

GENERAL CONDITIONS OF SALE
SKF AUSTRALIA PTY. LTD. ACN 004 236 855
SKF BEARING SUPPLIES PTY. LTD. ACN 006 100 045
(Hereinafter referred to as 'SKF')

PRICES

Unless otherwise stated, prices are ex-warehouse. The right is reserved to apply prices ruling at the time of delivery, Special transport charges or variations in tariffs, rates of exchange, special taxes, transport charges, insurance premiums, harbor dues or similar costs and increases in wages, cost of material or otherwise which affect goods offered or sold are to be to the purchaser's account. This stipulation also holds good for quotations submitted and contracts made after outbreak of war. All prices are GST exclusive. GST will be added at the rate of 10% on all taxable supplies.

PACKING

Special packing is charged at cost price and is not returnable. Some packing material is charged with a deposit, which is refundable on return of this material

TERMS OF PAYMENT & PAYMENT INSTRUCTIONS

Unless otherwise stated, terms of payment are net cash on delivery or, for approved monthly accounts, within 30 days of the date of invoice. In case of any discrepancies noticed in the invoice by you, please call our AR Controller as soon as possible on the relevant state telephone numbers for speedy resolution of the matter. Payment shall be made against each part or portion of the order delivered.

Our preferred Payment method

Electronic Funds Transfer (EFT)	Credit Card Payment	Cheque Payment
BSB No: 033 070 Account No: 318 947 Bank : Westpac Banking Corporation Branch: Level 7, 360 Collins Street, Melbourne VIC 3000 Note: (a) Please quote your account number; and (b) Fax a copy of the remittance advice to our AR Controller on the below mentioned relevant state fax numbers for speedy processing; or	SKF will also accept payment by credit card. A credit processing fees will be charged at 2% of the payment. In this case, please call our AR Controller on the below mentioned relevant state telephone numbers for speedy processing.	Please return your cheque to the respective state PO BOX address

SKF AR Contact details

State based AR Controllers	Postal Address	Phone Number	Fax Number
Victoria	PO BOX 301 Oakleigh – 3166	03 9269 0800	03 9269 0888
New South Wales	7/115 Batts Street, Penrith – 2750	02 4721 4899	02 4731 3124
Queensland	PO Box 493 Virginia – 4014	07 3265 4900	07 3265 6522
South Australia / Western Australia	PO BOX 39 Cloverdale – 6985	08 9470 7618	08 9470 4538
Northern Territory	PO BOX 39 Cloverdale – 6985	08 9470 7618	08 9470 4538

If the customer fails to comply with any terms of payment or requirements to secure payment, then without prejudice to any other rights or remedies available to SKF, SKF reserves the right to:

- (a) withhold further deliveries;
- (b) terminate the agreement with any unpaid amounts thereupon become immediately due; and/or
- (c) charge interest on any amount overdue by more than 60 days on a daily basis rate three (3) percentage points greater than the per annum percentage rate then prescribed by the Penalty Interest Rate Act 1983 (Vic) until the date full payment is made.

All payments made by the customer shall be applied by SKF first in reduction of any interest owing and then in reduction of the invoice amount.

All costs associated with the collection of overdue debts (including debt collection and legal costs on a full indemnity basis) are recoverable from the customer, in accordance with the Rules of the Court.

RISK AND SKF'S SECURITY INTEREST IN GOODS

Risk in the goods passes to the customer on delivery. Title to the goods so delivered shall only pass to the customer free of encumbrances upon payment in full by the customer of all monies due by the customer to SKF on any account. Until all monies due by the customer to SKF on any account are paid to SKF:

- (a) the customer shall hold the proceeds from the sale of any goods on trust for SKF;
- (b) the customer acknowledges and agrees that it grants SKF a "Security Interest" (as that term is defined in the *Personal Property Securities Act 2009 (Cth)* (PPSA)) in the goods and that:
 - (i) the customer will not grant or seek to grant any Security Interest in the goods adverse to the interest of SKF;
 - (ii) SKF's Security Interest secures all monies owing by the customer to SKF on any account;
 - (iii) SKF's Security Interest in the goods (and the proceeds) is a "Purchase Money Security Interest" (PMSI) under the PPSA to the extent that it secures payment of the amounts owing in relation to the goods;
 - (iv) SKF may apply any monies received by the customer first to satisfy any portion of debt that is unsecured, second to satisfy any portion of debt that is secured but not by a PMSI and third to satisfy any portion of debt that is secured by a PMSI, or in any other manner SKF sees fit; and
 - (v) SKF's Security Interest attaches to the goods when the customer attains possession of the goods;
- (c) SKF is and will be entitled at any time to demand the return of the goods, to retake possession of the goods and to recover the deficiency on resale plus cost of repossession from the customer and the customer must do all things necessary to immediately permit SKF without notice and without liability to SKF, to enter and access any premises occupied by the customer in order to search for, locate, identify, retrieve and remove those goods to which SKF has title;
- (d) if there is any inconsistency between SKF's rights under this clause and its rights under Chapter 4 of the PPSA, this clause prevails;
- (e) if Chapter 4 of the PPSA would otherwise apply to the enforcement of SKF's Security Interest, the customer agrees that the following provisions of the PPSA will not apply:
 - (i) section 95 (notice of removal of accession to the extent that it requires SKF to give notice to the customer);
 - (ii) section 120 (enforcement of liquid assets);

- (iii) section 121(4) (enforcement of liquid assets – notice to the customer);
 - (iv) section 125 (obligation to dispose of or retain collateral);
 - (v) section 128 (SKF may dispose of collateral);
 - (vi) section 129 (disposal by purchase);
 - (vii) section 130 (notice of disposal, to the extent that it requires SKF to give a notice to the customer);
 - (viii) sections 132(3)(d) (contents of statement of account after disposal) and 132(4) (statement of account if no disposal);
 - (ix) section 135 (notice of retention);
 - (x) section 142 (redemption of collateral); and
 - (xi) section 143 (reinstatement of security agreement);
- (e) the customer agrees to provide all information and execute all documents necessary for SKF to register and perfect SKF's Security Interest in the goods under the PPSA and agrees that all fees in relation to registration including amendments to any registration are to be borne by the customer; and
- (f) the customer waives its right to receive any notice under the PPSA (including notice of a verification statement after registration or variation of a registration) unless a requirement for notice cannot be excluded under the PPSA.

TIME OF DELIVERY

Unless otherwise agreed upon, the time of delivery is calculated from the date of your receipt of communication of acceptance. Although every effort is made by SKF to keep the delivery promised, SKF assumes no liability for loss or damages occasioned by delays in delivery. Offers for delivery ex stock are subject to confirmation on receipt of order.

Without being liable to pay indemnity, SKF reserves the right to cancel the contract of purchase entirely or in part or to extend the delivery time in the case of force majeure, strikes, lock-outs or other interruptions in operation, stoppages, breakdowns in machinery, fire in our sub-contractor's works, transport difficulties, war or blockade involving Australia or any other country from which the material required for the goods on order is expected to be procured and every circumstances of political, economical or other nature beyond our control.

SKF shall have the same rights set out in the preceding paragraph if circumstances arise which create for us or our sub-contractors, difficulties in procuring material or labor necessary for manufacture, the overcoming of which difficulties would entail additional costs that we or our sub-contractors ought not reasonably to have calculated with them when submitting quotations or making contracts.

The above stipulations also hold good for quotations submitted and contracts made after the outbreak of war.

CLAIMS

Claims for shortages of goods should be made in writing immediately upon receipt of goods and no claim will be recognised unless made within 7 days from receipt of the consignment in respect of which the shortage is alleged. Claims for non-receipt of goods must be made within 30 days of the date of invoice. Other claims will not be considered unless received within 30 days of receipt of goods and reference is made to the appropriate dispatch advice or invoice number.

RETURN OF GOODS FOR CREDIT

Goods covered by this order will not be acceptable for return without prior written approval from SKF and the return freight prepaid by the purchaser. Goods returned will be subject to a credit service fee of \$25.00 or 15% of the credit note value, whichever is greater (unless return is due to supply error). An additional service fee may apply if further inspection is required.

GUARANTEE

A guarantee is furnished for our product in that we undertake to repair or replace free of charge within one year of their being put to service, but not later than 15 months after delivery, products or parts thereof which have become unusable owing to defects in material or workmanship. Such products or parts thereof should be returned to SKF within the above-mentioned period of 15 months after delivery in order that they may be examined for the purpose of ascertaining the extent of the damage and the justice of the claim. SKF's guarantee does not cover damages or defects due to outside action, lack of care, overload, unsuitable lubricant, natural wear, incorrect choice of bearings, faulty mounting or other circumstances beyond our control. SKF accepts no responsibility for direct or indirect losses which the Purchaser may suffer in consequence of defective material or workmanship and we shall be under no liability for loss or damage arising out of the use of the goods in any other way whatsoever in relation thereto.

INSURANCE

SKF is under no obligation to insure the goods after delivery of goods to the purchaser. This includes goods delivered to wharf, rail or outside carrier.

SERVICE

Any service or advice which may be offered by SKF, its servants or agents to users of its products is rendered in all good faith and SKF shall not be liable for any loss or damage arising therefrom.

SPECIFICATIONS AND DRAWINGS

Every effort is made to ensure that specification, drawings and other information in correspondence, catalogues, etc. are correct and accurate, but no warranty is given in respect thereof and SKF shall not be liable for any error therein.

ACCEPTANCE OF QUOTATION

Quotations shall be open for acceptance for a period of 30 days from the date on which the offer was made until revoked or replaced by a further offer. Acceptance occurs at the time communication of acceptance is received by you whether communicated by verbal, written or electronic means. An electronic communication of acceptance is deemed to be received when it enters your computerised information system. Acceptance is expressly deemed to occur at the place of business of SKF. The time of delivery is calculated from the date of receipt of a communication of acceptance. A communication of an offer to buy products must, to validly constitute the offer, include all details necessary for the execution of the order. Quotations include only the work material or products specified in quotation. All details such as weights, etc, supplied in quotations we approximate only and are based on information available to SKF at time of quoting. In the event of suspension of work on Purchaser's instructions or lack of instruction or by failure to provide sufficient information to enable the work to proceed uninterruptedly, the contract price may be increased to cover any extra expenses thereby incurred or in the event of cancellation of the contract the client may be charged with all costs incurred.

PARAMOUNTCY

These General Conditions of Sale and any associated invoices for goods shall constitute the entire agreement between SKF and the customer and shall constitute a Security Agreement for the purposes of the PPSA. No terms, conditions, obligations or other provisions of any nature not contained in these General Conditions of Sale or in any associated invoice shall be of any effect. For the avoidance of doubt, these General Conditions of Sale shall apply in all circumstances, including where the customer validly accept this quotation or where the customer and SKF otherwise proceed with carrying out work under the quotation, whether or not the customer, at any time and by any means, purports to impose its own terms and conditions.

GOVERNING LAW OF CONTRACT

These General Conditions of Sale are governed by, and is to be construed in accordance with, the Law of Victoria and the parties submit to the non-exclusive jurisdiction of the courts of Victoria and any court hearing appeals from those courts.