the Services have been fully delivered, inspected and approved. The Supplier, at its own cost, shall provide all Suppliers' Equipment.

35. QUALITY OF SERVICE DELIVERY

Unless agreed to in writing by MMM, the specification, quality and scope of the Services shall not differ from that specified in the Contract. The work shall be carried out by suitably qualified, skilled and experienced personnel. Workmanship shall be of a high quality and standard; conforming to good professional practice and all applicable industry codes, laws, regulations and standards.

36. INSPECTION AND ACCEPTANCE

As soon as practical following notification from the Supplier of completion of the Services, MMM will assess the final outcome against the deliverables and specifications in the Contract. If the Services have not met the agreed performance or quality outcomes, MMM will issue a notice to this effect to the Supplier. The Supplier, at its cost, must remedy or resupply the Services to the specified standard as soon as possible but not to exceed 20 working days (unless agreed to in writing by MMM).

37. PERSONNEL

- a) The Supplier shall ensure that its personnel adhere to acceptable levels of behaviour and all Site Policies and Rules. MMM reserves the right to issue a notice for the removal of any offending Supplier personnel from Site and/or performance of Services where it is deemed those personnel pose an unacceptable risk to the Contract or others on the site.
- b) For a period of twelve months following the completion of the Contract, neither Party shall approach, either directly or indirectly, any of the personnel of the other Party who were involved in providing or receiving the Services, with offers of sub-contract or employment unless the offer results from a publicly advertised sub-contract or position which the personnel of the other Party has directly applied for.

38. ACCESS

- a) MMM will:
 - i. ensure that the Supplier has appropriate access to the Site, and
 - ii. provide agreed and specified support services,in order for the Supplier to complete the Services in accordance with the Contract.

39. LIABILITY

MMM' liability for breaches of Service under this Contract does not exceed the overall Purchase Order Price. For avoidance of any doubt, this is the sum of the total Price for each line item in the Purchase Order.

The Suppliers liability in respect of breaches of express or implied terms, conditions and warranties for delivery of Services, is limited to any one of the following:

1. the resupply of the Service or



2. the payment of the cost of resupply of the Service or
 3. the payment of supplying or acquiring an equivalent Service; and
 4. any other resultant services that must unavoidably be provided as a result of the Services being resupplied, or
- As imposed by the Trade Practices Act 1974.