

**TERMS AND CONDITIONS OF PURCHASE
AUSTRALIAN AEROSPACE LIMITED
EUROCOPTER INTERNATIONAL PACIFIC (NZ) PTY LIMITED**

These Terms and Conditions of Purchase shall be read with and form part of the Order to which they relate.

“Buyer” means AUSTRALIAN AEROSPACE LIMITED ABN 68 003 035 470, or EUROCOPTER INTERNATIONAL PACIFIC (NZ) PTY LIMITED ABN 71 050 050 756, as shown in the Order.

“Supplier” means the person, company, government or other entity described in the Order and includes their personal representatives, survivor and permitted assigns.

“Goods” means the articles, products, materials, items, parts, components, assemblies, tools or any item described in the Order.

“Services” means the work, activities or labour provided or applied to Equipment as described in the Order.

“Deliverables” means the Goods and Services.

“Order” means the purchase order of which these Terms and Conditions of Purchase form part, raised by the Buyer for the provision of the Deliverables.

“Equipment” means the items made available by the Buyer to the Supplier to enable the Supplier to provide the Services in relation to the Equipment.

“Data” means all know-how and information reduced to material form produced, acquired or used in relation to the Deliverables and includes all data, databases, manuals, handbooks, designs, standards, specifications, reports, writings, models, sketches, plans, drawings, calculations, software, source code, software design data, test results, software and software updates and other items describing or providing information relating to the Deliverables or their use, operation and maintenance.

I. PURCHASE ORDER: The Order constitutes the Buyer's offer to purchase Deliverables. By accepting the Order, the Supplier agrees to supply the Deliverables according to the terms and conditions set out in these Terms and Conditions of Purchase. No Supplier issued terms and conditions, confirmation, delivery document, payment advice or subsequent representation (unless agreed in writing by the Buyer) will form part of the Order. In the event of any inconsistency between the documents forming part of the Order, precedence will be given first to the purchase order, secondly to any special conditions and thirdly to these Terms and Conditions of Purchase.

2. PERFORMANCE OF THE CONTRACT: The Supplier will deliver the Deliverables at the time and place specified in the Order. The Supplier will ensure that the Deliverables comply with these Terms and Conditions of Purchase, and special conditions specified in the Order (if any). Variations to the Order must be in writing signed by both parties.

3. PACKAGING: No charges will be paid by the Buyer for transportation packing or returnable containers unless otherwise stated in the Order. All shipments must be packaged appropriately for the method of transportation and to protect the specialist nature of the Goods or Equipment and must conform to the Buyer's packaging specifications referred to in the Order (if any). The Supplier will be responsible for any loss, damage or expenses incurred by the Buyer due to packaging which is not in accordance with the requirements of this clause, unless the packaging is provided by the Buyer. The Supplier shall, where appropriate, affix to the outside of each package in a waterproof envelope relevant documents, as required by Australian government shipping instructions.

4. DELIVERY: All Goods and Equipment delivered by the Supplier are to be delivered to the delivery location specified in the Order. The Supplier will deliver the Goods and Equipment with appropriate documentation that identifies the Order, Goods and Equipment. All Goods and Equipment containing aeronautical product are to be supplied with a certificate of conformance or other relevant certificate as specified on the Order. At the time of delivery of the Goods or the provision of the Services, the Supplier will certify in writing that the Deliverables comply with the requirements of the Order.

5. ACCEPTANCE: Deliverables provided by the Supplier are subject to acceptance by the Buyer. The Buyer will, within 30 days of the Goods being delivered or the Services being provided by the Supplier, accept or reject the Deliverables and advise the Supplier in writing of the reasons for the rejection. Where the Buyer rejects the Deliverables as not conforming to the requirements of the Order, the Supplier will, within 10 days of receipt of the advice, provide the Buyer

with notice, including full details, of its proposed remedy. The Buyer will within 10 days of receipt of the notice, instruct the Supplier in writing to complete any course of action proposed by the Supplier within a specified time, issue a notice of rejection of the Supplier's proposal and direct that the Supplier submit an alternative proposal within 10 days of that notice or pay the Buyer reasonable charges calculated at rates and prices comparable to aircraft industry standards for the Buyer to complete the work necessary to rectify the Deliverables so that they comply with the Order. The Supplier will bear all costs associated with replacing or correcting the rejected Deliverables.

6. APPROVALS AND REVIEWS BY THE BUYER: The review or approval by the Buyer of any Deliverables under the Order or of any designs, drawings, specifications or other documents prepared by the Supplier will not relieve the Supplier of any of its obligations under the Order, excuse or constitute a waiver of any defects or noncompliance of any Deliverables furnished under the Order or change, modify or otherwise affect any of the provisions of the Order, including but not limited to the prices and delivery schedules, unless otherwise agreed in writing by the Buyer.

7. SPECIFICATIONS: All Deliverables ordered to the Buyer's specifications shall comply with such specifications current as of the date of the Order, unless otherwise specified in the Order. All aeronautical product provided by the Supplier in provision of the Deliverables must be as factory new or new item supplied from the original equipment manufacturer or new manufacture from approved true manufacturer, unless otherwise stated in the Order.

8. PASSING OF TITLE AND RISK: Except if title has passed to the Buyer or the Buyer's customer under other provisions of the Order, title to the Goods will pass to the Buyer upon delivery of the Goods unless otherwise specified. Risk of loss of or damage to the Goods will pass to the Buyer on delivery except as otherwise specified in the Order.

9. PAYMENT: The Supplier will issue an itemised tax invoice for the price of the Deliverables in accordance with the Order. The Buyer will not accept any liability or increased cost in relation to currency fluctuations from time to time. The Buyer will (except to the extent that the valid tax invoice is in dispute) pay the Supplier's tax invoice 30 days from the end of the month of receipt of the tax invoice. An invoice is correctly rendered if:

- (a) the amount claimed in the invoice is due for payment;
- (b) the amount specified in the invoice is in accordance with the prices or rates specified in the Order;
- (c) the invoice provides sufficient detail to allow the Buyer to obtain a clear understanding of the Deliverables that has been supplied and to which the invoiced amount relates;
- (d) the invoice is addressed to the Buyer and identifies the relevant contract, certificate of conformance/ release certificate number, the relevant Order, item number and a description and quantity of those goods; and
- (e) if GST is payable in respect of the provision of the Deliverables, the invoice is a tax invoice which is fully compliant with the GST Act.

In addition to the price, the Buyer will pay an amount equal to the GST on the supply of the Deliverables, as itemised in the tax invoice, unless the price expressly includes GST.

10. FAILURE TO DELIVER: If the Supplier fails to deliver the Deliverables in accordance with the Order, subject to clause 12 but in addition to any other rights it has under these Terms and Conditions of Purchase, the Buyer reserves the right to cancel the Order or any part without prejudice to its other rights, and the Supplier agrees that the Buyer may return all or any part of the Goods so far delivered and may charge the Supplier with any loss, damage or expense sustained as a result of the failure.

11. PROCEDURES FOR DELAY: The Supplier will take all reasonable steps to minimise any delay in providing the Deliverables as required under the Order. When it becomes evident to the Supplier that the delivery may be delayed, the Supplier will within 5 days of becoming aware of the delay notify the Buyer in writing stating in as much detail as possible the nature of the cause of the delay and the anticipated extent of the delay, the steps being taken to alleviate and otherwise deal with the delay and/or cause and the revised delivery date. The Buyer will within

2 days of receiving notification of delay, accept the revised delivery date, negotiate and agree an alternate delivery date with the Supplier, or exercise its rights under Clause 10.

12. FORCE MAJEURE: A party will not be liable for any delay or failure to perform its obligations pursuant to the Order where such delay or failure is caused by war, whether declared or not, acts of terrorism, insurrection, strikes, fire, inclement weather, government restrictions or for any other cause which is beyond the reasonable control of that party.

13. CARE, CUSTODY AND CONTROL OF EQUIPMENT AND/OR DATA: The parties acknowledge that the Equipment and Data provided by the Buyer to the Supplier (if any) is furnished for the purpose of enabling the Supplier to perform its obligations under the Order. The Buyer warrants that the Equipment and Data are fit for their intended purpose. Care, custody and control (including the obligation to comply with specified Defence Security requirements) of Equipment and Data provided by the Buyer to the Supplier will pass to the Supplier on delivery to the Supplier or on the Supplier taking care, custody or control (whichever is sooner) and continue until it is redelivered to the Buyer or returned to the Buyer's care, custody or control (whichever is sooner). Data supplied by the Buyer will remain the Buyer's property and the Supplier will ensure that it is treated as the Buyer's confidential information by the Supplier, its employees and former employees of the Supplier. Data will not be reproduced used or disclosed to others by the Supplier without the Buyer's prior written consent. The Supplier will protect Equipment and Data from loss or damage howsoever arising whilst they are in its possession or under its custody, care or control and it accepts responsibility for any such loss or damage. Notice of any loss or damage is to be notified to the Buyer within 2 days of the Supplier becoming aware of the occurrence. The Buyer shall not be liable for any personal injury or death of the Supplier, its employees or sub-contractors, or any loss or damage to the property of the Supplier its employees or sub-contractors, arising in any way out of any defect in any Equipment and Data provided to the Supplier. Equipment and Data provided by the Buyer to the Supplier, will be returned to the Buyer on demand or on completion of the Order (whichever is sooner) in the same or better condition as when the Supplier took receipt of the Equipment and Data. Data which the Supplier may disclose to the Buyer with respect to the design, manufacture, sale or use of the Services covered by the Order, except where specifically marked as 'Confidential Information', shall be deemed to have been disclosed as part of the consideration for the Order and the Supplier will not assert any claim against the Buyer for breach of confidentiality by reason of the Buyer's use of that Data.

14. ASSIGNMENT AND SUBCONTRACTING: No payments due or any of the work to be performed under the Order will be assigned and the Supplier will not sub-contract any of its obligations under the Order without the Buyer's prior written consent, which will not be unreasonably withheld. The granting of consent by the Buyer to engage sub-contractors will not be construed as relieving the Supplier of its responsibility under the Order. The Supplier must stipulate in all sub-contract orders entered pursuant to this Order, that the Buyer's is granted entry to sub-contractor's facilities and data, records and material to the same extent as the Buyer may have in relation to the Supplier under clause 18.

15. WARRANTY: The Supplier warrants for a period of 12 months following acceptance, that despite any inspection of the Deliverables by the Buyer, the Deliverables are of merchantable quality, comply with the requirements of the Order and to the Data, are fit for the purposes for which the Deliverables are intended to be used by the Buyer, free from all defects (including latent defects) and deficiencies, whether in design, performance, materials or workmanship and correspond with any samples supplied by the Supplier to the Buyer (if any). The Buyer may by written notice to the Supplier, make a warranty claim in relation to all or any of the Deliverables (including Deliverables with latent defects) within 30 days of discovery of the non-compliance, defect or deficiency. Where the Buyer makes the claim, the Supplier shall, within 20 days of receipt of the advice:

(a) notify the Buyer to return the Goods or Equipment to the Supplier at the Supplier's expense and correct the non-compliance, defect or deficiency at the Supplier's expense;

(b) replace the Deliverables or relevant parts with replacement Deliverables or parts of similar value, useful life and make to the Buyer's satisfaction and deliver these to the Buyer at the Supplier's expense; or

(c) pay the Buyer reasonable charges calculated at rates and prices comparable to aircraft industry standards for repairs required for the Buyer's correction of the non-conformance, defect or deficiency.

16. INTELLECTUAL PROPERTY: For the purposes of this clause the following definitions shall apply:

(a) "Background Intellectual Property" means intellectual property of the Supplier or a third party which has not been brought into existence as part of, or for the purpose of, providing the Deliverables under the Order and is identified in writing by the Supplier to the Buyer prior to its disclosure to the Buyer as being intellectual property the ownership of which is not to pass to the Buyer.

(b) "Foreground Intellectual Property" means intellectual property which is not Background Intellectual Property and which has been brought into existence as part of, or for the purpose of, providing the Deliverables under the Order.

Ownership of all Foreground IP vests on its creation in the Buyer and the Supplier will do whatever is necessary to give effect to that vesting. For any Foreground IP vesting in the Buyer, the Buyer has the exclusive right to apply for registration of that Foreground IP in all countries of the world. Ownership in Background IP shall remain with the party who owns it.

17. INTELLECTUAL PROPERTY INDEMNITY: The Supplier indemnifies the Buyer, its employees, subcontractors, successors, assignee, agents, customers and users, of the Deliverables against loss, damage or expense incurred on account of any claim, judgment or demand involving infringement or alleged infringement of any patent or other intellectual property rights in the manufacture, use or disposition of the Deliverables. The Buyer will notify the Supplier of any suit instituted against it and, to the full extent of its ability reasonably to do so, permit the Supplier to defend the suit or make settlement. The Buyer does not indemnify the Supplier for infringement of any patent or other intellectual property rights.

18. ACCESS AND AUDIT: The Supplier grants the Buyer access at all reasonable times to the Supplier's premises and non financial data, records or material relevant to the performance of the Order for the purposes of inspecting Buyer property and data and performing audit and surveillance activities in connection with the Supplier's compliance with the requirements of the Order.

19. GRATUITIES: The Supplier warrants that none of its employees, agents or representatives has offered or given any gratuities to the Buyer's employees, agents or representatives with a view toward securing the Order or securing favourable treatment with respect to the Order.

20. RELEASE OF NEWS, INFORMATION AND ADVERTISING: The Supplier will not use the name of the Buyer or quote the opinion of any of the Buyer's employees in any advertising or public comment without obtaining the prior written consent of the Buyer.

21. EFFECT OF INVALIDITY: The invalidity in whole or in part of any provision of these Terms and Conditions of Purchase will not affect the validity of any other provision.

22. TERMINATION: The Buyer may by 7 days written notice to the Supplier at any time for its convenience, terminate the Order in whole or, from time to time, in part. On termination, the Buyer will be liable to pay for any work completed in fulfilment of the Order by the Supplier as at the date of termination in accordance with these Terms and Conditions of Purchase.

23. DISPUTES: Any disagreement relating to execution of the contractual obligation or to the interpretation of the Order that are not settled by agreement within 1 month of its notification by either party, may be settled by appropriate legal proceedings. Each party will continue to perform its obligations under the Contract despite the existence of a dispute or any proceedings under this clause.

24. RIGHTS, REMEDIES AND WAIVER: The rights and remedies provided to the Buyer in these Terms and Conditions of Purchase will be cumulative and in addition to any other rights and remedies provided by law or equity. A waiver of a breach of any provision will not constitute a waiver of any other breach. The laws of the state shown in the Buyer's address in the Order will apply to the Order. The parties hereby submit to the non-exclusive jurisdiction of the courts of that state.

25. TAXES AND OTHER EXACTIONS: The Supplier assumes exclusive liability under all laws that impose taxes (other than GST) or other exactions arising out of or in connection with the Order and to pay any and all such taxes, except those the Buyer agrees in writing or is by law required to pay, and which are separately stated on the invoice. Prices will not include any taxes for which the Buyer has furnished a valid exemption certificate.