

May 2008

SEPHCO INDUSTRIES PTY LTD SCS2008A

## GENERAL CONDITIONS OF SALE AND LIMITED WARRANTY

### 1. GENERAL

- 1.1 These conditions apply to all quotations by and others placed with Sephco Industries Pty Ltd ('Sephco') and no other terms or conditions, written or oral, whether contained in a customer's order or elsewhere, shall be binding upon Sephco.  
In the event of a conflict between these terms and conditions and those offered by the customer the Sephco conditions will apply.
- 1.2 The customer acknowledges that Sephco is not bound by any variation to these conditions unless recorded in writing signed by a duly authorised officer of Sephco.
- 1.3 All verbal and telephone orders must be accompanied by written confirmation within one week of date of order. Production or delivery errors as a result of verbal orders will be charged to the customer.
- 1.4 Following acceptance by Sephco, orders are not subject to cancellation or modification except upon written approval by Sephco and will be subject to cancellation charges as determined by Sephco.
- 1.5 Sephco does not undertake to issue work shop drawings for any of its products. General arrangement drawings and electrical circuit diagrams of equipment will only be issued where appropriate.

### 2. PRICES

- 2.1 Prices are strictly net of all sales taxes, goods and service taxes, customs or excise duties and other charges or fees levied in respect of the sale or delivery of the products unless otherwise stated.
- 2.2 Where any taxes, duties or other charges or fees are levied or imposed on Sephco, the amount will be added to the price payable by the customer.
- 2.3 Prices are F.O.B. Sephco's nominated sales office unless otherwise stated.
- 2.4 Prices and discounts are subject to change without notice.
- 2.5 Quoted prices unless otherwise specified in the quotation are based on Sephco's standard method of construction and comply with AS/NZS3000.2000. Where a quotation is based on a specification supplied by the customer or a third party, the customer acknowledges that Sephco undertakes to supply the equipment on the basis of the information and specifications supplied at the time of quotation. The quotation will confirm by way of page number, the information Sephco has based the quotation upon.
- 2.6 Specifications and information received after the customers' receipt of the quotation and/or Sephco's receipt of the confirmation order, that were not referred to in Sephco's quotation, may be subject to price variation.
- 2.7 All quotations are valid for 60days and thereafter subject to review.

### 3. MINIMUM ORDER

- 3.1 Orders for products which are held in stock by Sephco must be for a minimum of \$100 per combined order.
- 3.2 Orders for products which are not held in stock by Sephco must exceed \$200 per order.

### 4. DISCOUNTS

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Sephco may offer discounts by such amounts and on such terms as it determines from time to time and without limiting its right under Clause 2.4:

5. TERMS OF PAYMENT

- 5.1 Unless credit has been approved by Sephco, the customer will make full payment in cash when placing its order for standard or non-standard products.
- 5.2 Where credit has been approved by Sephco, the customer will make full payment within 30 days of the date of invoice.

6. DELIVERY

- 6.1 Delivery of the products will be made by Sephco (unless otherwise agreed) to the customer's nominated address.
- 6.2 Times or dates of delivery indicated to the customer are estimated only and whilst every reasonable effort will be made to deliver on time, failure to do so will not confer on the customer a right of cancellation or refusal of delivery or render Sephco liable for any damages sustained by the customer as a result.
- 6.3 Sephco will notify the customer of any material delay in delivery and will specify the revised delivery date as soon as practicable.
- 6.4 Where delivery is delayed by any failure or refusal on the part of the customer to forward dispatch instructions or accept delivery or for any other reason which is caused by the customer, any additional costs occasioned thereby will be an extra charge to the customer.

7. PROPERTY, RISK AND TRANSPORT

- 7.1 Notwithstanding delivery of the products or their installation, property in the products will remain with Sephco until the price of those products has been paid in full to Sephco.
- 7.2 The risk in the products will pass to the customer from the commencement of first loading of the product onto the carrier's vehicle.
- 7.3 Where Sephco and the customer agree that the customer will arrange delivery, risk in the product will pass to the customer from the commencement of first loading the products onto the carrier's vehicle.
- 7.4 Sephco does not insure the products against loss or damage during transport unless specifically requested by the customer.
- 7.5 Freight charges quoted by Sephco do not include transport or marine insurance unless requested by the customer.

8. RETURNS

- 8.1 No product will be returned by the customer without express written approval of Sephco.
- 8.2 All unapproved returns will be refused and returned to the customer at its expense.

9. WARRANTY

- 9.1 Sephco warrants that each of the products will be free from defects in materials and workmanship for a period of 12 months from installation or 18 months from delivery from our factory. Resistor components incorporated in models provided with integral fan cooling, other than mobile portable models are warranted for a period of 36 months, subject to conditions of use and maintenance procedures. Resistor components incorporated in marine applications are warranted for a period of 12 months from delivery date. Warranty is subject to conformance with the installation, maintenance and operational requirements.
- 9.2 Sephco shall repair in its factory or replace, whichever Sephco in its absolute discretion elects to do, any of the products determined by Sephco to be defective during the warranty period. This is the customer's sole and exclusive remedy for products, which do not meet this warranty. The customer must notify Sephco in writing of the claimed defect promptly after its detection and in no event later than 7 days after the expiry of the warranty period. Warranty replacement of parts is subject to inspection and evaluation. The equipment or parts must be returned to the Sephco factory for evaluation in the event of a claim being made. Freight costs to and from the factory are to be paid by the customer.

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- 9.3 Sephco in its absolute discretion may elect to provide replacement parts and support where the installation and/or the location of the equipment make it impractical to return it to the factory for repair or replacement.
- 9.4 For models which have been permanently wired in by an electrician, the warranty conditions do not cover for costs of removal, delivery, re-installation or electrical re-instatement. For equipment to be totally replaced during the warranty period, such replacement must be at the sole discretion and agreement by Sephco. Any replacement shall be on the basis that the original equipment or product be returned to Sephco factory for inspection.
- 9.5 Where Sephco agrees to carry out service at the customer's site, full and reasonable safe access in accordance with the relevant OH&S regulations, must be provided. Sephco will not be responsible for any additional equipment such as cranes, forklifts and associated costs or extra labour for the servicing or removal and re-installation of the equipment under warranty. Sephco shall not be held responsible to service its products and equipment where the product is installed in a hazardous or unsafe location such as roofs or areas not suitably provided with paths and walkways intended for the safe access to the equipment.
- 9.6 Any additional labour time attributed to the service of the product caused by restriction to timely access to the product, such as delays in entering secured sites, or where an induction process is conditional in entering the site, all additional costs will be borne by the client.
- 9.7 In the case of equipment or components which are not of Sephco manufacture, but supplied by Sephco, the warranty is limited to that extended by the suppliers or manufacturers of such equipment.
- 9.8 Sephco will not accept responsibility for damage caused to the products:-
- a) during transit, handling or installation; or
  - b) by unintended use or abuse or improper storage, installation, maintenance, operation or repairs by the customer or by any person not under Sephco's supervision.
  - c) Improper or failure to carry out frequent maintenance as required in accordance with instruction manuals supplied with the product.
- 9.9 Sephco does not warrant any product against damage or failure caused by corrosion, electrolytic action or operation beyond Sephco's control. Electric resistor failure by sheath corrosion or galvanic action or over heating if such failure is the result of improper use and operating conditions beyond Sephco's control.
10. **REPRESENTATIONS**  
 Any advice, recommendation, information or representation provided by Sephco as to the quality or performance of the products or their suitability for a particular purpose or otherwise in relation to the products is given in good faith but without any liability or responsibility on the part of Sephco. The customer acknowledges that it has not relied upon or been induced by any representation by Sephco not expressly set out in these conditions.
11. **LIMITATION OF LIABILITY**
- 11.1 These conditions do not exclude, restrict or modify the application of any provisions of any Commonwealth State or Territorial law which by law cannot be excluded, restricted or modified.
- 11.2 Unless otherwise expressly provided in these conditions, Sephco will not be liable or responsible for any loss, damage, injury to property or persons (including but not limited to loss of profits, business, use of facilities or other direct, indirect, special, consequential or incidental damages) resulting from, arising out of or in connection with the construction, acquisition, delivery, re-supply, installation, commissioning, testing, use, possession or burn-out or the products irrespective of whether such loss, damage or injury results from the negligence of Sephco, its servants or agents or any other cause whatsoever.
- 11.3 All terms, conditions and warranties that the products will correspond with their description, will correspond with any sample, will be of merchantable quality or will be reasonably fit for any purpose expressed or implied directly or indirectly, by common law or any Federal, State or Territorial laws are hereby excluded.
12. **EXCUSABLE DELAYS**  
 Sephco will not be liable for any failure or delay to manufacture, supply or deliver the products where such failure or delay is wholly or partly due to any cause or circumstance whatsoever outside the reasonable control of Sephco including, but not limited to, war, strikes, lockouts, industrial disputes, government restrictions or intervention,

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transport delays, fire, flood, winds, act of God, breakdown of plant, shortage of supplies or labour, storm or tempest, theft, vandalism, riots, civil commotion's or accidents of any kind.

13. GOVERNING LAW These conditions will be governed by and construed in accordance with the laws of the State of New South Wales, Australia.