

TERMS & CONDITIONS

These are the terms and conditions on which Bluechip Infotech Pty Limited (“we” or “us” or “our”) is willing to trade with you. Please read these terms and conditions carefully as they have the effect of creating a PMSI under the PPSA. Any variation to these terms and conditions must be in writing and signed by an authorised officer of Bluechip Infotech Pty Limited.

1. Price

The price and description of the product you may offer to purchase from us (“our product”) is described in our price list. We may change the price list at any time without prior notice.

2. Payment

If you have a pre-approved account limit with us, our terms are strictly in accordance with our payment terms as separately agreed with you in writing, or where there is no separate agreement, 14 days from the date of invoice. If you do not have a pre-approved account limit, payment in advance by cash, cheque, EFT or credit card is required and must be paid within 48 hours of placing an order (failing which, we will be entitled to cancel the order without notice to you). Payments by cheque will not be considered received by us until the cheque is cleared by our bank. If any payment by you is dishonoured, you must pay us an additional account processing fee of \$30.00.

An account processing fee will be charged, unless otherwise agreed, for payments made by credit card, up to 1% for payments made by Visa, Mastercard or Moneytech card and 2.2% for payments made by American Express.

3. Account Limit

We may at our absolute discretion agree to grant you a trade credit facility. If we agree to supply you a credit then normally we allow you to purchase and continue to purchase our product as long as the total of your account does not exceed the set limit. We may cancel the unused portion of your credit limit at any time at our absolute discretion.

If you wish to apply to increase the limit of your account, you agree that you will, at our request, provide us with further supporting documentation which may include (but is not limited to) any or all of the following:

- satisfactory written trade references (which must not show any payments of more than sixty (60) days from the end of the month of delivery/rendering of services);
- a satisfactory credit report from a credit rating agency acceptable to us;
- evidence that you have been incorporated for at least 12 months;
- a copy of your audited Financial Statements (which must not be more than 12 months old); and
- a completed Checklist (attached).

In no circumstances are we obliged to accept any application for an increase in the limit of your account and we are not obliged to give you reasons for our decision.

If any account is overdue and is not settled within our trading terms, you agree that, in addition to any other

right we may have, we may stop all sales and delivery of our product to you.

You acknowledge that we may decline your application to purchase our products if we are advised by our credit insurers that they will not grant us appropriate cover in relation to you.

4. Government Charges

Our prices are shown net of GST but if GST is payable, it is to your account and must be paid at the same time as you pay for our product. We will give you a tax invoice.

5. Acceptance and Delivery

We shall accept or reject orders placed by you (“Orders”) within seven (7) days after receipt of such order. We reserve the right to reject Orders in whole or in part and to propose alternative delivery dates. When we accept an Order, we will confirm the delivery date. You shall have the right to cancel some or all of an Order without incurring any liability to us if:

- (a) any delivery is delayed by more than thirty (30) days after the confirmed delivery date;
- (b) such delay is solely attributable to our default;
- (c) the on-sale by you of the products the subject of that part of the Order which you are seeking to cancel has been terminated or cancelled by your customer solely as a result of such delay; and
- (d) you have provided to us whatever documents and other evidence we require to satisfy us of the matter referred to in paragraph (c)

Such right of cancellation shall be your exclusive remedy and our sole liability for its failure to meet a delivery date. You shall be liable for all costs arising out of any agreement (including any breach thereof) arranged by us on your behalf for carriage of the products the subject of the cancelled Order.

All products shall be sold by us ex-our warehouse. You shall arrange carriage of the products from our warehouse unless we agree to arrange carriage on your behalf.

6. Risk

The products shall be your risk immediately upon delivery to the carrier at our warehouse, regardless of whether the carrier is arranged by us or you.

7. Ownership

You do not own any of our product in your possession until all of our product you have purchased from us at any time and all other amounts owing by you to us on any account have been paid for in full. You agree that we have a security interest in the product and further agree that we are entitled to register a security interest over the product, and you agree to do all things necessary and execute all documents reasonably required by us to register the security interest.

Until you have given us full payment, you promise to store and deal with our product in a way that it is clearly identifiable as ours. You grant us an irrevocable licence to enter your premises on any business day to inspect our product in your possession and your books and records regarding our product. If you wish, you may promote and on-sell our product in the ordinary course of business even if ownership of our product has not passed to you. You will hold the proceeds of sale in trust and not by way of security, for and as agent for us in a separate account, you will pay the proceeds to us as soon as you receive them and we have the right to trace and claim such proceeds. You have no right to bind us to any liability to any third party by contract or otherwise. If you use our product in some manufacturing or construction process of your own or some third party, you will hold such part of the proceeds as relates to our product in trust for us. Such part shall be deemed to equal in dollar terms the amount payable or owing by you to us at the time of the receipt of such proceeds. You will also keep separate records and clearly identify in your books your use of our product in such manufacturing or construction process.

8. Purchase Monies Securities Interest

You agree that these terms and conditions create a PMSI in the product (and its proceeds) supplied presently and in the future by us to you.

You agree to do all things necessary and execute all documents reasonably required by us to register the PMSI granted by you under these terms and conditions and to ensure that we acquire a perfected security interest in the product under the PPSA.

This PMSI does not lose its priority as a result of the renewal, refinance, consolidation or restructure of the subject matter of these terms and conditions and any purchase money obligations.

Until ownership of the product passes to you, you waive your rights under the following provisions of the PPSA, to the extent that it is permitted by law:

- receive a notice of intention of removal of an accession (section 95);
- receive a notice that we have determined to enforce its security interest in accordance with land law (section 118);
- receive a notice of enforcement action against liquid assets;
- receive a notice of disposal of product by us purchasing the product (section 129);
- receive a notice to dispose of the product (section 130);
- receive a statement of account following disposal of the product (section 132(2));
- to receive a statement of account if no disposal of the product, six monthly (section 152(4));
- to receive notice of any proposal by us to retain the product (section 135(2));

- to object to any proposal by us to either retain and dispose of the product (section 137(3));
- to redeem the product (section 142);
- to reinstate the security agreement (section 143); and
- to receive a notice of any verification statement (sections 157(1)) and 157(3)).

To the extent permitted by the PPSA, these terms and conditions exclude any provisions of the PPSA which may be excluded in our discretion and which would otherwise confer rights on you.

You further agree that where we have rights in addition to those under Part 4 of the PPSA, those rights shall continue to apply.

Your right to possession of goods still owned by us under these terms and conditions shall cease if:

- (a) you being an individual, commit an act of bankruptcy, or,
- (b) you being a Company, circumstances arise where a Receiver, Manager, Administrator or Controller becomes entitled to take possession of any of your assets, any proceedings are instituted for your winding up, or you enter into a Deed of Company Arrangement, or
- (c) you cease or threaten to cease conducting business in the normal manner or apply for deregistration or receive a deregistration notice, or
- (d) any cheque you provide us is dishonoured for payment, or
- (e) you fail to comply with any demand for payment issued by us, or
- (f) you breach any of the terms and conditions contained herein and/or are in default of any other agreement between us and you.

You agree that we are entitled to enter any premises where the product supplied by us and still unpaid for is located, repossess and sell such product. You agree to indemnify and keep us indemnified in respect of any claims, actions and costs that may arise against us in relation to the removal, repossession and sale of the product pursuant to these terms and conditions including any claims brought by third parties.

You agree that repossession and retention of the product pursuant to the PPSA will only satisfy so much of the monies which may become payable to us by you, as is equivalent to our estimation of the market value of the product as it is at the date of repossession and the repossession and retention will immediately extinguish any rights for interest you have on the product.

Until ownership of the product passes, you must not give us a written demand or allow any other person to give us a written demand requiring us to register a financing change statement under the PPSA or enter into or allow any other person to enter into the personal property securities register a financing change statement under the PPSA.

You agree not to change your name or undertake any changes to any documents that we have registered, require to be registered or are capable of being registered without our prior written consent.

9. Assignment

You must not assign any rights or benefits under these terms and conditions unless you have obtained our prior written consent. Any assignment by you without our consent shall entitle us to avoid any liability we may have to you under these terms and conditions.

10. Recovery

If at any time you owe us money on any account in excess of our trading terms then in addition to any other rights we have you agree we may enter any premises owned, possessed or controlled by you where our product is stored and remove our product. We are not liable to you if we take such action.

11. Claims

When we deliver our product to you, you must inspect it immediately. You must report any damage or incorrect supply within 3 business days of delivery otherwise we may refuse any claim you make.

All shipments shall be deemed to have been delivered without shortage in quantity unless you give written notice of such shortage to us within 3 business days after delivery to you provided, however that a receipt signed by you and given to the carrier acknowledging delivery of a quantity of products shall be prima facie evidence of the quantity delivered to you by us. Upon verification by us of the shortage in delivery, we shall deliver the shortfall products to you as soon as practicable unless the parties agree for the shortfall Products to be delivered as part of the next scheduled shipment.

All claims for damage and/or defect in products shall be subject to the manufacturers warranty conditions and any warranty terms that we may have agreed to with you. If our product is damaged or "dead on arrival" when we deliver it to you we may accept its return and replace it with an equivalent product or credit you with the price paid, at our option. If our product is returned to us as "dead on arrival" but is found to be in working order when checked by our engineers, you must pay us a 10% restocking fee or \$50.00 which ever is the greater. In all circumstances our product must be in its original packaging and proof of purchase must be supplied. If you have a dispute with us, we will not respond to you until you have notified our credit department in writing of your dispute prior to the due date of your payment for our product.

You agree that you shall make no claim against us for any delay in delivery or any product delivered to you "dead on arrival". You agree that you must satisfy yourself that products purchased by you are fit for their intended purpose. We make no warranty that any products supplied by us shall be fit for any particular purpose and shall have no liability in this regard.

12. Overdue Accounts

Any account which is not settled within agreed terms may attract interest at the aggregate of the business overdraft rate (however described) for sums not exceeding \$100,000 charged by Westpac Banking Corporation and 2%. You agree that any discounts, rebates or other concessions are lost if payment is not made in time. If you are in breach of any of our terms and conditions you agree that you are also responsible for all of our expenses of any kind including our legal

costs on a solicitor client basis and any commission or other expense incurred by any debt collection agency we retain to recover the monies you owe us.

We shall have the right to commence legal proceedings against you for the recovery of any account that is overdue.

13. Limitation of Liability

To the extent permitted by law all warranties, representations, terms and conditions concerning the products or services to be supplied by us are hereby expressly excluded and we shall not be liable in any way to you for any form of damages, loss, costs, injury or harm resulting directly or indirectly out of the supply, performance or use of the products or services supplied hereunder, or resulting directly or indirectly from any breach, default, fault or negligence of us, including, without limitation, loss, damages, injury or harm in the nature of special, consequential, general, or other losses or damages including, but not limited to, loss of business, loss of profits, loss of income, loss of data or loss of use.

Provisions of the Trade Practices Act 1974 (Cth), as amended, and other legislation and laws from time to time in force in Australia, such as, but not limited to, the Fair Trading Acts of various States of Australia, may imply warranties or conditions or impose obligations upon us which cannot, in whole or in part, be excluded, restricted or modified. These terms and conditions must be read and construed subject to any such statutory provisions.

If such statutory provisions apply then, to the extent permitted by law, our liability (if any) arising out of or in relation to the products or services supplied by us shall be limited, at its option, to:

- in the case of products:
 - the replacement or repair of the products or the supply of equivalent products; or
 - the payment of the cost of replacing the products or having the products repaired or of acquiring equivalent products; and
- in the case of services
 - the supply of the services again; or
 - the payment of the cost of having the services supplied again.

14. Conflict of Terms

These terms and conditions override your terms and conditions. Any terms and conditions included with your order shall have no force or effect unless such terms and conditions are agreed to in writing by us.

15. Minimum Purchase

You acknowledge that we may impose minimum quantity for individual purchases as a condition of sale.

16. Whole Agreement

These terms and conditions form the entire agreement on which we are willing to trade with you and all or any previous agreements or understandings we may have had with you are superseded by these terms and conditions. We may alter these terms and conditions at any time upon one (1) months written notice. All transactions after the date specified in such notice will be subject to the altered terms

and conditions. If you continue to trade with us after the date such alterations become effective you will be deemed to have agreed to the altered terms and conditions.

17. Your Obligations

You acknowledge that you are not:

- an associate or related body corporate or related party or related entity of ours (as such terms are defined in the Corporations Act 2001); or
- a customer or a debtor arising from consumer credit dealings.

If at any time:

- you believe that you may not or may be unable to perform or comply with your obligations under these terms and conditions;
- you are unable to pay your accounts as they fall due for payment;
- a cheque or bill of exchange received from you is dishonoured;
- you are or become insolvent or you have an administrator appointed; or
- your account is overdue and is not settled within our trading terms,

you agree that:

- you will immediately notify us that one or more of the above notifiable events has occurred and you will keep us notified on a monthly basis until such notifiable event no longer exists;
- we have no obligation and will cease to deliver to you any product you have purchased while a notifiable event exists; and
- we have no obligation to respond to any offer you make to purchase any of our product while a notifiable event exists.

For the purposes of these terms and conditions, you are insolvent if:

- a receiver or receiver and manager or an agent for a mortgagee in possession has been appointed over all of your assets and undertakings;
- you have passed an effective resolution for your voluntary winding-up;
- an order has been made by a Court of competent jurisdiction for you to be wound up;
- a compromise arrangement (excluding a voluntary administration) has been made legally binding on you and your creditors;
- you have presented a debtor's petition and it has been accepted by the Registrar in Bankruptcy;
- you have entered into a composition, deed of assignment or deed of arrangement under Part X of the Bankruptcy Act (or equivalent) with your creditors; or
- a legally binding sequestration order has been made against your estate.

18. General

- These terms and conditions are governed by and construed according to the laws of New South Wales and the Commonwealth Personal Property Securities Act 2009.
- The parties are independent contractors and are not employees, agents or parties of each other. Neither party is authorised to bind the other party, act as agent for the other party or otherwise act in the name of or on behalf of the other party except as expressly provided in these terms and conditions.
- If any provision in these terms and conditions is void, unenforceable or contrary to law, such provision shall be deemed to be excluded from this agreement and shall not affect any other provision and the remainder shall be construed as if the excluded provision had never formed part of these terms and conditions.

19. Interpretation

In these terms and conditions, the following terms have the following meaning: (i) "**Law**" means any Commonwealth or Australian state legislation regulations and the general law and includes in particular the Commonwealth Competition and Consumer Act 2010 and regulations as amended from time to time and the Commonwealth Personal Property Securities Act 2009 and regulations as amended from time to time; (ii) "**PPSA**" means Personal Property Securities Act 2009 and "**Purchase Monies Securities Interest**" or "PMSI" has the meaning given in section 14 of the PPSA.

Bluechip Ecommerce System TERMS AND CONDITIONS

You agree that the use of the Facility is subject to the following terms and conditions:

1. Definitions and Interpretations

The following definitions apply:

“**Facility**” means our Ecommerce System located at the internet website www.bluechipit.com.au or at any website nominated by us from time to time

“**Your Logon**” means the username, password and any other information that we have issued to you to enable you to operate the Facility.

“**User**” means any representative of yours who is authorised to access the Facility and operate the Facility under Your Logon.

A reference to you includes where the context permits all persons authorised to operate the Facility under Your Logon.

A reference to the use of the Facility by you includes all transactions undertaken under the Your Logon.

2. Privacy Policy

Access to the Facility by you is subject to our Privacy Policy which is located at the internet website www.bluechipit.com.au or at any website nominated by us from time to time.

3. Security

You acknowledge that the any User to whom you disclose or who is otherwise aware of Your Logon will be able to use the Facility and undertake transactions that are legally binding on and/or have other important consequences for you, including but not limited to:

- The disclosure of your confidential information to User including information in relation to your credit status with us; and
- Enter into legally binding contracts on your behalf for the purchase of products from us.
- You must ensure that all Users keep Your Logon information strictly confidential.
- You accept responsibility and liability for all transactions undertaken on the Facility by any person using Your Logon.
- Your responsibility and liability includes circumstances where Your Logon has been lost or revealed to any third party.
- Your responsibility and liability for the use of the Facility by any person using Your Logon not cease until we receive written notice from you (and we have acknowledged receipt of such notice) that Your Logon has or may have been compromised or that the access to the Facility under Your Logon is to be terminated.

- You agree that unless you inform Bluechip that Your Logon has been comprised we shall not be responsible for and your release us from liability in respect of any loss or damage you suffer as a result of the use of the Facility by any person using Your Logon.

- You indemnify and keep indemnified us from and against all liabilities actions claims demands losses damages proceedings costs charges and expenses for which we shall or may be or become liable as a result of offering the Facility for use by you.

- We warrant that access to the Facility shall be granted only to persons using Your Logon.

- We shall keep confidential and not disclose to any person Your Logon.

4. Use of Facility

We do not warrant that any hardware and/or software components selected by you under the Facility are compatible with each other. You are responsible to ensure that the hardware components that you select satisfy the minimum hardware requirements published by the manufacturer and/or distributor of the software components that you select.

Delivery times and product availability quoted in the Facility represent estimated dates only and we make no warranty and accepts no liability or responsibility with respect to such dates or times.

Orders placed under the Facility represent Offers by you and are subject to our acceptance in accordance with our standard terms and conditions.

5. Facility Availability and Performance

We make no representation and give no warranty with respect to the availability or performance of the Facility and shall have no liability in relation to the performance or availability of the Facility.

We reserve the right to modify amend and/or discontinue the Facility at any time in which event you shall have no claim whatsoever against us.

6. Intellectual Property

You should assume that all content on the Facility is copyrighted and that it may not be used without our prior written consent.

7. Encryption

We are entitled to choose but are not obliged to provide any form of encryption or other security beyond password and user authentication.

You acknowledge that information or data sent to or received from the Facility may not be encrypted.

You release us from all liability and indemnify and shall keep indemnified us from and against all liabilities actions claims demands losses damages proceedings costs charges and expenses for which we shall or may be or become liable as a result of information or data relating to you, accessed by or revealed to any third party.

8. General

We make no warranty or representations in relation to the accuracy of any content of the Facility and assume no liability for any errors or omissions in the content of the Facility.

We make no representation or warranty with respect to the security or confidentiality of material transmitted through the Facility.

The use of the Facility shall be exclusively governed by the Laws of New South Wales, Australia. The provisions of the Electronic Transactions Act 2000 (NSW) or its equivalent in other jurisdictions apply to these terms and conditions