

## 1. Definitions

- 1.1 “Kar-Air” shall mean Kar Air Pty Ltd, its successors and assigns or any person acting on behalf of and with the authority of Kar Air Pty Ltd.
- 1.2 “Customer” shall mean the Customer (or any person acting on behalf of and with the authority of the Customer) as described on any quotation, work authorisation or other form as provided by Kar-Air to the Customer.
- 1.3 “Guarantor” means that person (or persons) who agrees to be liable for the debts of the Customer on a principal debtor basis.
- 1.4 “Goods” shall mean all Goods supplied by Kar-Air to the Customer (and where the context so permits shall include any supply of Services as hereinafter defined) and are as described on the invoices, quotation, work authorisation or any other forms as provided by Kar-Air to the Customer.
- 1.5 “Services” shall mean all Services supplied by Kar-Air to the Customer and includes any advice or recommendations (and where the context so permits shall include any supply of Goods as defined above).
- 1.6 “Price” shall mean the Price payable for the Goods as agreed between Kar-Air and the Customer in accordance with clause 4 of this contract.

## 2. The Competition and Consumer Act 2010 (“CCA”) and Fair Trading Acts (“FTA”)

- 2.1 Nothing in this agreement is intended to have the effect of contracting out of any applicable provisions of the CCA or the FTA in each of the States and Territories of Australia (including any substitute to those Acts or re-enactment thereof), except to the extent permitted by those Acts where applicable.
- 2.2 Where the Customer buys Goods as a consumer these terms and conditions shall be subject to any laws or legislation governing the rights of consumers and shall not affect the consumer’s statutory rights.

## 3. Acceptance

- 3.1 Any instructions received by Kar-Air from the Customer for the supply of Goods and/or the Customer’s acceptance of Goods supplied by Kar-Air shall constitute acceptance of the terms and conditions contained herein.
- 3.2 Where more than one Customer has entered into this agreement, the Customers shall be jointly and severally liable for all payments of the Price.
- 3.3 Upon acceptance of these terms and conditions by the Customer the terms and conditions are binding and can only be amended with the written consent of Kar-Air.
- 3.4 The Customer shall give Kar-Air not less than fourteen (14) days prior written notice of any proposed change of ownership of the Customer or any change in the Customer’s name and/or any other change in the Customer’s details (including but not limited to, changes in the Customer’s address, facsimile number, or business practice). The Customer shall be liable for any loss incurred by Kar-Air as a result of the Customer’s failure to comply with this clause.
- 3.5 Goods are supplied by Kar-Air only on the terms and conditions of trade herein to the exclusion of anything to the contrary in the terms of the Customer’s order notwithstanding that any such order is placed on terms that purport to override these terms and conditions of trade.
- 3.6 The Customer understands and accepts that if no transaction takes place in a twelve (12) month period then the Customer’s Credit Account is subject to renewal by submitting a new Credit Account Application form.
- 3.7 The Customer authorises Kar-Air to operate the vehicle as may be necessary to complete the Services. Kar-Air shall not be liable for any loss or damage that may arise from such operation unless due to Kar-Air’s negligence.

## 4. Price and Payment

- 4.1 At Kar-Air’s sole discretion the Price shall be either:
  - (a) as indicated on invoices provided by Kar-Air to the Customer in respect of Goods supplied; or
  - (b) Kar-Air’s quoted Price (subject to clause 4.2) which shall be binding upon Kar-Air provided that the Customer shall accept Kar-Air’s quotation in writing within thirty (30) days.
- 4.2 Kar-Air reserves the right to change the Price in the event of a variation to Kar-Air’s quotation. Any variation from the plan of scheduled works or specifications (including, but not limited to, any variation as a result of additional works required due to hidden or unidentifiable difficulties or as a result of increases to Kar-Air in the cost of materials and labour) will be charged for on the basis of Kar-Air’s quotation and will be shown as variations on the invoice.
- 4.3 At Kar-Air’s sole discretion a non refundable deposit may be required.
- 4.4 At Kar-Air’s sole discretion:
  - (a) payment shall be due on delivery of the Goods; or
  - (b) payment shall be due before delivery of the Goods; or
  - (c) payment for approved account holders shall be due thirty (30) days following the date of the invoice.
- 4.5 Time for payment for the Goods shall be of the essence and will be stated on the invoice or any other forms. If no time is stated then payment shall be due seven (7) days following the date of the invoice.
- 4.6 Payment will be made by cash, or by bank cheque, or by credit card (plus a surcharge of up to two and a half percent (2.5%) of the Price), or by direct credit, or by any other method as agreed to between the Customer and Kar-Air.
- 4.7 GST and other taxes and duties that may be applicable shall be added to the Price except when they are expressly included in the Price.

## 5. Delivery of Goods

- 5.1 At Kar-Air’s sole discretion delivery of the Goods shall take place when:

- (a) the Customer takes possession of the Goods at Kar-Air's address; or
  - (b) the Customer takes possession of the Goods at the Customer's nominated address (in the event that the Goods are delivered by Kar-Air or Kar-Air's nominated carrier); or
  - (c) the Customer's nominated carrier takes possession of the Goods in which event the carrier shall be deemed to be the Customer's agent.
- 5.2 Where Kar-Air is to provide any Services at the Customer's nominated address then the Customer shall be liable for all costs incurred by Kar-Air from the time they depart from, and until they return to, their normal place of work (including, but not limited to, mileage and time calculated at Kar-Air's standard rates and any Goods purchased for the Services).
- 5.3 At Kar-Air's sole discretion the costs of delivery may be in addition to the Price and are for the Customer's account.
- 5.4 The Customer shall make all arrangements necessary to take delivery of the Goods whenever they are tendered for delivery. In the event that the Customer is unable to take delivery of the Goods as arranged then Kar-Air shall be entitled to charge a reasonable fee for redelivery.
- 5.5 Delivery of the Goods to a third party nominated by the Customer is deemed to be delivery to the Customer for the purposes of this agreement.
- 5.6 The failure of Kar-Air to deliver shall not entitle either party to treat this contract as repudiated.
- 5.7 Kar-Air shall not be liable for any loss or damage whatsoever due to failure by Kar-Air to deliver the Goods (or any of them) promptly or at all, where due to circumstances beyond the control of Kar-Air.

## 6. Risk

- 6.1 If Kar-Air retains ownership of the Goods nonetheless, all risk for the Goods passes to the Customer on delivery.
- 6.2 If any of the Goods are damaged or destroyed following delivery but prior to ownership passing to the Customer, Kar-Air is entitled to receive all insurance proceeds payable for the Goods. The production of these terms and conditions by Kar-Air is sufficient evidence of Kar-Air's rights to receive the insurance proceeds without the need for any person dealing with Kar-Air to make further enquiries.
- 6.3 Where Kar-Air is required to install the Goods the Customer warrants that the structure of equipment in or upon which these Goods are to be installed is sound and will sustain the installation and work incidental thereto and Kar-Air shall not be liable for any claims, demands, losses, damages, costs and expenses howsoever caused or arising should the premises or equipment be unable to sustain the installation.

## 7. Title

- 7.1 Kar-Air and the Customer agree that ownership of the Goods shall not pass until:
- (a) the Customer has paid Kar-Air all amounts owing for the particular Goods; and
  - (b) the Customer has met all other obligations due by the Customer to Kar-Air in respect of all contracts between Kar-Air and the Customer.
- 7.2 Receipt by Kar-Air of any form of payment other than cash shall not be deemed to be payment until that form of payment has been honoured, cleared or recognised and until then Kar-Air's ownership or rights in respect of the Goods shall continue.
- 7.3 It is further agreed that:
- (a) where practicable the Goods shall be kept separate and identifiable until Kar-Air shall have received payment and all other obligations of the Customer are met; and
  - (b) until such time as ownership of the Goods shall pass from Kar-Air to the Customer Kar-Air may give notice in writing to the Customer to return the Goods or any of them to Kar-Air. Upon such notice the rights of the Customer to obtain ownership or any other interest in the Goods shall cease; and
  - (c) Kar-Air shall have the right of stopping the Goods in transit whether or not delivery has been made; and
  - (d) if the Customer fails to return the Goods to Kar-Air then Kar-Air or Kar-Air's agent may (as the invitee of the Customer) enter upon and into land and premises owned, occupied or used by the Customer, or any premises where the Goods are situated and take possession of the Goods; and
  - (e) the Customer is only a bailee of the Goods and until such time as Kar-Air has received payment in full for the Goods then the Customer shall hold any proceeds from the sale or disposal of the Goods, up to and including the amount the Customer owes to Kar-Air for the Goods, on trust for Kar-Air; and
  - (f) the Customer shall not deal with the money of Kar-Air in any way which may be adverse to Kar-Air; and
  - (g) the Customer shall not charge the Goods in any way nor grant nor otherwise give any interest in the Goods while they remain the property of Kar-Air; and
  - (h) Kar-Air can issue proceedings to recover the Price of the Goods sold notwithstanding that ownership of the Goods may not have passed to the Customer; and
  - (i) until such time that ownership in the Goods passes to the Customer, if the Goods are converted into other products, the parties agree that Kar-Air will be the owner of the end products.

## 8. Personal Property Securities Act 2009 ("PPSA")

- 8.1 In this clause:
- (a) financing statement has the meaning given to it by the PPSA;
  - (b) financing change statement has the meaning given to it by the PPSA;
  - (c) security agreement means the security agreement under the PPSA created between the Customer and Kar-Air by these terms and conditions; and
  - (d) security interest has the meaning given to it by the PPSA.

- 8.2 Upon assenting to these terms and conditions in writing the Customer acknowledges and agrees that these terms and conditions:
- (a) constitute a security agreement for the purposes of the PPSA; and
  - (b) create a security interest in:
    - (i) all Goods previously supplied by Kar-Air to the Customer (if any);
    - (ii) all Goods that will be supplied in the future by Kar-Air to the Customer.
- 8.3 The Customer undertakes to:
- (a) promptly sign any further documents and/or provide any further information (such information to be complete, accurate and up-to-date in all respects) which Kar-Air may reasonably require to:
    - (i) register a financing statement or financing change statement in relation to a security interest on the Personal Property Securities Register;
    - (ii) register any other document required to be registered by the PPSA; or
    - (iii) correct a defect in a statement referred to in clause 8.3(a)(i) or 8.3(a)(ii);
  - (b) indemnify, and upon demand reimburse, Kar-Air for all expenses incurred in registering a financing statement or financing change statement on the Personal Property Securities Register established by the PPSA or releasing any Goods charged thereby;
  - (c) not register a financing change statement in respect of a security interest without the prior written consent of Kar-Air;
  - (d) not register, or permit to be registered, a financing statement or a financing change statement in relation to the Goods in favour of a third party without the prior written consent of Kar-Air; and
  - (e) immediately advise Kar-Air of any material change in its business practices of selling the Goods which would result in a change in the nature of proceeds derived from such sales.
- 8.4 Kar-Air and the Customer agree that sections 96, 115 and 125 of the PPSA do not apply to the security agreement created by these terms and conditions.
- 8.5 The Customer hereby waives its rights to receive notices under sections 95, 118, 121(4), 130, 132(3)(d) and 132(4) of the PPSA.
- 8.6 The Customer waives its rights as a grantor and/or a debtor under sections 142 and 143 of the PPSA.
- 8.7 Unless otherwise agreed to in writing by Kar-Air, the Customer waives its right to receive a verification statement in accordance with section 157 of the PPSA.
- 8.8 The Customer shall unconditionally ratify any actions taken by Kar-Air under clauses 8.3 to 8.5.

## 9. Security and Charge

- 9.1 Despite anything to the contrary contained herein or any other rights which Kar-Air may have howsoever:
- (a) where the Customer and/or the Guarantor (if any) is the owner of land, realty or any other asset capable of being charged, both the Customer and/or the Guarantor agree to mortgage and/or charge all of their joint and/or several interest in the said land, realty or any other asset to Kar-Air or Kar-Air's nominee to secure all amounts and other monetary obligations payable under these terms and conditions. The Customer and/or the Guarantor acknowledge and agree that Kar-Air (or Kar-Air's nominee) shall be entitled to lodge where appropriate a caveat, which caveat shall be withdrawn once all payments and other monetary obligations payable hereunder have been met.
  - (b) should Kar-Air elect to proceed in any manner in accordance with this clause and/or its sub-clauses, the Customer and/or Guarantor shall indemnify Kar-Air from and against all Kar-Air's costs and disbursements including legal costs on a solicitor and own client basis.
  - (c) the Customer and/or the Guarantor (if any) agree to irrevocably nominate constitute and appoint Kar-Air or Kar-Air's nominee as the Customer's and/or Guarantor's true and lawful attorney to perform all necessary acts to give effect to the provisions of this clause 9.1.

## 10. Defects

- 10.1 The Customer shall inspect the Goods on delivery and shall within five (5) working days of delivery (time being of the essence) notify Kar-Air of any alleged defect, shortage in quantity, damage or failure to comply with the description or quote. The Customer shall afford Kar-Air an opportunity to inspect the Goods within a reasonable time following delivery if the Customer believes the Goods are defective in any way. If the Customer shall fail to comply with these provisions the Goods shall be presumed to be free from any defect or damage. For defective Goods, which Kar-Air has agreed in writing that the Customer is entitled to reject, Kar-Air's liability is limited to either (at Kar-Air's discretion) replacing the Goods or repairing the Goods except where the Customer has acquired Goods as a consumer within the meaning of the Competition and Consumer Act 2010 (Cwlth) or the Fair Trading Acts of the relevant state or territories of Australia, and is therefore also entitled to, at the consumer's discretion either a refund of the purchase price of the Goods, or repair of the Goods, or replacement of the Goods.

## 11. Returns

- 11.1 Returns will only be accepted provided that:
- (a) the Customer has complied with the provisions of clause 10.1; and
  - (b) Kar-Air has agreed in writing to accept the return of the Goods; and
  - (c) the Goods are returned at the Customer's cost within ten (10) days of the delivery date; and
  - (d) Kar-Air will not be liable for Goods which have not been stored or used in a proper manner; and
  - (e) the Goods are returned in the condition in which they were delivered and with all packaging material, brochures and instruction material in as new condition as is reasonably possible in the circumstances.

- 11.2 Kar-Air may (at their sole discretion) accept the return of Goods for credit but this may incur a handling fee of up to ten percent (10%) of the value of the returned Goods plus any freight costs.
- 11.3 Non-stocklist items or Goods made to the Customer's specifications are under no circumstances acceptable for credit or return.

## 12. Warranty

- 12.1 The conditions applicable to the warranty given on Goods supplied by Kar-Air are contained on the "Warranty Details" card that will be supplied with the Goods.

## 13. Default and Consequences of Default

- 13.1 Interest on overdue invoices shall accrue daily from the date when payment becomes due, until the date of payment, at a rate of two and a half percent (2.5%) per calendar month (and at Kar-Air's sole discretion such interest shall compound monthly at such a rate) after as well as before any judgment.
- 13.2 In the event that the Customer's payment is dishonoured for any reason the Customer shall be liable for any dishonour fees incurred by Kar-Air.
- 13.3 If the Customer defaults in payment of any invoice when due, the Customer shall indemnify Kar-Air from and against all costs and disbursements incurred by Kar-Air in pursuing the debt including legal costs on a solicitor and own client basis and Kar-Air's collection agency costs.
- 13.4 Without prejudice to any other remedies Kar-Air may have, if at any time the Customer is in breach of any obligation (including those relating to payment) Kar-Air may suspend or terminate the supply of Goods to the Customer and any of its other obligations under the terms and conditions. Kar-Air will not be liable to the Customer for any loss or damage the Customer suffers because Kar-Air has exercised its rights under this clause.
- 13.5 If any account remains overdue after thirty (30) days then an amount of the greater of twenty dollars (\$20.00) or ten percent (10%) of the amount overdue (up to a maximum of two hundred dollars (\$200.00)) shall be levied for administration fees which sum shall become immediately due and payable.
- 13.6 Without prejudice to Kar-Air's other remedies at law Kar-Air shall be entitled to cancel all or any part of any order of the Customer which remains unfulfilled and all amounts owing to Kar-Air shall, whether or not due for payment, become immediately payable in the event that:
  - (a) any money payable to Kar-Air becomes overdue, or in Kar-Air's opinion the Customer will be unable to meet its payments as they fall due; or
  - (b) the Customer becomes insolvent, convenes a meeting with its creditors or proposes or enters into an arrangement with creditors, or makes an assignment for the benefit of its creditors; or
  - (c) a receiver, manager, liquidator (provisional or otherwise) or similar person is appointed in respect of the Customer or any asset of the Customer.

## 14. Cancellation

- 14.1 Kar-Air may cancel any contract to which these terms and conditions apply or cancel delivery of Goods at any time before the Goods are delivered by giving written notice to the Customer. On giving such notice Kar-Air shall repay to the Customer any sums paid in respect of the Price. Kar-Air shall not be liable for any loss or damage whatsoever arising from such cancellation.
- 14.2 In the event that the Customer cancels delivery of Goods the Customer shall be liable for any loss incurred by Kar-Air (including, but not limited to, any loss of profits) up to the time of cancellation.
- 14.3 Cancellation of orders for Goods made to the Customer's specifications or non-stocklist items will definitely not be accepted, once production has commenced.

## 15. Privacy Act 1988

- 15.1 The Customer and/or the Guarantor/s (herein referred to as the Customer) agree for Kar-Air to obtain from a credit reporting agency a credit report containing personal credit information about the Customer in relation to credit provided by Kar-Air.
- 15.2 The Customer agrees that Kar-Air may exchange information about the Customer with those credit providers either named as trade referees by the Customer or named in a consumer credit report issued by a credit reporting agency for the following purposes:
  - (a) to assess an application by the Customer; and/or
  - (b) to notify other credit providers of a default by the Customer; and/or
  - (c) to exchange information with other credit providers as to the status of this credit account, where the Customer is in default with other credit providers; and/or
  - (d) to assess the creditworthiness of the Customer.The Customer understands that the information exchanged can include anything about the Customer's creditworthiness, credit standing, credit history or credit capacity that credit providers are allowed to exchange under the Privacy Act 1988.
- 15.3 The Customer consents to Kar-Air being given a consumer credit report to collect overdue payment on commercial credit (Section 18K(1)(h) Privacy Act 1988).
- 15.4 The Customer agrees that personal credit information provided may be used and retained by Kar-Air for the following purposes (and for other purposes as shall be agreed between the Customer and Kar-Air or required by law from time to time):
  - (a) the provision of Goods; and/or
  - (b) the marketing of Goods by Kar-Air, its agents or distributors; and/or

- (c) analysing, verifying and/or checking the Customer's credit, payment and/or status in relation to the provision of Goods; and/or
  - (d) processing of any payment instructions, direct debit facilities and/or credit facilities requested by the Customer; and/or
  - (e) enabling the daily operation of Customer's account and/or the collection of amounts outstanding in the Customer's account in relation to the Goods.
- 15.5 Kar-Air may give information about the Customer to a credit reporting agency for the following purposes:
- (a) to obtain a consumer credit report about the Customer;
  - (b) allow the credit reporting agency to create or maintain a credit information file containing information about the Customer.
- 15.6 The information given to the credit reporting agency may include:
- (a) personal particulars (the Customer's name, sex, address, previous addresses, date of birth, name of employer and driver's licence number;
  - (b) details concerning the Customer's application for credit or commercial credit and the amount requested;
  - (c) advice that Kar-Air is a current credit provider to the Customer;
  - (d) advice of any overdue accounts, loan repayments, and/or any outstanding monies owing which are overdue by more than sixty (60) days, and for which debt collection action has been started;
  - (e) that the Customer's overdue accounts, loan repayments and/or any outstanding monies are no longer overdue in respect of any default that has been listed;
  - (f) information that, in the opinion of Kar-Air, the Customer has committed a serious credit infringement (that is, fraudulently or shown an intention not to comply with the Customer's credit obligations);
  - (g) advice that cheques drawn by the Customer for one hundred dollars (\$100) or more, have been dishonoured more than once;
  - (h) that credit provided to the Customer by Kar-Air has been paid or otherwise discharged.

## 16. Unpaid Kar-Air's Rights

- 16.1 Where the Customer has left any item with Kar-Air for repair, modification, exchange or for Kar-Air to perform any other Service in relation to the item and Kar-Air has not received or been tendered the whole of the Price, or the payment has been dishonoured, Kar-Air shall have:
- (a) a lien on the item;
  - (b) the right to retain the item for the Price while Kar-Air is in possession of the item;
  - (c) a right to sell the item.
- 16.2 The lien of Kar-Air shall continue despite the commencement of proceedings, or judgment for the Price having been obtained.

## 17. General

- 17.1 If any provision of these terms and conditions shall be invalid, void, illegal or unenforceable the validity, existence, legality and enforceability of the remaining provisions shall not be affected, prejudiced or impaired.
- 17.2 If any provisions of these terms and conditions are inconsistent with the PPSA, the PPSA shall prevail to the extent of that inconsistency.
- 17.3 These terms and conditions and any contract to which they apply shall be governed by the laws of Victoria and are subject to the jurisdiction of the courts of Victoria.
- 17.4 Kar-Air shall be under no liability whatsoever to the Customer for any indirect and/or consequential loss and/or expense (including loss of profit) suffered by the Customer arising out of a breach by Kar-Air of these terms and conditions.
- 17.5 In the event of any breach of this contract by Kar-Air the remedies of the Customer shall be limited to damages which under no circumstances shall exceed the Price of the Goods.
- 17.6 The Customer shall not be entitled to set off against, or deduct from the Price, any sums owed or claimed to be owed to the Customer by Kar-Air nor to withhold payment of any invoice because part of that invoice is in dispute.
- 17.7 Kar-Air may license or sub-contract all or any part of its rights and obligations without the Customer's consent.
- 17.8 The Customer agrees that Kar-Air may review these terms and conditions at any time. If, following any such review, there is to be any change to these terms and conditions, then that change will take effect from the date on which Kar-Air notifies the Customer of such change. The Customer shall be under no obligation to accept such changes except where Kar-Air supplies further Goods to the Customer and the Customer accepts such Goods.
- 17.9 Neither party shall be liable for any default due to any act of God, war, terrorism, strike, lock-out, industrial action, fire, flood, storm or other event beyond the reasonable control of either party.
- 17.10 The failure by Kar-Air to enforce any provision of these terms and conditions shall not be treated as a waiver of that provision, nor shall it affect Kar-Air's right to subsequently enforce that provision.