

GENERAL CONDITIONS of SALE

1. WARRANTY

1.1 New Equipment

- 1.1.1 IsoFlex expressly warrants, unless otherwise stated by it in writing, that it will make good New Equipment or repair or replace original component parts manufactured by it which are:
- (a) shown to its satisfaction to be defective due to faulty workmanship or materials; and
 - (b) which fail under normal use or operation within twelve months from delivery from its works or 2000 hours operation, whichever occurs soonest .
- 1.1.2 IsoFlex's liability under this express warranty is specifically limited to making good at its works any equipment or original component parts thereof which are returned by the customer to its works within the period set out in 1.1.1 above. The customer agrees to prepay transportation charges for delivery and return.

1.2 Spare Parts

- 1.2.1 IsoFlex expressly warrants, unless otherwise stated by it in writing, that it will repair or replace component parts manufactured by it and originally supplied by it as spare parts which are:
- (a) shown to its satisfaction to be defective due to faulty workmanship or materials; and
 - (b) which fail under normal use or operation within six months from the date of delivery from its works or from the date the equipment re-enters service or 500 hours of operation, whichever occurs first.
- 1.2.2 IsoFlex's liability under this express warranty is specifically limited to making good at its works any spare parts which are returned by the customer to its works within the period set out in Clause 1.2.1 above. The customer agrees to prepay transportation charges for delivery and return.

2. OTHER WARRANTIES AND LIABILITIES

- 2.1 Any of the following events will render any Warranty provided in Clause 1 void:
- (a) operation beyond rated capacity or outside manufacturer's recommendations;
 - (b) improper use including, without limitation, failure to observe safe or warning signage, instructions or practices;
 - (c) improper installation or maintenance including, without limitation, failure to replace or adjust worn components;
 - (d) improper application of the equipment or parts;
 - (e) use of a part not approved for such use by the manufacturer;
 - (f) damage caused by foreign influences including, without limitation, abnormal environmental conditions;
- 2.2 Without limitation to the preceding Clause 2.1, the Warranties provided in Clause 1 only apply if the machines or equipment are operated in accordance with the normal operating instructions set out in any manual or other material notified to the customer by IsoFlex.
- 2.3 IsoFlex shall not be liable to any person for any loss or damage caused by, or arising directly or indirectly from any failure of the equipment, component parts or spare parts or any part thereof or by delay in service, maintenance or repair pursuant to this contract, even though such loss and damage may have been caused by negligence or other fault.
- 2.6 Except as provided herein, IsoFlex will not be liable in any circumstances for any loss or damage (including that resulting from the use of the goods by any person, any economic loss or special or consequential damages) arising for any reason, including negligence of IsoFlex, its employees or agents or any defect of malfunction in or relating to the goods or any services provided to the customer.

3. CANCELLATION OF CONTRACT

- 3.1 The contract will not be cancelled or amended without IsoFlex's prior consent in writing.
- 3.2 If the customer:
- (a) attempts to cancel the contract without IsoFlex's consent;
 - (b) seeks to amend or cancel the contract after its acceptance by IsoFlex;
 - (c) seeks additional equipment or modifications; or
 - (d) seeks to revise the date of delivery or completion;
- then the customer will be liable for all costs, expenses and losses whatsoever including IsoFlex's loss of profit resulting from such cancelling or revision.
- 3.3 In the event that the contract is revised the customer will be liable to pay the latest prices for the goods.

4. PASSING OF TITLE AND RISK

- 4.1 The whole or part of the goods supplied by IsoFlex will be at the customer's risk immediately upon delivery to the customer or into the custody of anyone acting on the customer's behalf, whichever is the sooner. If the goods are to be delivered to the customer at IsoFlex's premises, IsoFlex will give notice when the goods are ready for delivery and if for any reason the customer fails to collect the goods within seven (7) days from the date of such notice, then risk in the goods shall pass immediately to the customer and IsoFlex shall be entitled to payment for the

goods. IsoFlex will arrange for storage of the goods, the cost of which and all other incidental costs shall be payable by the customer.

- 4.2 Notwithstanding that risk in the goods shall pass to the customer on delivery, title to the goods shall remain with IsoFlex until all money owing to IsoFlex in relation to the goods has been paid in full and until such time the customer will hold the goods as bailee for IsoFlex and store or otherwise identify the goods in a manner that clearly shows the ownership of IsoFlex if required, deliver up the goods to IsoFlex.

5. ACCEPTANCE

The customer will examine the goods immediately upon the goods' arrival at the place of delivery and will within fourteen (14) working days from the date of delivery give written notice to IsoFlex of any matter or thing in which the customer believes the goods are not in accordance with the contract. If the customer fails to give such notice the customer will be deemed to have accepted the goods and IsoFlex will not be liable for any damage to the goods including any damage which may have occurred in transit.

6. DELIVERY

IsoFlex agrees to make every effort to complete the work within the time stated, but, if by reason of strikes, industrial bans and/or limitations, lockouts, accident, combination of workmen, breakdowns, power blackouts or rationing, or delays in transit, Acts of God, force majeure, or any delay in the completion of essential designs and/or drawings beyond IsoFlex's control, or of any lack of essential labour or materials or changes in existing hours and/or days of work, or restrictions or impositions, due to or to which IsoFlex may become subject, owing to defence or other national requirements or additional work required by the customer beyond that which was tendered by IsoFlex or to any other cause whatsoever beyond IsoFlex's control, either in IsoFlex's works or elsewhere, the work is delayed or suspended, IsoFlex shall not be liable to any penalty under the Contract and any date specified for delivery shall be extended by the period of such delay or suspension.

7. PRICE VARIATION

All prices are in Australian Dollars.

8. CONFIRMATION

IsoFlex's quotation is subject to confirmation in writing on receipt of the customer's order and final instructions.

9. GOODS AND SERVICES TAX

The price included in this tender is to be increased by the amount of any Goods and Services Tax if and when imposed on this contract. This clause does not apply for exported goods.

10. GOVERNMENTAL CHARGES

Should IsoFlex become liable for payment to any government authority in respect of any tax, (excluding income tax) duty or impost not in existence at the date of tender, or should IsoFlex's liability increase under any existing tax (excluding income tax) duty or impost, such payment or increased payment shall be to the customer's account.

11. SEPARABILITY

If any clause or clauses of this Contract shall be finally held void and/or unlawful by any authority having proper jurisdiction, the balance of this agreement shall remain in full force and effect. In such case, the parties hereto agree to enter into negotiations for the purpose of and to try to achieve replacement of such void and/or unlawful clause or clauses by valid and lawful provisions, the economic effect of which shall come as close as legally possible to the economic effect the parties hereto wanted to achieve on contracting such void and/or unlawful clause or clauses.

12. VALIDITY

This offer is valid for a period of 30 days from date of quotation.

13. EXCLUSION OF OTHER CONDITIONS

The contract formed by acceptance of the offer shall be subject to these General Conditions of Sale. No other terms or conditions, except those contained elsewhere in this offer or those expressly agreed to by IsoFlex in writing shall apply to or bind IsoFlex.