

Stratco Group – Standard Procurement Terms and Conditions

1. **(Introduction)** These Terms apply to every supply of Products and/or Services by a supplier identified in a Purchase Order (**Supplier**) to Stratco and will be incorporated by reference, deemed part of, and govern all Contracts and Purchase Orders placed by Stratco and accepted by the Supplier.
2. **(Amendment)** Stratco reserves the right to review and amend these Terms at any time by publishing such amended Terms on Stratco's website (www.stratco.com.au). Stratco will notify the Supplier if amended Terms have been published on Stratco's website. Any amendments to these Terms will apply to Purchase Orders Stratco makes after the date Stratco notifies the Supplier. By continuing to accept Purchase Orders on and from that date the Supplier agrees to these Terms, as amended.
3. **(Other terms)** These Terms operate to the exclusion of all other terms and conditions proposed or notified by the Supplier, irrespective of whether the Supplier's terms and conditions were proposed or notified prior to or after the relevant Products and/or Services were supplied. Each Purchase Order submitted by Stratco and Contract formed incorporates, and is subject to, these Terms notwithstanding anything to the contrary in any of the Supplier's documentation.
4. **(Credit Terms)** If Products are supplied by the Supplier to Stratco under a credit arrangement between Stratco and the Supplier, Stratco's Credit Terms will apply to the credit arrangement in addition to these Terms.
5. **(Purchase Order)** Stratco will order the Products and/or Services by submitting a Purchase Order. The Supplier must notify Stratco if there is anything the Supplier is not sure of with respect to the details of a Purchase Order.
6. **(Contract formation)** A separate contract (**Contract**) between the Supplier and Stratco, for the sale by the Supplier and the purchase by Stratco of the relevant Products and/or Services is entered into when the Supplier accepts or is deemed to have accepted a Purchase Order under these Terms. Each such Contract is comprised of these Terms and the relevant accepted Purchase Order. In the event of any inconsistency between these Terms and the terms of an accepted Purchase Order, the Purchase Order will prevail to the extent of the inconsistency.
7. **(Authority and acceptance)** Stratco will not be bound by any Purchase Order unless it is issued by Stratco or on Stratco's behalf. When Stratco issues a Purchase Order, the Supplier must promptly either accept or reject that Purchase Order by notice to Stratco. The supply of Products and/or Services by the Supplier also constitutes deemed acceptance by the Supplier of the Purchase Order relating to those Products and/or Services and these Terms.
8. **(Supply of Products and/or Services)**
 - 8.1 If the Supplier supplies Products under the Contract, the Supplier must ensure the Products:
 - (a) are of merchantable quality; made of good materials; acceptable in appearance and finish; free from defects; safe and durable;
 - (b) fit for the purpose for which products of the same kind are commonly supplied and any purpose which Stratco makes known to the Supplier before the supply;
 - (c) conform with any technical specifications and performance specifications specified by Stratco, published by the Supplier or implied by Stratco's proposed use of the Products;
 - (d) conform with the description of the Products in the Purchase Order;
 - (e) if the Supplier has provided a sample of the Products, conform with the sample in quality, state and condition;
 - (f) comply with all applicable laws; and
 - (g) do not infringe any person's Intellectual Property Rights;
 - 8.2 If the Supplier supplies Services under the Contract, the Supplier must ensure the Services:
 - (a) are provided with due care and skill to a standard expected of a supplier experienced in the delivery of services of the same kind;
 - (b) are fit for the purpose for which services of the same kind are commonly supplied and any purpose which Stratco makes known to the Supplier before the supply;

- (c) are provided in a prompt and timely manner and in accordance with all timeframes specified in the Purchase Order;
 - (d) comply with the description of the Services in the Purchase Order;
 - (e) comply with all applicable laws; and
 - (f) do not infringe any person's Intellectual Property Rights;
- 8.3 The Supplier must perform its obligations under the Contract in accordance with:
- (a) these Terms, the relevant Purchase Order and all reasonable requests or directions of Stratco;
 - (b) all applicable laws, rules, regulations and industry and safety standards;
 - (c) all policies and procedures of Stratco as they relate to the supply of the Products and/or Services and that are notified to the Supplier prior to supply;
- 8.4 The Supplier must ensure all necessary licenses, permits and approvals are obtained and maintained as are necessary for the Supplier to supply the Products and/or Services.
- 8.5 The Supplier must provide all necessary equipment, materials and labour that may be required to supply the Products and/or Services.
9. **(Delivery)** The Supplier must deliver the Products and Services at the time and place specified in the Purchase Order or as otherwise specified by Stratco in writing. If Stratco specifies in a Purchase Order that it will pick-up the Products from the Supplier, then the Supplier must make available the Products for collection at the time and place nominated by Stratco in the Purchase Order or as otherwise specified by Stratco in writing.
10. **(Delays in delivery)** If Stratco does not receive the Products and/or Services in accordance with clause 9 (Delivery), including without limitation as a result of events of force majeure or otherwise, the Supplier must promptly notify Stratco in writing of the anticipated extent and duration of its inability to supply. The Supplier must take all reasonable steps to avoid or minimise any delay.
11. **(Inspection and Right of Rejection)**
- 11.1 Stratco will not be deemed to have accepted the Products and/or Services until it has had a reasonable time to inspect the Products and/or Services. The Purchase Order may specify the period in which the inspection is to take place.
 - 11.2 If, during the inspection period, Stratco finds that any Products or Services are defective because they do not meet the requirements in clause 8 (Supply of Products and/or Services), Stratco may reject those Products or Services by notice to the Supplier. In addition, if the Products are consumable products and the Products are found to be defective when first used, Stratco may reject the Products under this clause 11 (Inspection and acceptance of Products).
 - 11.3 If Stratco rejects any Products and/or Services under this clause 11, Stratco must promptly notify the Supplier and the Supplier must, at the Supplier's cost, and at Stratco's election:
 - (a) repair or replace the Products and/or resupply the Services; or
 - (b) pay the cost of replacing the Products or having them repaired and/or having the Services supplied again,
 and, if Stratco requests, the Supplier must (at its cost) collect any defective Products.
 - 11.4 For the avoidance of doubt, no payment of the Price or any part thereof, and no signing of a delivery docket or other acknowledgement of delivery, shall constitute a waiver of any rights or claims which Stratco may have arising out of or connected with any inspection.
12. **(Title and risk)** The Supplier bears the risk in all Products until they are safely unloaded at the delivery point specified by Stratco in the Purchase Order or otherwise agreed by the parties, or collected by Stratco. If the Products are supplied to Stratco under a credit arrangement, title in the Products will pass to Stratco upon Stratco's payment in full for the Products and any other amounts owing to the Supplier under the Credit Terms. In all other cases, title to the Products will pass to Stratco upon Stratco's acceptance of the Products under clause 11 (Inspection and acceptance of Products). The Supplier warrants to Stratco and undertakes that immediately prior to delivery of the Products, the Products are owned by the Supplier and free from any encumbrance which may affect Stratco obtaining clear and unimpeded title to the Products (other than as specified in the Credit Terms, if applicable).

13. **(Invoicing and payment of Price)**
- 13.1 Stratco will pay the Supplier the Price for the supply of the Products and/or Services.
- 13.2 The Price is the only amount Stratco will pay for the Products and/or Services and is inclusive of:
- (a) all costs and disbursements, taxes, fees, levies, charges and duties (except for GST); and
 - (b) delivery, packaging and transport,
- unless otherwise stated in the Purchase Order.
- 13.3 The Price will not vary except with the prior written approval of Stratco. For the avoidance of doubt, acceptance of Products and/or Services by Stratco after the Supplier has notified Stratco of a proposed price variation is not of itself acceptance or approval by Stratco of that price variation.
- 13.4 Unless otherwise specified in the Purchase Order, the Supplier may invoice Stratco after completing delivery of the Products and/or Services and Stratco will pay the invoice within 30 days of the end of the month in which it is received.
14. **(GST)** If the supply of Products and/or Services is a taxable supply then, subject to Stratco's receipt of a valid tax invoice, in addition to and at the same time as Stratco pays the Price, it will pay any GST payable for the taxable supply. Any rebates, discounts or other reductions in price will be calculated on the GST exclusive price. Any costs to be reimbursed or indemnified under a Contract will be reduced by the amount of any GST for which an input tax credit can be claimed. Expressions in this clause have the same meaning as given in the GST Act.
15. **(Supplier's personnel)** The Supplier must ensure that the Supplier's personnel engaged in the supply of the Products and/or Services are competent and professional, with appropriate qualification and experience and perform their duties with care, skill and diligence. If Stratco (acting reasonably) gives notice to the Supplier that a member of the Supplier's personnel is unacceptable to Stratco, the Supplier must promptly take steps to remove that person and provide an alternative person who is acceptable to Stratco.
16. **(Supplier's equipment)** The Supplier must ensure that all equipment used in providing the Products and/or Services is fit for the purpose for which it is intended and complies with all relevant laws and industry and safety standards.
17. **(Reporting)** The Supplier must keep accurate records relating to the provision of the Products and/or Services and it must make such records available for inspection or verification by Stratco on the reasonable request of Stratco. This clause survives termination or expiry of these Terms, for a period of 6 years from the date of last supply of Products and/or Services by the Supplier to Stratco under these Terms.
18. **(Product recall procedures)** The Supplier is responsible for and must coordinate (at its cost) all recalls of or associated with the Products and must maintain a product recall procedure in respect of the Products in accordance with law and relevant industry and safety standards.
19. **(Sub-contracting)** The Supplier must not sub-contract any part of the supply of Products and/or Services without Stratco's written consent (which will not be withheld unreasonably).
20. **(Confidentiality)** The Supplier must not, and must ensure that its employees, agents and sub-contractors do not, without the prior written approval of Stratco, at any time use, disclose or give to any person any Confidential Information. This clause does not apply to Confidential Information that the Supplier proves is in the public domain other than as a result of a breach of these Terms or is required to be disclosed by any applicable law or the listing rules of any applicable securities or stock exchange. The Supplier must maintain, in accordance with good industry practice, appropriate administrative, physical, and technical safeguards for the protection of the security, confidentiality and integrity of any of Stratco's Confidential Information in the Supplier's possession or control.
21. **(Privacy)** To the extent the Supplier accesses or is provided with any Personal Information in performing the Services, the Supplier must comply with all relevant Privacy Laws and not transfer Personal Information outside Australia without Stratco's prior written consent. If the Supplier reasonably suspects or becomes aware of a security breach in relation to Stratco's Personal Information, the Supplier must promptly notify Stratco in writing (within 48 hours) and provide Stratco with regular updates in relation to the Supplier's investigation and resolution of the security breach.

22. **(Intellectual property)** Nothing in a Contract affects the ownership of Intellectual Property Rights created before the date of entry into the Contract. The Supplier grants to Stratco a perpetual, irrevocable, royalty free, fee free licence to use, copy, modify and adapt any Intellectual Property Rights in any reports or manuals required to be supplied to Stratco under the Contract.
23. **(Insurance)** The Supplier must, before commencing supply of the Products and/or Services, effect and maintain all insurances which would ordinarily be maintained by a prudent supplier of the Products and/or Services.
24. **(Indemnity)** Without limiting Stratco's other rights and remedies, the Supplier must indemnify and keep indemnified Stratco and its employees, agents and sub-contractors (excluding the Supplier) from and against any Loss suffered or incurred by Stratco (including through claims made against Stratco by third parties) to the extent arising from:
- 24.1 the Supplier's breach of any Contract and/or these Terms by the Supplier;
 - 24.2 the Supplier's negligent act or omission or an act or omission of its employees, agents or sub-contractors; or
 - 24.3 any fraud, dishonesty, misrepresentation or wilful default by the Supplier in connection with or in relation to the supply of the Products and/or Services,
- except to the extent caused or contributed to by Stratco. Stratco will act reasonably to mitigate any Loss it suffers or incurs.
25. **(Termination for convenience)** Either party may terminate a specific Contract or these Terms (and all Contracts under these Terms) at any time by giving the other party at least 30 days' written notice.
26. **(Termination for cause)** Either party (**Non-Defaulting Party**) may terminate a specific Contract or these Terms (and all Contracts under these Terms) immediately by giving notice in writing to the other party (**Defaulting Party**) if:
- 26.1 the Defaulting Party commits a material breach of its obligations under a Contract or these Terms that is either incapable of being remedied or is not remedied within 14 days of receipt of a notice requiring the breach to be remedied;
 - 26.2 the Defaulting Party suffers or, in the reasonable opinion of the Non-Defaulting Party, is in jeopardy of becoming subject to any form of insolvency administration or bankruptcy or otherwise ceases to carry on business; or
 - 26.3 a representation, warranty or statement made or deemed to be made by the Defaulting Party is untrue or misleading.
27. **(Consequences of termination)** If a Contract or these Terms (and all Contracts under these Terms) has been terminated:
- 27.1 the Supplier has no claim against Stratco arising out of or in relation to such termination other than the right to be paid for Products accepted and/or Services provided before the effective termination date;
 - 27.2 the Supplier must comply with all reasonable directions given by Stratco, including with respect to returning any documents or property of Stratco; and
 - 27.3 the termination does not affect any accrued rights of either party or any provision of the Contract or these Terms that expressly or by its nature is intended to continue to apply.
28. **(No waiver)** Failure by a party to insist upon the strict performance of these Terms and/or a Purchase Order will not be deemed to be a waiver of rights that the party may have and will not be deemed a waiver of any subsequent breach of these Terms or a relevant Purchase Order.
29. **(Warranties)** Each party represents and warrants to the other party:
- 29.1 if it is a body corporate, it is duly incorporated and validly exists under the laws of its jurisdiction of incorporation;
 - 29.2 it has full legal power and capacity to enter into this document and to carry out the transactions that this document contemplates;
 - 29.3 it has taken all corporate action that is necessary or desirable to authorise its entry into this document and its carrying out the transactions that this document contemplates;

- 29.4 this document constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally); and
- 29.5 it is not affected by any form of insolvency administration or bankruptcy.

30. **(Modern Slavery)**

The Supplier represents and warrants that in the course of supplying Products and/or Services under these Terms it will:

- 30.1 comply with all applicable laws relating to Modern Slavery;
- 30.2 take all reasonable steps to ensure that its affiliates, directors, officers, employees, sub-contractors, agents and suppliers will not promote or engage in Modern Slavery;
- 30.3 promptly provide Stratco with any information and documents as Stratco may reasonably request in connection with verifying compliance with this clause and/or Stratco's compliance with its legal obligations in relation to Modern Slavery; and
- 30.4 notify Stratco in writing of any breach of this clause as soon as possible, and within 2 Business Days, of the Supplier becoming aware of the breach.

31. **(Notice)**

31.1 Notices under these Terms must be in writing. Any notices from the Supplier to Stratco or vice versa must be given using the relevant contact details provided in the Purchase Order.

31.2 Notice is deemed to be received by the addressee:

- (a) when left at the addressee's address;
- (b) if sent by pre-paid mail, on the 6th Business Day after posting; and
- (c) if sent by email, at the time and on the day shown in a sending machine's transmission report which indicates that the whole email was sent to the addressee's email address last notified (or if the day shown is not a Business Day or the time shown is after 5pm at the addressee's location, at 9am on the next Business Day at the addressee's location).

32. **(Acknowledgement)** The parties acknowledge that these Terms are subject to, do not purport to exclude, restrict or modify and do not have the effect of excluding, restricting or modifying, any laws which cannot be excluded, restricted or modified, and these Terms will be read and applied accordingly.

33. **(Severance)** Any provision of, or application of any provision of these Terms which is void, illegal or unenforceable in any jurisdiction does not affect the validity, legality or enforceability of that provision in any other jurisdiction or of the remaining provisions in that or any other jurisdiction.

34. **(Actions)** Each party must do all things necessary to carry out these Terms and each Contract, including executing documents and ensuring its employees and agents perform their obligations.

35. **(Assignment)** The Supplier may not assign (or otherwise dispose of) or sub-contract any of the Supplier's rights and obligations in respect of a Contract or these Terms.

36. **(Relationship)** Nothing in these Terms or a Contract evidences any employment relationship, partnership, joint venture or agency.

37. **(Severance)** A provision in these Terms or a Contract must be read down to the extent necessary to be valid. If it cannot be read down to that extent, it must be severed.

38. **(Governing law)** These Terms are governed by the laws of South Australia. The parties submit to the non-exclusive jurisdiction of the courts of South Australia and the South Australian division of the Federal Court of Australia and the courts of appeal from them. No party may object to the jurisdiction of any of those courts on the ground that it is an inconvenient forum or that it does not have jurisdiction.

39. **(Interpretation)** In these Terms: headings do not affect interpretation; singular includes plural and plural includes singular; reference to a person includes a body corporate, partnership, association and any other entity; a reference to a party is to a party bound by these Terms and includes the party's successors and permitted assigns and substitutes; a reference to two or more people means of them individually and all of them jointly; a provision must not be construed against a party only because that party prepared it; and the meaning of general

words or provisions shall not be limited by references to specific matters that follow them (for example; introduced by words such as "including") or precede them or are included elsewhere in these Terms.

40. **(Entire agreement)** These Terms and the relevant Purchase Order constitute the entire agreement between the parties for the supply of Products and/or Services to Stratco and supersede all previous agreements, proposals, representations, correspondence and discussions in connection with the Products and/or Services.

41. **(Definitions)**

Unless otherwise specified, in these Terms:

Business Day means any day except a Saturday or a Sunday or other public holiday or bank holiday in South Australia;

Confidential Information means all information (including without limitation data, trade secrets, recipes, ingredients, know how, formulations, samples, processes, supplier details, product development, operating procedures, technical information and any Personal Information) relating to Stratco and its related entities, in any form or media whatsoever, that is provided or otherwise made available (directly or indirectly) to the Supplier or the Supplier's employees, agents or contractors in connection with the performance of the Supplier's obligations under these Terms at any time before, on or after the date of the Purchase Order, but does not include information which at the time of disclosure was or is in the public domain, except through disclosure by breach of these Terms or other obligation of confidentiality;

Contract has the meaning given to that term in clause 6 (Contract formation);

Credit Terms means Stratco's standard credit account terms appearing on Stratco's website (www.stratco.com.au);

Delivery Date means the date for delivery specified by Stratco in the Purchase Order or, if none is specified, means within a reasonable time of the Purchase Order;

GST has the same meaning as it does in the GST Act;

GST Act means the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) and associated legislation and regulations;

Intellectual Property Rights means all intellectual property rights, including but not limited to:

- (a) patents, trade marks, service marks, rights in design, trade names and copyright (including future copyright), in each case whether registered or not;
- (b) any applications for registration of any of the rights referred to in paragraph (a);
- (c) rights under licences and consents in relation to any of the rights referred to in paragraph (a);
- (d) all forms of protection of a similar nature or having equivalent or similar effect to any of them which may subsist anywhere in the world;

Loss means any loss, cost, expense (including lawyers' fees and expenses on an indemnity basis) or damage;

Modern Slavery has the same meaning as is given to that term in the *Modern Slavery Act 2018* (Cth) (as amended from time to time);

Personal Information has the meaning given to that term under the Privacy Laws;

Price in respect of a Contract, means the amount specified in the Purchase Order;

Privacy Laws means the *Privacy Act 1988* (Cth) and any regulations, determination, code or guideline issued under that Act;

Purchase Order means any request for Products and/or Services (whether in electronic, written or other form) issued by Stratco to the Supplier;

Products means the products to be provided by the Supplier to Stratco as described in the Purchase Order;

Services means the services to be performed by the Supplier, as set out in the Purchase Order, and any services necessarily incidental to them;

Stratco means Stratco (Australia) Pty. Limited ACN 007 550 754, Stratco (Qld) Pty. Ltd. ACN 010 474 996, Stratco (N.S.W.) Pty. Ltd. ACN 003 583 702, Stratco Pty Ltd ACN 007 528 850, Stratco (W.A.) Pty Ltd ACN 008 836 833, Stratco (Alice Springs) Pty Ltd ACN 061 118 456 and their related entities;

Supplier means the person from which Stratco obtains Products and/or Services as described in the Purchase Order;

Terms means the terms and conditions set out above, as amended from time to time.