

## TERMS AND CONDITIONS OF SALE

### 1. General

- 1.1. In these Terms and Conditions of sale ("Conditions"), Silobag Solutions is referred to as the "Seller" and any individual, corporation, or other entity with whom the Seller contracts is called the "Buyer"; "Goods" shall be all or any part of materials supplied or to be supplied by Seller; "Contract" shall be any contract between Seller and Buyer with respect to the Goods.
- 1.2. Unless otherwise agreed in writing by Seller, any offers, orders and sales by Seller of Goods are based on these Conditions. The Seller is not bound by the terms of any order made by the Buyer.
- 1.3. These Conditions and the Seller's approval of orders constitute the entire agreement between the parties hereto and, subject to clause 1.4, no variation or cancellation of any of these Conditions will be binding on the Seller unless agreed to by an authorised officer of the Seller in writing.
- 1.4. The Seller may at its absolute discretion vary, alter or modify these Conditions by giving the Buyer seven (7) days' notice in writing and the varied Conditions will apply to Buyer's orders made by the Buyer after the expiry of such period.

### 2. Buyer's Orders & Price

- 2.1. No binding contract exists between the Seller and the Buyer until the Buyer's order ("Order") has been accepted in writing by the Seller.
- 2.2. All Orders are accepted by the Seller are sold and invoiced according to the Seller's price list for the Goods current on the date the Order is placed and is exclusive of GST ("Price List"). Copies of the Seller's current Price List are available on request.
- 2.3. The Seller reserves the right to make changes in the current Price List, from time to time, based on the terms of the negotiated trading agreement. If no contract is applicable, the Seller reserves the right to change its prices due to the volatile nature of the raw materials used and specific market conditions, transportation, insurance, any applicable taxes for the supply of the Goods and the fluctuation of exchange rates that occur after a quotation is provided or the Order is accepted.
- 2.4. The Buyer must pay to the Seller on demand, any tax (other than income tax) payable on or in connection with the supply of the Goods the subject of the Order, any matter or things done pursuant to the Order or any payment, receipt of other transaction contemplated by the Order, including without limitation, any GST, customs duty, excise duty, stamp duty, other duty, government charge, fee, levy or impost (together with any fine, penalty or interest payable because of a default of the Buyer).  
In these Conditions: (i) "GST" means a goods and services tax or similar value added tax levied or imposed in Australia on a Supply; and (ii) "Supply" has the meaning given to that term in the A New Tax System (Goods and Services Tax) Act 1999 (Cth). Any consideration or payment obligation stated or referred to in this Conditions does not include GST. If GST is imposed on any Supply (other than a Supply which is GST free under the A New Tax System (Goods and Service Tax) Act 1999 (Cth) made by any party (the "Supplier") to any other party (the "Recipient") under or in connection with these Conditions, the consideration for that Supply is increased by an amount equal to the amount of that consideration multiplied by the rate at which GST is imposed in respect of that supply. The supplier must provide to the Recipient a GST tax invoice as required by the relevant legislation.
- 2.5. All prices are quoted in Australian Dollars unless otherwise specified, and all payments must be made in Australian Dollars unless otherwise agreed in writing by the Seller.

### 3. Credit Policy

The Seller may at its discretion, as a condition of acceptance of an Order require the Buyer to:

- 3.1. Provide a cash deposit in advance of delivery of the goods.
- 3.2. Provide personal guarantees as to payment.
- 3.3. Provide bank guarantee as to payment.
- 3.4. Any expenses incurred by the Seller in recovering or attempting to recover payment of amounts which may from time to time become overdue are payable by the Buyer on demand.

### 4. Delivery

- 4.1. Delivery terms and conditions agreed upon between Seller and Buyer shall be interpreted on the basis of Incoterms (2010). Any delivery date indicated by the Seller shall be deemed as an approximate estimate, and unless otherwise expressly agreed in writing by the Seller, time is not of the essence for delivery. If no delivery date is quoted then the Company will deliver the goods as soon as it can conveniently do so.
- 4.2. The Seller may deliver the Goods by instalments (where in the Seller's opinion this is reasonable to do so) and issue interim invoices to the Buyer. If delivery of the goods is to be made by instalments, each delivery shall be deemed to be a separate contract hereunder, independent of all prior or subsequent deliveries.
- 4.3. No delay in the delivery of the Goods shall affect the price of the Goods. Seller shall inform Buyer, if the expected delivery date is delayed. In case Buyer does not agree with the new expected delivery date, Buyer shall be entitled to cancel the order as the exclusive remedy for the non-performance of the Contract by Seller.
- 4.4. Without prejudice to any of the Seller's rights, Seller reserves the right to charge storage and other additional costs incurred by Seller from the due delivery date, if delivery is delayed by Buyer for any reason whatsoever.
- 4.5. If for any reason the Buyer is unable to accept delivery of the Goods at the time when the Goods are due and ready for delivery, the Seller, may, at its discretion, agree to store the Goods. In such event the Buyer will indemnify the Seller for the costs of such storage, including additional handling charges, insurance and transport costs.

### 5. Payment

- 5.1. Payment for the Goods (including applicable taxes, duty, insurance, and storage or delivery charges) shall be due within thirty (30) days of the end of the month of invoice. Time for payment shall be of the essence.
- 5.2. The Buyer may not withhold payment of any invoice or other amount due to the Seller by reason of any right of set-off or counterclaim which the Buyer may have or allege to have or for any reason whatsoever.
- 5.3. Buyer may not set off from payments due to Seller any amounts for returns or expected returns except with Seller's written permission. Seller shall not be obligated to issue any payments or credits for returned amounts where Buyer is in default of any of its payment obligations.

### 6. Late Payment

- 6.1. In the event that the Buyer fails to make payment of any invoice within its due date for payment then the Seller shall be entitled to (without limitation):
  - 6.1.1. charge interest on such invoice from the date of the invoice until the date of payment of the invoice at a rate of 4% per annum above the authorised dealers rate published by the Reserve Bank of Australia on the due date or if such rate ceases to be published

then the rate as determined by the Seller in good faith. The interest payable under this clause, accrues from the due date until the date of payment;

- 6.1.2. suspend or cancel deliveries of any Goods due to the Buyer;
- 6.1.3. deliver the Buyer on a cash in advance basis only.
- 6.1.4. provided that the Goods are still in existence and have not been sold by the Buyer in accordance with Condition 7.3 hereto, the Seller shall be entitled to enter upon any premises of the Buyer or any third party where the Goods are stored during working hours and according to the applicable law and repossess the Goods. For the avoidance of doubt, any Goods repossessed by the Seller may be resold on such terms as the Seller may in its absolute discretion determine and the Buyer shall remain liable to the Seller for the difference between the net proceeds of such resale and all outstanding sums due to the Seller in respect of the Goods and for all costs and expenses incurred by the Seller in repossessing, storing, insuring and re-selling the same.

For the avoidance of doubt, the rights and remedies of the Seller set forth hereto are cumulative, not exclusive, and the exercise of one thereof shall not deprive the Seller of the right to exercise others.

- 6.2. The Seller shall be entitled to exercise the remedies in this clause (6), notwithstanding that risk and/or title to the Goods may not have passed to the Buyer.
- 6.3. Seller reserves the right to off-set any debt due from Buyer or any associated or subsidiary company of Buyer to Seller or to any associated or subsidiary company of Seller against any amount due to Buyer or any associated or subsidiary company of Buyer.

### 7. Passing of Property

- 7.1. The Goods shall remain the property of Seller until the price has been paid in full.
- 7.2. Until such time as title in the Goods passes to the Buyer, the Buyer shall hold the Goods as the fiduciary agent and bailee of the Seller, and shall keep the Goods separate from those of the Buyer and third parties. The Goods shall be properly stored, protected and insured against all normal risks, to the reasonable satisfaction of the Seller and identified by any identifying mark or packaging on or related to the Goods.
- 7.3. The Buyer shall be entitled to use, re-sell or distribute the Goods in the ordinary course of its business (save that such entitlement may be terminated forthwith by notice from the Seller to the Buyer, and shall automatically terminate without notice in the event specified in clause 12.4 hereof.
- 7.4. The Buyer shall not pledge in any way, charge by way of security for any indebtedness any of the Goods which remain the property of the Seller. Without prejudice to the other rights of the Seller, in the event that the Buyer purports to do so then all sums whatever owing to the Seller by the Buyer shall immediately become due and payable.
- 7.5. The provisions of these Conditions relating to payment for the Goods shall apply equally (and without limitation) to payment for fees or charges incurred by the Seller in undertaking any extra work, requirement, modification, test or inspection.

### 8. Warranty and Limitation of Liability

- 8.1. Subject to the provisions of Condition 9 below, the Seller warrants that the Goods will correspond with their specification at the time of delivery and will be free from defect in both materials and workmanship for a period of twelve (12) months after the delivery date.
- 8.2. All other warranties or conditions as to quality, description or performance of the Goods, statutory or otherwise, are excluded except insofar as such exclusion is not permitted by law. Warranties on merchantability, satisfactory quality, and fitness for purpose are hereby explicitly excluded even when a purpose is known. No such warranties are to be implied from the name or description under which the Goods are sold or from any advice or recommendations given by Seller, its employees or agents, or those of its affiliates.
- 8.3. Any complaints or claims of Buyer including, but not limited to, the quality of the Goods shall be reported to Seller in writing within a reasonable time after Buyer becomes aware or should have been aware of the reasons for the claims.
- 8.4. Subject to the other terms of these General Conditions of Sale and save in respect of liability which may not be limited under the law (whether such cause is based in contract, negligence, strict liability, tort or otherwise), Seller's and any of Seller's affiliates' total liability for any claim arising out of or in connection with the Contract shall not exceed the sales price of the Goods concerned and is limited, to a choice of the following to be at the Company's sole discretion:
  - 8.4.1. the replacement of the Goods or the supply of equivalent goods; or
  - 8.4.2. the repair of the goods; or
  - 8.4.3. the payment of the cost of replacing the Goods or for acquiring equivalent Goods.Upon the Seller undertaking either of the steps in this Condition 8.4, the Seller shall have no further liability to the Buyer and the Buyer shall not be entitled to any further reimbursement in thus regards.
- 8.5. Any claim (including any relating to the quality of the Goods) by Buyer arising out of this Contract shall be provided to Seller by written notice setting forth fully the facts on which it is based immediately after the date when the facts were discovered or reasonably should have been discovered, but in any event no later than 90 days after the date the Goods were delivered by Seller. Buyer unconditionally waives any and all claims that are not made during the requisite period required by this Contract and Seller shall not be obliged to accept any such claims made after such period.
- 8.6. In no event shall the Seller nor its officers, employees or agents, be liable for any indirect, incidental, special, consequential, or punitive cost, expense loss or damage including but not limited to loss of use, loss from business interruption, loss of profit, loss of business, loss of goodwill or reputation, injury or damages or otherwise and including without limitation in contract, tort or otherwise and howsoever arising to the Buyer, and/or any users or purchaser(s) of the Goods to third parties.
- 8.7. Risk in the Goods shall pass to the Buyer as follows:
  - 8.7.1. Risk of loss shall pass to Buyer according to delivery terms specified in the Sale Invoice (Incoterms 2010); or
  - 8.7.2. If the Goods are kept at the Seller's premises under the provisions of Condition 4.4, or otherwise to the Seller's order, upon collection of the goods by the Buyer, or upon the expiry of seven (7) days from the Seller's written notice to the Buyer that the Goods are ready for delivery, whichever is the earlier.Subject to the relevant Incoterms (2010) delivery method, Buyer must insure the goods against all risks to their full replacement value.
- 8.8. The Seller accepts no responsibility for any loss, damage or shortage which may occur to the Goods in transit after risk has passed to the Buyer, and in the event that the Buyer has a claim arising in respect of any such loss, damage or shortage, then such claim should be notified to both the Seller and the carrier as soon as is reasonably practicable. The Buyer undertakes in such circumstances to comply in full with the carrier's standard conditions for claims for damage,

- shortage or loss in transit, and agrees to indemnify the Seller against any loss resulting from a failure to so comply.
- 8.9. Upon termination of the Contract, howsoever caused, the Seller's (but not the Buyer's) rights contained in this clause 8 shall remain in effect.
- 8.10. No returns may be made without Seller's written approval. In the event the Seller agreed to a return, all return shipping charges to the location designated by Seller will be borne by the Buyer.
- 8.11. Without prejudice to the generality of Condition 8.1 above, the Seller shall not be responsible (i) for any defect arising from wear and tear, wilful damage, negligence, abnormal working conditions, a failure to follow the Seller's instructions (whether oral or in writing), misuse or alteration or repair of the Goods without the Seller's approval; (ii) in the event that the full price for the Goods has not been paid by the due date for payment.
9. Technical Advice or Observation  
Any technical advice, assistance, testing or reports furnished by Seller or any of its employees, agents or affiliates to Buyer with respect to the Goods (including but not limited to the storing, handling or usage of Product), shall be given and accepted at Buyer's sole risk. Seller shall have no liability whatsoever for the use of, or results obtained from, the technical assistance. Buyer shall indemnify Seller from and against any and all loss, damage or liability resulting from demands, claims, suits, or actions with regard to any action relating to the preparation and delivery of the technical assistance.
10. Intellectual Property Rights
- 10.1. As between the Buyer and the Seller, all intellectual property rights and all other rights in the Goods and the Seller's website shall be owned by the Seller, the Seller's agents, subcontractors, consultants and employees as appropriate.
- 10.2. The Buyer shall indemnify the Seller on a full indemnity basis against any and all actions, costs (including, without limitation, the costs of defending any legal proceedings), claims, proceedings, accounts and damages in respect of any infringement of any patent, registered design, copyright, trademark or other industrial or intellectual property rights resulting from compliance by the Seller with the Buyer's specific instructions relating to the use of the Buyer's intellectual property rights.
11. Data Protection  
Buyer warrants that (a) it has obtained all consents required for Seller to transfer personal information (such as names, addresses and email addresses) of Buyer, Buyer's employees, agents and other representatives to its affiliates outside Australia for processing and/or archiving purposes in accordance with Seller's published privacy policy and any other purposes notified to Buyer by Seller; and (b) the disclosure of that information to Buyer otherwise fully complies with applicable data protection and other laws.
12. Termination
- 12.1. Unless otherwise agreed between the Seller and the Buyer in writing or subject to this clause 12.4, no Contract or work order may be terminated by Buyer except by mutual agreement in writing.
- 12.2. Without derogating the aforementioned, termination of a Contract or an Order is subject to the following conditions: (i) Buyer will pay for all undelivered Goods which are completely manufactured and allocable to Buyer at the time of Seller's receipt of notice of termination; and (ii) Buyer will pay all costs, direct and indirect, which have been incurred by Seller with regard to Goods which have not been completely manufactured at the time of Seller's receipt of notice of termination, plus a pro rata portion of normal profit on the Contract.
- 12.3. All payments payable to the Seller under the Contract shall become due immediately on its termination despite any other provision.
- 12.4. If Buyer fails to pay Seller in accordance with the Contract, or if, in the reasonable opinion of Seller, the financial position of Buyer is impaired or unsatisfactory, Seller may, at its option and without prejudice to its other rights and remedies, (i) terminate the Contract with

immediate effect by written notice to Buyer without any further action or formality being required, (ii) suspend or cancel deliveries until all indebtedness is paid in full, and/or (iii) deliver the Buyer on a cash in advance basis only.

13. Force Majeure  
To the extent, any incident or circumstances beyond Seller's control (including natural occurrences, war, strikes, lock-outs, labour disturbances, shortages of raw materials and energy, obstruction of transportation, breakdown of manufacturing equipment, fire, explosion, acts of government), reduces the availability of Goods from the plant(s) from which Seller receives the Products such that Seller cannot fulfil its obligations under the Contract (taking into account on a pro rata basis other delivery obligations), Seller shall (i) be relieved from its obligations under the Contract and (ii) have no obligation to procure Goods from other sources. If Seller's supply of Goods should be limited as a result of any such cause, Seller shall have the right to first satisfy its own needs and thereafter to distribute any available Goods among its customers in such manner as Seller may reasonably determine. If the delay resulting from any such cause shall continue for more than thirty (30) days, either party shall be entitled, on written notice to the other party, to terminate the Contract with respect to Products undelivered at the time of termination.
14. Miscellaneous
- 14.1. Buyer shall treat the Contract and any related business information provided by Seller confidential. Buyer will not use the trademarks of Seller or Seller's agents, subcontractors, consultants and employees as appropriate without prior explicit written approval.
- 14.2. Seller shall have the right to assign, sell, or otherwise transfer at its sole discretion any Contract and all receivables, claims, related rights and security under, or relating to, any Contract to any third party. Buyer shall not be entitled to assign any Contract, or otherwise transfer any rights or obligations under any Contract to any third party.
- 14.3. In the event that any provisions of the Contract or these Conditions are or becomes invalid or non-enforceable, the remaining provisions shall continue to be effective.
- 14.4. Any waiver of any term or condition of this Contract shall not be construed as to be a waiver of any future breach of such term or condition.
- 14.5. No qualification, variation of, addition to, or deletion from these General Conditions of Sale and/or any Contract shall be effective unless expressly agreed in writing.
15. Applicable law and jurisdiction  
The Contract shall be construed and governed in all respects by the laws of the State of Victoria, Australia. Any dispute arising in connection with the Contract shall be exclusively submitted to the competent court in Victoria, Australia.