

NOV MONO PURCHASE ORDER TERMS AND CONDITIONS

- 1. General:** This purchase order is placed on the basis of the terms and conditions herein contained and no variation or alteration thereof shall have any effect or bind the Buyer unless agreed in writing by the Buyer. These terms and condition shall constitute the entire agreement and supersede all prior proposals, negotiations and correspondence. Buyer objects to the inclusion of any other or additional terms by Seller in Seller's acceptance of this purchase order. If Seller includes or attaches any other or additional terms in Seller's acceptance or purported acceptance or commences performance or tenders the goods or services, a contract of sale result upon Buyer's terms and conditions as stated herein, without inclusion of any other or additional terms or conditions.
- 2. Subcontracts:** Except for articles proprietary to seller and except with the prior written consent of Buyer, Seller shall not subcontract any of the work herein contracted for.
- 3. Buyer Furnished Material:** Title to any material furnished by Buyer shall remain in Buyer at all times and Seller shall insure same in form satisfactory to Buyer against loss or damage resulting from fire, malicious mischief and vandalism.
- 4. Packing and Shipping:** All articles shall be packed and shipped in such manner as shall be nominated by Buyer.
- 5. Invoices:** Invoices will be rendered with each shipment and discount privilege will apply from the later of date of scheduled delivery, receipt of goods or date of invoice. Seller shall maintain for a period of three (3) years after final payment under this purchase order, all records and accounts pertaining to work performed or goods supplied by Seller. Buyer shall have the right to audit, copy and inspect or cause to have audited, copied and inspected such records and account to all reasonable times during the course of such work or supply and for the above three (3) year period for the purpose of verifying Seller's invoices and its compliance with this purchase order.
- 6. Inspection and Rejection:** All articles ordered will be subject to final inspection and approval by Buyer after delivery, notwithstanding prior payment, it being expressly agreed that payment shall not constitute the final acceptance. The Buyer, at his discretion may employ either 100% inspection or an approved sample plan, lots which fail to pass such sampling plans may be 100% inspected by the Buyer and Seller charged for inspection time or at buyer's option, returned to Seller for sorting, correction, replacement or credit as Buyer elects. Buyer may reject article, which contains defective material or workmanship or does not conform to specifications or samples.
- 7. Changes:** Buyer may at any time by notice in writing make changes in drawings, design, specification, quantities and delivery dates and any necessary equitable adjustment shall be made in order price an/or delivery schedule.
- 8. Delivery:** Except as hereinafter specified, delivery shall be strictly in accordance with the delivery schedule set out, or referred to, in this contract. If Seller's deliveries fail to meet such schedule with the result that buyer elects to call upon Seller for express shipments or partial shipments, or both, Seller will allow the resulting excess shipping charges. Parts fabricated beyond Buyer's releases are at Seller's risk. Invoices covering material shipped in advance of that specified by delivery schedules will not be paid unless otherwise agreed until their normal maturity after the date specified for delivery. Notwithstanding the provisions of the preceding paragraph, neither party shall be liable for delays or defaults due to causes beyond its control and without its fault or negligence provided, however that when the Seller has reason to believe that deliveries will not be made as scheduled, written notice setting forth the cause of the anticipated delay shall be given immediately to Buyer.
- 9. Warranties:** Seller expressly warrants that all articles assemblies and materials work and service will be free from defects in material and workmanship and will conform to applicable specification, drawing, samples or other description given and if desired by Seller will be free from design defects. The warranties and conditions set out in Division 2 of Part V of the Trade Practices Act 1974 (as amended) shall apply to this Purchase Order, the said warranties shall run to the Buyer its Successors, Assigns, Customers and users of the products carried by this Purchase Order.
- 10. Patent Indemnity:** Seller agrees it will save Buyer and/or its agents or customers harmless from any loss, damage or any liability which may be incurred on account of infringement patent rights with respect to articles or materials furnished by it and will at its own expense defend any action suit or claim in which such infringement is alleged.
- 11. Termination:** Buyer reserves the right to terminate this order or any part or to cancel all or any part of the undelivered portion of this order at anytime without cause or otherwise without limiting the generality of the foregoing if Seller does not comply with these terms and conditions or any other terms and conditions endorsed hereon or if Seller becomes insolvent or commits an act of bankruptcy or if Seller being a Company goes into liquidation or if a Receiver or Receiver and Manager or Official Manager is appointed or if Seller assigns his assets for the benefit of creditors. Buyer's liability on termination shall be limited to payment for delivered portion or order and Seller shall be liable for any additional costs incurred by Buyer in having cancelled portion of order completed elsewhere.
- 12. Engineering Information:** All drawing specifications documents and other information provided by Buyer to Seller shall be the sole property of the Buyer and shall not be utilised for other purposes by the Seller without the prior written consent of Buyer.
- 13. Patent Rights:** Where payment is made for experimental development or research work as such, to be performed in accordance with special requirements of the Buyer Seller agrees to disclose and on request to assign to Buyer each invention property right, confidential process or expertise, and trade secret resulting therefrom. All proprietary rights embodied in designs, tools, patterns, drawings, information and equipment supplied by Buyer under this Purchase Order are reserved and their use is restricted to the work to be performed hereunder.
- 14. Sellers Indemnity:** Seller agrees to defend, indemnify and hold harmless the Buyer and any its agent and/or employee, against any fine, penalty, loss, cost, damage or liability, arising from its breach or non-compliance with this purchase order or due to the negligence or other fault of the Seller.
- 15. Taxes:** Unless otherwise provided herein, Seller will pay and the compensation and prices set forth herein includes all sales, value added, goods and services tax, use and other taxes and all duties, fees or other assessments of whatever nature imposed by governmental authorities, applicable in connection with this purchase order. Seller will provide valid tax invoice in accordance with legislation and applicable law and other appropriate documentation to Buyer to substantiate any GST included in the prices.
- 16. Export Compliance:** As Buyer is ultimately an American owned company, Seller recognises that the provision of the goods and services hereunder may be subject to United States export control laws, rules and regulations and accordingly Seller agree to co-operate in complying with any licensing and reporting requirements. In connection herewith, Buyer may require Seller to declare the origin of any goods or technology provided hereunder.
- 17. This Purchase Order:** Shall be governed by the laws of the State of Order origin and constitutes the entire agreement between Buyer and Seller.
- 18. Health and Safety:** In order to meet the requirements of Mono Pumps' Health and Safety System, all goods, material and services provide to Mono Pumps must comply with the relevant Occupational Health and Safety legislation regulations, Code of Practice and Australian Standards.