

Terms of Order for Krannich Solar

The Supplier agrees to supply and deliver the Goods to Krannich Solar in accordance with these Terms of Order and the Details (**Order**).

This Order supersedes all other communications and negotiation (whether oral or written) between the Supplier and Krannich Solar in relation to the Goods and constitutes the entire agreement between the parties.

The Supplier is bound by this Order whether or not the Order has been signed by the Supplier. This Order applies to the exclusion of any terms and conditions appearing on or forming part of the Supplier's delivery dockets or invoices, unless a variation to this Order is expressly agreed to in writing by an authorised officer of Krannich Solar. The order number must be shown on all invoices and documents relating to the delivery of the Goods. The item quantities must be shown on all invoices and packing lists. Where applicable, any bill of lading must be delivered with the invoice.

1. Supply

(a) The Supplier must supply the Goods to Krannich Solar at the Point of Delivery and by the Date for Delivery for the Price.

(b) "Goods" includes all goods described in the Details, all manuals, spare parts and operating instructions needed by Krannich Solar for the proper use of the Goods, and all other things which might affect the supply of the Goods including conditions at the Point of Delivery, and to have made due allowance for these in the Price.

2. Inspection, rejection and quality assurance

(a) The Supplier must test the Goods at its own cost to ensure compliance with this Order.

(b) Krannich Solar may at any time enter the premises where the Goods are manufactured to inspect, examine or test the Goods.

(c) No inspection, examination or testing by Krannich Solar relieves the Supplier of its obligations under the Order.

(d) If the inspection discloses that the Goods are defective or otherwise in breach of the Order, Krannich Solar may deliver to the Supplier a notice requiring the defect or breach to be remedied within the reasonable time identified in the notice and the Supplier must comply with that notice.

(e) If the Supplier does not remedy the defect or other breach within the time identified in the notice given under clause 2(d), Krannich Solar may, by notice in writing addressed to the Supplier, terminate the Order.

(f) The Supplier must ensure that the Goods are manufactured in accordance with any specific quality assurance requirements set out in the Details, or as notified by Krannich Solar to the Supplier from time to time. Where none are specified, the Goods must comply with the best standards applicable to goods of that type.

(g) The Supplier has to store the relevant documentation for a period of 10 years and can be requested by Krannich Solar at any time.

3. Price

(a) The Price is fixed and will not be subject to adjustment for rise and fall, or exchange rate variations.

(b) The Supplier may deliver to Krannich Solar an invoice for Goods delivered under the Order. Krannich Solar must pay the Supplier the amount determined by Krannich Solar

as the appropriate proportion (having regard to the provisions of the Order and the proportion of the Goods delivered) of the Price for the Goods within 45 days of receipt of the invoice by Krannich Solar. Should Krannich Solar pay within the first 14 days of receipt, a discount of 3 % applies. The invoice must be in the form of a tax invoice.

(c) All invoices must be itemised and be in a form which clearly indicates any GST

component already paid by the Supplier, for which Krannich Solar is entitled to claim an input credit. The invoices must further state name and address of the parties, tax number, order number, order date, number and date of the bill of lading, amount of goods or services charged, country of origin and bank account.

(d) The Price includes all taxes, levies and fees (including goods and services tax) which are payable in relation to the supply and delivery of the

Goods. The Supplier must pay such taxes, levies and fees.

(e) The Price will not be varied for any reason except where expressly agreed in writing, signed by an authorised representative of Krannich Solar.

(f) Krannich Solar may, by notice in writing addressed to the Supplier and signed by an authorised representative of Krannich Solar, vary the quantity or quality or description of the Goods, the Date for Delivery or any aspect of the supply of the Goods. The Price will be altered by a reasonable amount determined by Krannich Solar for that variation.

(g) Krannich Solar may deduct from any amount owing to the Supplier under the Order, including any part payment of the Price, any amount which Krannich Solar asserts is or may become payable by the Supplier to Krannich Solar including amounts by way of liquidated or unliquidated damages.

(h) Krannich Solar may make payment by cheque, bank cheque, transfer, or cash payment or in any manner otherwise agreed in writing by the parties.

(i) All payments will be on account only and will not be an admission that the Goods comply with this Order.

(j) All offers, drafts and samples of the Supplier are free of costs. No compensation for travel expenses and business meetings will be paid.

(k) The supplier may not convey any claims against Krannich Solar to a third party without written consent of Krannich Solar.

4. Time and delivery

(a) The Supplier must deliver the Goods to Krannich Solar at the Point of Delivery on the Date for Delivery during the Delivery Hours (Date of Delivery). The Date for Delivery is of the essence in the Order.

(b) Krannich Solar is not obliged to accept early delivery of the Goods. If Krannich Solar does not accept early delivery of the Goods, the Supplier must, at its cost, hold the Goods in store until the Date for Delivery.

(c) The Supplier must notify Krannich Solar immediately upon the Supplier becoming

aware that it will not be able to deliver the Goods on the Date for Delivery.

(d) The Date for Delivery may only be extended by Krannich Solar to the extent that the Supplier is delayed by an act, omission or default of Krannich Solar or an agent or employee of Krannich Solar.

(e) The period of an extension to the Date for Delivery will be a reasonable time, having regard to the cause of the delay and the steps the Supplier could reasonably have taken to mitigate the effect of the delay.

(f) The cost of carriage of the Goods to the Point of Delivery, and all packing, loading and unloading is included in the Price and must be borne by the Supplier.

(g) If the Goods are not properly delivered to the Point of Delivery by the Date for Delivery, then the Supplier will be in breach of this Order and Krannich Solar may, without prejudice to its other rights:

(i) recover liquidated damages at the rate of 0.5% of the Price for each week or part thereof until the Date of Delivery up to maximum amount of 5% of the Price, as a debt due from the Supplier to Krannich Solar; and/or

(ii) cancel the whole or part of the Order.

(h) The Supplier must comply with all safety requirements of Krannich Solar relating to the Supplier's conduct at the Point of Delivery.

(i) If Krannich Solar or any of its representatives signs a delivery docket or other document required by the Supplier to acknowledge delivery, Krannich Solar will not be

taken to have accepted the Goods as being in accordance with this Order (whether as to quality or quantity). This applies notwithstanding any terms and conditions appearing on any such acknowledgment of delivery.

(j) The Supplier must deliver all applicable material safety data sheets (MSDS) with the Goods.

(k) The Supplier must ensure it can supply Krannich Solar with spare parts for the Goods a period of 10 years from the Date of Delivery under reasonable conditions.

(l) Partial deliveries will not be accepted without Krannich Solar's prior written approval, and then only on the terms agreed by Krannich Solar.

5. Delivery Program

(a) If requested in the Order, the Supplier must, within seven days of a written request by Krannich Solar, provide Krannich Solar with a program which identifies all major milestones in the manufacture and delivery of the Goods.

(b) The supply of a program does not affect the obligation of the Supplier to deliver the Goods by the Date for Delivery.

6. Risk and Title

(a) Property and title in the Goods will pass to Krannich Solar on the first to occur of payment of any part of the Price for the Goods and delivery to the Point of Delivery.

(b) Risk in Goods will pass to Krannich Solar upon delivery of those Goods to the Point of Delivery. The Goods will be at the risk of the Supplier up to the Point of Delivery even if delivery is delayed through the fault of Krannich Solar.

(c) The Supplier must insure the Goods against all risks of loss, damage and depreciation for the full replacement value until delivery of the Goods to the Point of Delivery.

(d) The Supplier indemnifies Krannich Solar and its officers, employees, agents and contractors against any action, liability, costs, damages or expenses suffered or incurred by Krannich Solar as a consequence of any act or omission by the Supplier, its contractors, employees or agents (including supply of defective Goods).

(e) Prior to commencing any work to fulfill the Order and before entering Krannich Solar's premises or the Point of Delivery, the Supplier must effect the following insurance policies with reputable insurers:

(i) workers compensation to the extent required at law; and

(ii) public and product liability insurance to an amount not less than the amount identified in the Order (and if nothing is stated, 20,000,000).

(f) Where requested by Krannich Solar the Supplier must immediately provide certificates of currency for the policies effected under clauses 6(c) and 6(d).

7. Return of Goods

(a) If, within a reasonable time of delivery, it is apparent to Krannich Solar that the Goods or any part of the Goods are not in accordance with the Order, Krannich Solar may return those Goods to the Supplier.

(b) If Krannich Solar exercises its power under clause 7(a), the Supplier must pay Krannich Solar:

(i) any amounts paid by Krannich Solar for the Goods so returned; and

(ii) any costs incurred or losses suffered by Krannich Solar in connection with the delivery or return of those Goods.

8. Warranties

(a) The Supplier warrants that the Goods will:

(i) at delivery, be new and in good order and condition;

(ii) comply precisely with the description in the Order (as varied under clause 3(f));

(iii) comply with any relevant patterns or specifications;

(iv) be of good merchantable quality;

(v) be fit for the purpose made known to the Supplier by Krannich Solar or, if none was made known to the Supplier, fit for the purpose for which goods of that kind are ordinarily used;

(vi) comply with any other warranties or guarantees contained in the Order or ordinarily supplied by the Supplier and manufacturer of the Goods;

(vii) comply with all applicable Australian standards;

(viii) comply with the provisions of any legislation applicable to them; and

(ix) at delivery, be free from all charges, liens and encumbrances.

(b) The warranties in clause 8(a) are in addition to any warranties which are or may be implied under the Sale of Goods Act, the Competition and Consumer Act and any other legislation applicable to the Goods.

(c) The Supplier warrants that it has the necessary skills, resources and experience to successfully supply the Goods in accordance with this Order.

(d) The Supplier warrants that it has all intellectual property rights (including any patents, trademarks and copyright) necessary to supply Goods in accordance with the Order and indemnifies Krannich Solar against any loss, cost,

damage or expense incurred by Krannich Solar as a consequence of any claim by a third party that it has a right to any intellectual property right in the Goods.

(e) The Supplier warrants to Krannich Solar that it is the legal and beneficial owner of the Goods supplied by it under the Order.

9. Defective Goods

(a) If, at any time, (whether or not a reasonable time has passed for inspection after delivery of the Goods) Krannich Solar discovers that the Goods do not comply with any warranty given under clause 8, Krannich Solar may (without limiting any other right available to it):

(i) rectify the Goods or have the Goods rectified and the cost, loss, damage and expense suffered or incurred by Krannich Solar will be a debt due from the Supplier to Krannich Solar; or

(ii) deliver to the Supplier a notice under clause 9(b).

(b) The Supplier must, if Krannich Solar so requires by notice in writing, at the cost of the Supplier, either:

(i) remove the Goods, rectify the defects and return the Goods to Krannich Solar; or

(ii) replace the Goods.

10. Confidentiality

The Order must be treated as confidential and must not be disclosed to any person, firm or Purchaser or used for advertisement, display or publication without the prior written consent of Krannich Solar.

11. Drawings and Tools

(a) All tools, patterns, materials, drawings, specifications and other data provided by Krannich Solar in connection with the Order:

(i) remain the property of Krannich Solar (except that the Supplier is responsible for making good any damage done to them while they are in the possession of the Supplier);

(ii) must be used solely for the purpose of the Order;

(iii) must not be passed to or divulged to any third party except with the express consent of Krannich Solar in writing; and

(iv) must be returned by the Supplier to Krannich Solar on completion of the Order.

12. Termination

(a) In addition to the rights under the Order, the parties have the rights of termination available to them at statute and common law.

(b) Krannich Solar may suspend all or part of the supply of the Goods at any time for any period of time by notice in writing to the Supplier. The Supplier must comply with the notice and recommence supply when notified by Krannich Solar. The Supplier will not be entitled to any additional payment arising as a result of the suspension.

(c) Krannich Solar may terminate this Order at any time by giving notice in writing to the Supplier. Subject to any rights Krannich Solar may have of set off or deduction, on termination Krannich Solar's only obligation will be to pay the Supplier for Goods which have been delivered in accordance with this Order prior to the date of termination.

(d) The Supplier acknowledges that the Supplier will not be entitled to any further compensation from Krannich Solar for any loss whatsoever, whether direct or indirect or otherwise, howsoever incurred arising out of or otherwise related to an exercise by Krannich Solar of its rights under clause 12(c).

13. Miscellaneous

(a) A reference to:

(i) words in the singular include the plural and vice versa;

(ii) any gender includes the other genders;

(iii) a person includes a partnership, joint venture, unincorporated association, corporation and a government or statutory body or authority;

(iv) any legislation includes subordinate legislation under it and includes that legislation and subordinate legislation as modified or replaced;

(v) an obligation includes a warranty or representation and a reference to a failure to comply with an obligation includes a breach of warranty or representation; and

(vi) "includes" means includes without limitation.

(b) Headings of clauses must not be used in the interpretation of this Order.

(c) Remedies of Krannich Solar under the Order are without prejudice to remedies at common law or under statute.

(d) No waiver by Krannich Solar of a breach of the Order by the Supplier constitutes a waiver for any subsequent or continuing breach by the Supplier.

(e) This Order is governed by the laws of Victoria and the parties submit to the jurisdiction of the courts of Victoria and any courts which have jurisdiction to hear appeals from any of those courts.

(f) The United Nations Convention on Contracts for the International Sale of Goods does not apply to this Order.

(g) If any of the provisions of this Order are held by a court of competent jurisdiction to be invalid or otherwise unenforceable that provision may be severed from the Order and the remainder of this Order will continue to be effective and valid notwithstanding such severance.

(h) The Supplier must not, without the prior written approval of Krannich Solar, assign, or deal with its interest under the Order. Any such approval will not relieve the Supplier of its obligations under the Order.

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