STANDARD TERMS & CONDITIONS

These Standard Terms & Conditions ("T&Cs") apply to all transactional documents issued by Digital Radio Systems Pty Ltd ("DRS") which could be referred to as, but is not limited to quotations, purchase orders, sales orders, tax invoices, bills account statements, etc.

1. GENERAL

These General Conditions of Sale are to be read in conjunction with the associated particular tender or quotation and apply in full unless and except where specifically varied therein.

2. VALIDITY

Quotations or tenders are, prior to receipt of acceptance, subject to change/withdrawal at anytime by DRS in writing, but in any event shall not be valid after 45 days from date thereof. Acceptance of quotations or tenders must be in writing i.e. formal letter on company letterhead or email and valid purchase order referring to a valid DRS quotation.

3. PRICES

a. Prices for delivery up to and including thirty (30) days from date of order, are firm subject to the provision of clause 3c hereof.

b. Prices for delivery more than thirty (30) days from the date of order are subject to variation according to changes in labor and material costs and to the provision of Clause 3c hereof.

c. Prices for imported goods are based upon the rates of exchange, marine freight and insurance, and customs and primage duties ruling at the date of tender or quotation. Any increase or decrease in costs resulting from changes in these rates affecting the equipment as delivered, shall be to the purchaser’s account.

d. Prices are based on delivery ex store capital city unless otherwise stated and do not include installation charges unless specifically shown in our quotation.

e. Additional costs incurred by DRS in installation and/or commissioning as a result of delays due to reasons other than neglect or default on our part shall be to the purchaser’s account.

f. Goods & Services Tax (GST), where applicable, will be charged at the appropriate rate ruling at the date of invoice.

4. DELIVERY

a. Delivery periods quoted apply from date of acceptance of order or clearance of engineering detail including channel frequency allocation or availability of landline (if applicable), whichever is the later.
b. Force Majored - in the event of force majeure the delivery period will be extended by the period during which for force majeure lasts. Force majeure shall be deemed to be any event or occurrence beyond the reasonable control of DRS as a result of which DRS is unable to comply with its obligations or cannot reasonably be required to do so. Force majeure affecting DRS sub-suppliers shall be deemed to be force majeure affecting DRS.

c. Failure on the part of the Australian Communications Authority to advise channel frequency allocations prior to the contracted delivery date shall be deemed to be force majeure and the equipment so affected shall be tested utilising standard test frequencies. The purchaser shall thereupon be bound to purchase the equipment so tested and to pay for the same in accordance with Clause 5 any costs incurred for testing or adjustment required subsequent to channel frequency allocations will be to the purchaser’s account.

d. Goods offered as ex stock are subject to prior sale.

5. TERMS OF PAYMENT
   a. DRS’s payment terms are COD or within 30 days of installation upon credit approval and all cabling, including extensions, must be terminated to a test point frame and supplied by customer.
   b. Payment is to be made to DRS within (30) days of the date of invoice unless prior arrangements have been accepted, notwithstanding the fact that the equipment is part delivered, or may not have been installed or commissioned by such date.
   c. Invoices for equipment may be issued progressively when goods are delivered.
   d. Where any contract provides for the development of equipment to meet the requirements of said contract, then DRS may issue invoices progressively as development proceeds.
   e. Where any contract provides for installation and/or commissioning, additional invoices may be issued after work has been completed.

6. INSTALLATION AND/OR COMMISSIONING
   a. Where installation or commissioning by DRS is required, the date of such work will be fixed after consultation with the purchaser. However, if for any reason whatsoever, other than the neglect or default of DRS, it is not possible to proceed with the required work on the agreed date, then any additional costs incurred by DRS may be charged to the purchaser.
   b. Where the installation involves the provision of services such as water, electricity, etc., these shall be provided by, and at cost to, the purchaser in accordance with our requirements.
   c. Unless otherwise specified, prices quoted by DRS for installation and/or commissioning are on the basis that the work may proceed continuously in normal working hours and that ready access to the site is provided by the purchaser.
7. FINANCED EQUIPMENT
   a. At the time of accepting the quotation or tender, if the purchaser informs DRS that finance is to arranged in respect of such equipment or any item thereof, the following shall apply:
      i. The purchaser agrees that he will procure a financing company to purchase the equipment or items thereof from DRS and notify DRS of the name and address of such financing company before the date of delivery.
      ii. DRS shall address its invoice, or invoices for the equipment of item to the financing company and all payments by the financing company shall discharge pro tanto the purchaser's obligations under Clause 5, but all other provisions of these General Conditions of Sale shall remain in full force and effect.
      iii. If there shall be any breach by the purchaser of this Clause 7 or if the nominated financing company shall for any reason (other than default of DRS) fail within the times stated in Clause 5 to pay the full amount of any invoice addressed to it, then DRS may address or re-address an invoice to the purchaser who shall thereupon be bound to purchase the equipment or item thereof from DRS and to pay for the same in accordance with Clause 5.
      iv. The purchaser acknowledges that no discussions, correspondence or other communications between the parties concerning the sources or availability of leasing or any other type of financing shall in anyway affect the purchaser's obligations under this clause.

8. INSPECTION
   a. Before delivery, DRS equipment is subject to an established inspection and test procedure. Fourteen (14) days notice thereof will be given, if requested by the purchaser, should the purchaser desire to be present or represented at these tests.
   b. Variation to the test program if desired by the purchaser is possible, but must be arranged in advance and any resulting additional costs to DRS shall be to the purchaser's account.

9. WARRANTY
   a. Defects or failures in equipment which, under proper use, appears therein and arise solely from faulty materials or workmanship within a period of twelve (12) months from date of delivery to the purchaser will be remedied by DRS free of charge, whose obligation under this warranty shall not include the rectification of defects caused by fire, water, lightning, frost, accidental damage or by the neglect or omissions of others or by the fitting of parts or accessories nor supplied by or by servicing not carried out by DRS.
b. For the purpose of enabling DRS to carry out repairs to mobile portable equipment, the owner shall (at the end Owner’s expense) cause this equipment to be brought or sent to DRS for repairs.

c. Base stations and control equipment will be serviced at the owner’s premises, if the premises are within our normal service area. Travelling time and mileage will be charged at current rates ruling at the time of the service. Enquires as to DRS normal service area may be made by telephoning or contacting the local branch office or service depot of DRS. Subject to sub-paragraphs (B) and (C) and to warranties contained in paragraph 9.0, all conditions and warranties in respect of the equipment or services, express or implied, statutory or otherwise are hereby excluded and we shall not be liable to pay compensation for any injury, loss or damage sustained by the purchaser of the goods or services or any other person howsoever arising;

B. Subject to sub-paragraph (C), nothing in these Conditions of Sale is intended to exclude, limit, restrict or modify any statutory condition or warranty which applies to this Contract or the supply of equipment or services and is expressed to be non-excludable by mandatory legislation (hereinafter referred to as “non-excludable terms”). “Mandatory Legislation” means the Trade Practices Act 1984 (Commonwealth), Part IV of Goods Act 1958 (Victoria), Part VIII of the Sales of Goods Act 1923 (New South Wales), the Consumer Transactions Act 1972 (South Australia) and the Manufacturers Warranties Act 1974 (South Australia) and any other Commonwealth, State and Territory legislation which implies non-excludable terms into this contract or the supply of the equipment or services.

C. Where the mandatory legislation referred to in sub-paragraph (B) permits, our liability in respect of a breach of a non-excludable term shall be limited to in the case of goods, the repair of the equipment or at our option, replacement of the equipment or the supply of equivalent equipment; or II. In the case of services, to the supplying of those services again.

d. The conditions of this warranty shall not apply nor be deemed to apply until such times as the purchaser shall have paid without any deduction, all monies then due and payable in respect of the sale of the equipment in accordance with terms of payment. Nevertheless the date of commencement for the warranty period shall be stated in Paragraph 9.0, provided that terms as to payment have been fulfilled.

10. CONFIDENTIALITY

Except to the extent to which the same may serve as instructions for the use of goods supplied, the information in this offer, including illustrations, technical descriptions, drawings, etc., made available by us to the purchaser remains DRS property and the purchaser undertakes not to copy...
these documents either wholly or in part, nor to make them available to third parties without
DRS express approval in writing.

11. DESIGN
DRS reserves the right to modify its designs at any time to implement changes which are
considered desirable.

12. RISK
Upon delivery by DRS to the purchaser, equipment shall be at the purchaser’s risk
notwithstanding that DRS may be required to install, set up or perform any service in connection
with the equipment.

13. PROPERTY
Notwithstanding anything herein contained, equipment shall remain the property of DRS until it
has been paid for in full.

14. CANCELLATION OF ORDERS
Orders may only be cancelled prior to delivery with written consent of DRS in the event that
products and/or services are no longer required due to changed circumstances. Such consent, if
required, will be subject to reimbursement for all actual and prospective loss, damages and
expenses incurred by DRS in the preparation and procurement of products and/or services in
fulfilment of the order. Goods delivered to DRS by the supplier which cannot be returned, are
subject to full reimbursement.

15. APPLICABLE LAW
All claims or disputes arising from the sale of the goods shall be subject to and dealt with in
accordance with the laws applicable in the State of W.A. in the Commonwealth of Australia and
the Courts of the State shall have jurisdiction.

16. EXPORT OF COMMODITIES
Export of commodities that are being bought by the purchaser from DRS may be subject to
regulations derived from the laws on export. It may be necessary, in case of export of these
commodities, to obtain an export license from a Ministry government office or other appropriate
office and/or agreement from DRS. Please contact DRS before any export of any of the
commodities purchased under this agreement. Sales to third parties within certain countries or
sales territories have to be made with an identical obligation.

17. AMENDMENTS TO THIS DOCUMENT
No valid amendments.

Please contact our office with any questions, comments and/or complaints regarding this document on +61 8 6235 8235
or alternatively send an email to purchasing@digitalradiosystems.com.au
18. INTERPRETATION
In this Agreement:

a. All monetary references are references to Australian dollars;

b. All headings are for convenience only and shall not affect the interpretation of this Agreement;

c. All words in the singular include the plural and vice versa;

d. A reference to a clause, Schedule or annexure is a reference to a clause, Schedule or annexure of or to this Agreement;

e. A reference to a party to this Agreement includes that party’s successors and permitted assigns; and

f. A reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them.

19. NOTICES

a. All notices under these conditions must be in writing and may be delivered by hand, by facsimile or by pre-paid post to the address or facsimile of the other party specified in the Contract Details (or to such other address or number as notified by a party from time to time in accordance with this clause).

b. A notice will be deemed to have been delivered;

   i. In the case of hand delivery, at the time of delivery;

   ii. In the case of facsimile, upon production of a transmission report by the sender’s facsimile machine showing that the facsimile was sent in its entirety to the facsimile number of the recipient provided that if sent on a day which is not a Business Day, it will not be deemed delivered until 9.00 am on the next Business Day after transmission;

   iii. In the case of posting, 2 Business Days after despatch.

Please contact our office with any questions, comments and/or complaints regarding this document on +61 8 6235 8235 or alternatively send an email to purchasing@digitalradiosystems.com.au