

TERMS AND CONDITIONS (Sale)
Cornerstone Solutions Pty Ltd ABN 70 143 553 534

1 General

The whole of the Agreement between Cornerstone Solutions Pty Ltd ABN 70 143 553 534 ("Cornerstone") and the purchaser referred to in the Purchase Order ("Customer") are those set out in these Terms and Conditions and, if relevant, any End User Licence Agreement (EULA) or Terms of Use (TOU), as amended from time to time and any terms, if any, which are implied and which cannot be excluded by law ("Terms"). Any other contractual terms of the Customer (whether upon the Customer's order or elsewhere) which are contrary to or inconsistent with these Terms shall not apply nor shall they constitute a counter-offer. By receiving delivery and/or supply of all or a portion of the goods, materials and/or parts and/or labour and/or services supplied by Cornerstone under these Terms ("Goods"), the Customer shall be deemed to have accepted these Terms and to have agreed that they shall apply to the exclusion of all others.

2 Payment Terms

- 2.1 Payment is due on or prior to thirty (30) days from the date of invoice rendered in respect of the supply of the Goods unless otherwise stated in writing by Cornerstone. Cornerstone may charge liquidated damages at a rate equivalent to two percent (2%) in excess of the rate of interest for the time being fixed under Section 2 of the Penalty Interest Rates Act 1983, if payment is not received by the due date.
- 2.2 Cornerstone is entitled to set-off against any money owing to the Customer amounts owed to Cornerstone by the Customer on any account whatsoever.
- 2.3 Any payments received from the Customer on overdue accounts will be applied first to satisfy interest which may have accrued, second to reasonable expenses and legal costs referred to in Clause 2.4, and then to principal.
- 2.4 The Customer is liable for all reasonable expenses (including contingent expenses such as debt collection commission) and legal costs (on a full indemnity basis) incurred by Cornerstone for enforcement of obligations and recovery of monies due from the Customer to Cornerstone.

3 Quotations and Pricing

- 3.1 Prices charged for Goods will be according to a current quotation for those Goods. Otherwise, they will be determined by Cornerstone by reference to its standard prices in effect at the date of delivery (whether notified to the Customer or not and regardless of any prices contained in the order). Cornerstone will use its best endeavours to notify the Customer of price changes but bears no liability in respect of this.
- 3.2 Any quotation by Cornerstone shall not constitute an offer. Quotations will remain valid for twenty days from the date of the quotation.
- 3.3 Any quotation, acceptance of quotation, purchase order or other document which requires signature may be signed in electronic form, and such signature shall be binding upon the person affixing that signature.
- 3.4 Unless otherwise specified by Cornerstone, the prices exclude:-
 - 3.4.1 Any statutory tax, including any GST, duty or impost levied in respect of the Goods and which has not been allowed for by Cornerstone in calculating the price.
 - 3.4.2 Costs and charges in relation to insurance, packing (other than the standard packing of Cornerstone), crating, delivery (whether by road, rail, ship or air) and export of the Goods.
- 3.5 Any variations in the invoice or contract price as a consequence of currency fluctuations shall be payable by the Customer.
- 3.6 The contract between Cornerstone and the Customer shall not be affected by any impositions or alterations of customs duties or by decisions of the Customs Department with regard to either classification or value of duty or landing charges occasioned

thereby. Any such impositions shall be to the account of the Customer.

4 Delivery and Supply

- 4.1 Any times quoted for delivery and/or supply are estimates only and Cornerstone shall not be liable for failure to deliver/supply, or for delay in delivery/supply. The Customer shall not be relieved of any obligation to accept or pay for Goods, by reason of any delay in delivery/supply or dispatch. Cornerstone reserves the right to stop supply at any time if the Customer fails to comply with the Terms.
- 4.2 Cornerstone may refuse to supply any order by the Customer for Goods in its absolute discretion and may make acceptance of an order conditional upon it receiving a satisfactory credit assessment of the Customer.
- 4.3 The Customer is deemed to accept delivery of the Goods where it is either delivered to the Customer's premises or when Cornerstone notifies the Customer that the Goods are available for collection.
- 4.4 Once the Goods have been delivered to the Customer, the Customer shall be liable for all cost, charge and expense incurred in the ongoing maintenance, repair or upkeep of the Goods to ensure the Goods fulfil the Customer's intended purpose. If necessary, the Supplier will work with the Customer to determine ways in which to minimise any expense arising to the Customer under this clause.
- 4.5 If the Customer is unable or fails to accept delivery of the Goods, Cornerstone may deliver it to a place of storage nominated by the Customer and, failing such nomination, to a place determined by Cornerstone. Such action shall be deemed to be delivery to the Customer. The Customer shall be liable for all cost, charge and expense incurred by Cornerstone on account of storage, detention, double cartage/delivery or similar causes.
- 4.6 Subject to Clause 5.1, the Customer agrees that it will be obliged to and shall pay for the Goods on the due date notwithstanding that delivery is made after the agreed delivery date, and notwithstanding that the Goods may not yet be delivered.

5 End User Licence Agreement and Terms of Use

- 5.1 Cornerstone may require the Customer or the end user of the Goods to enter into a EULA and/or TOU as amended by Cornerstone from time to time in relation to Goods which require a EULA or Terms of Use ("EULA Goods").
- 5.2 The Customer acknowledges and agrees that Cornerstone may refuse to supply the EULA Goods until the EULA and or TOU is agreed by the Customer or end user to Cornerstone's sole satisfaction.
- 5.3 The Customer acknowledges and agrees that such refusal to supply the EULA Goods does not give the Customer a right to delay payment under these Terms.

6 Property

- 6.1 Until full payment has been made for all Goods, and any other sums in any way outstanding from the Customer to Cornerstone from time to time:
 - 6.1.1 All sums outstanding become immediately due and payable by the Customer to Cornerstone if the Customer makes default in paying any other sums due to Cornerstone, becomes bankrupt, or commits any act of bankruptcy, compounds with its creditors, has judgment entered against it in any court or, being a company, has a provisional liquidator, liquidator, receiver, receiver manager or administrator appointed, notwithstanding the provisions of any other clause in these Terms.
 - 6.1.2 The property in the Goods shall not pass to the Customer and the Customer shall hold the Goods as bailee for Cornerstone (returning the same to Cornerstone on request). The Goods shall nevertheless be at the risk of

the Customer from the time of delivery/supply and the Customer must insure the Goods from the time of delivery/supply.

- 6.1.3 The Customer is only authorised to sell the Goods (or any portion of them) to third parties as the fiduciary agent of Cornerstone provided that there shall be no right to bind Cornerstone to any liability to such third party by contract or otherwise. All payments (direct or indirect) received from such third parties by the Customer for the Goods (or any portion of them) shall be held on trust for Cornerstone pursuant to the fiduciary relationship.
- 6.1.4 In the event that the Customer incorporates or transforms the Goods (or any portion of them) into any other goods or products produced by the Customer (or a third party), then the Customer must hold a proportion of any payment ("relevant proportion") received by the Customer for such goods or products on trust for Cornerstone. The Customer expressly acknowledges that the relevant proportion shall be equal to the dollar value of the Goods incorporated or transformed and the Customer further acknowledges that any part payment (not exceeding the relevant proportion) received by the Customer for such goods or products is received as payment first of the relevant proportion.
- 6.1.5 Cornerstone is irrevocably authorised to enter any premises where the Goods are kept, and to use the name of the Customer and to act on its behalf, if necessary, to recover possession of the Goods without liability for trespass or any resulting damage.
- 6.1.6 The provisions of this clause are subject to the Personal Property Securities Act (to be passed through Parliament), and the provision of this clause shall be amended to interpreted as necessary to provide for Cornerstone to be a secured creditor over the goods.

- 6.2 At all times, Cornerstone retains the right of possession of any pallets used for delivery of the Goods and the Customer agrees to indemnify Cornerstone in respect of any pallets not returned to Cornerstone in good order and condition (as determined by Cornerstone) within fourteen (14) days of delivery of the Goods.
- 6.3 Any portable magazines in which Goods are delivered, and for which a hire charge is made, remain the property of Cornerstone.
- 6.4 In addition to any lien to which Cornerstone may, by statute or otherwise, be entitled, Cornerstone shall in the event of the Customer's insolvency, bankruptcy or winding up, be entitled to a general lien over all property or goods belonging to the Customer in Cornerstone's possession (although all or some of such property or goods may have been paid) for the unpaid price of any Goods sold or delivered to the Customer under this or any other contract.

7 Availability of Stock

Any order that cannot be fulfilled on its receipt will automatically be back ordered and processed when stock becomes available unless it is the Customer's stated standard policy not to accept back orders or the Customer specifically marks its order, "Do Not Back Order". Deliveries at any time are subject to availability of stock and Cornerstone will not be liable for any charges due to product unavailability.

8 Freight

Subject to Clause 3.4 and unless otherwise agreed, Cornerstone will ship by the least expensive route and carrier to all points. If the purchaser chooses a route with a higher charge than the route of Cornerstone's choice for shipment, Cornerstone will charge the difference to the Customer.

9 Returns, Cancellations and Claims

- 9.1 The Customer shall not return any Goods to Cornerstone without obtaining prior authorisation from Cornerstone. No returns will be accepted unless a copy of the relevant invoice is enclosed with the returned Goods. A list of the Goods returned including product descriptions, quantity, date of return and the Customer's

name and address must also be enclosed. Freight charges must be paid by the Customer unless the Goods are returned through Cornerstone's approved carrier. All Goods must be returned in the original packaging and the Customer shall be responsible for all damage incurred during return shipment. A credit note will be issued by Cornerstone only after Goods returned are either collected by Cornerstone's authorised representative or agent or returned to it by the Customer as set out above. The Customer shall not deduct the amount of any anticipated credit from any payment due to Cornerstone but must await receipt of a credit note.

- 9.2 All goods returned must be of merchantable and reasonable quality such that the goods are complete in their original packaging, not shop-soiled, are not price ticketed and are still listed in the current price list.
- 9.3 If Cornerstone accepts the return of any Goods that have been ordered, Cornerstone may charge the Customer fifteen per cent (15%) of the invoice price as a handling fee with freight costs and risk remaining the responsibility of the Customer.
- 9.4 No cancellations or partial cancellation of an order by the Customer shall be accepted by Cornerstone unless it has first consented in writing to such cancellation or partial cancellation and unless a cancellation charge has been paid which, as determined by Cornerstone, will indemnify Cornerstone against all loss, without limitation. Cancellation will not be accepted on goods that are not regular stock which are in the process of manufacture or ready for shipment.
- 9.5 All complaints, claims, or notification of lost Goods, incomplete Goods, Goods damaged in transit or Goods that do not comply with the Customer's purchase order must be submitted by the Customer to Cornerstone in writing within seven (7) business days of the date of the invoice rendered for the supply of the Goods. Otherwise, the Customer shall be deemed to have accepted the Goods and shall not refuse to pay for the Goods on the basis that they were lost, incomplete, damaged in transit, or do not comply with the Customer's purchase order.

10 Personal Property Security Interest

- 10.1 The Customer grants Cornerstone a Security Interest in the goods supplied as Commercial Property, more particularly described as other goods and their Proceeds to secure the obligation of the Customer to pay the purchase price of the goods and any other obligations of the Customer to Cornerstone under this contract (together the "Indebtedness") and, where the goods and/or Proceeds are not readily identifiable and/or traceable or their recoverable value is insufficient to pay the Indebtedness, the security interest shall also extend to all the Customers present and after acquired Cornerstone, of which the goods form part, to the extent required to secure the Indebtedness.
- 10.2 As and when required by Cornerstone the Customer shall, at its own expense, provide all reasonable assistance and relevant information to enable Cornerstone to register a Financing Statement or a Financing Change Statement and generally to obtain, maintain, register and enforce Cornerstone's Security Interest in respect of the goods supplied, in accordance with the Personal Property Securities Act 2009 ("PPSA").
- 10.3 The Customer shall not change its name without first notifying Cornerstone of the new name not less than 7 days before the change takes effect.
- 10.4 The Customer warrants that the goods are not purchased for personal, domestic or household purposes.
- 10.5 Notwithstanding any reference to a particular invoice/order, where any sum remains outstanding by the Customer on more than one invoice/order, any payments received from the Customer shall be deemed to be made by the Customer and applied by Cornerstone in the following order:
 - 10.5.1 To any obligation owed by the Customer to Cornerstone which is unsecured, in the order in which the obligations were incurred;

10.5.2 To any obligations that are secured, but not by a Purchase Money Security Interest, in the order in which those obligations were incurred;

10.5.3 To obligations that are secured by a Purchase Money Security Interest, in the order in which those obligations were incurred.

10.6 Until the Customer has paid all money owing to Cornerstone the Customer shall at all times ensure that:

10.6.1 All goods supplied by Cornerstone, while in the Customer's possession, can be readily identified and distinguished, and/or

10.6.2 All Proceeds (in whatever form) that the Customer received from the sale of any of the goods are readily identifiable and traceable.

10.7 Where the goods are purchased by the Customer and held as Inventory, nothing in this clause shall prevent the Customer from selling or leasing and delivering the goods in the ordinary course of the Customer's business. Otherwise until the Customer has paid all money owing to Cornerstone the Customer shall not sell or grant a Security Interest in the goods without Cornerstone's written consent.

10.8 The parties agree to opt out of the PPSA in accordance with Section 115 of the PPSA to the extent that Section 115 applies for the benefit of, and does not impose a burden on, Cornerstone. The Customer waives its right to receive a Verification Statement in respect of any Financing Statement or Financing Change Statement registered by or on behalf of Cornerstone in respect of the Security Interest created by these terms and conditions.

10.9 For the purpose of this clause words and phrases starting with a capital letter shall have the respective meanings given to them under, or in the context of the PPSA.

11 Privacy Act 1988 ("Privacy Act")

To enable Cornerstone to assess the Customer's application for credit, the Customer authorises Cornerstone:-

11.1 To obtain from a credit reporting agency a consumer or commercial credit report containing personal information about the Customer and its guarantors pursuant to Section 18K(1) of the *Privacy Act*; and

11.2 To obtain a report from a credit reporting agency and other information in relation to the Customer's commercial credit activities, and

11.3 To give to a credit reporting agency information including identity particulars and application details

AND in accordance with Section 18N(1) of the *Privacy Act* the Customer authorises Cornerstone to give to and obtain from any credit provider named in the accompanying credit application and credit providers that may be named in a credit report issued by a credit reporting agency information about the Customer's credit arrangements. The Customer understands that this information can include any information about its credit worthiness, credit standing, credit history or credit capacity that credit providers are allowed to give or receive from each other under the *Privacy Act*.

The Customer understands that information can be used for the purposes of assessing its application for credit (Section 18L(4) *Privacy Act*), assisting it to avoid defaulting on its credit obligations, assessing its credit worthiness and notifying other credit providers and credit reporting agencies of a default by it under these Terms.

12 Notification

The Customer must notify Cornerstone in writing within seven (7) days of:-

12.1 Any alteration of the name or ownership of the Customer.

12.2 The issue of any legal proceedings against the Customer.

12.3 The appointment of any provisional liquidator, liquidator, receiver, receiver manager or administrator to the Customer.

12.4 Any change in the ownership of the business name of the Customer. The Customer agrees that it shall be liable to Cornerstone for all Goods supplied to the new owner by Cornerstone until notice of any such change is received.

13 Warranties

13.1 No warranties except those implied and that by law cannot be excluded are given by Cornerstone in respect of Goods supplied. Where it is lawful to do so, the liability of Cornerstone for a breach of a condition or warranty is limited to the repair or replacement of the Goods, the supply of equivalent Goods, the payment of the cost of repairing or replacing the Goods or acquiring equivalent Goods, as determined by Cornerstone.

13.2 The Customer acknowledges and warrants that it has relied on its own skill and judgment or, alternatively, on the skill and judgment of tradesmen and professional advisers retained by it to provide advice and assistance on the suitability of the Goods for specific purposes and procedures and, in this respect, shall indemnify Cornerstone from and against any suit, claim, demand or compensation which, but for these Terms, the Customer may have had against Cornerstone.

13.3 The Customer warrants to Cornerstone that it is purchasing Goods as the principal and not as an agent.

14 Force Majeure

Cornerstone shall be released from its obligations in the event of national emergency, war, prohibitive governmental regulation or if any other cause beyond the control of the parties renders provision of the Goods impossible, where all money due to Cornerstone shall be paid immediately and, unless prohibited by law, Cornerstone may elect to terminate the Agreement.

15 Equitable Charge

The Customer as beneficial owner and/or registered proprietor now charges in favour of Cornerstone all of the Customer's estate and interest in any real property (including but not limited to any applicable land owned by the Customer named or described as the Customer's Street Address in the Credit Application if applicable) ("Land") to secure payment of accounts rendered by Cornerstone to the Customer for the delivery and/or supply of the Goods including interest payable on these accounts and costs (including legal costs on a full indemnity basis) incurred by Cornerstone and including the costs to prepare and lodge a Caveat against the Land and to remove the Caveat.

16 Failure to Act

Cornerstone's failure to enforce or insist upon the timely performance of any term, condition, covenant or provision in these Terms, or Cornerstone's failure to exercise any right or remedy available under these Terms or at law, or Cornerstone's failure to insist upon timely payment of monies when due or to demand payment of any charges or fees which accrue or any extension of creditor forbearance under these Terms shall not constitute a waiver of any subsequent default or a waiver of Cornerstone's right to demand timely payment of future obligations or strict compliance with the Terms.

17 Legal Construction

17.1 These Terms shall be governed by and interpreted according to the laws of Victoria and Cornerstone and the Customer consent and submit to the jurisdiction of the Courts of Victoria.

17.2 Notwithstanding that any provision of the Terms may prove to be illegal or unenforceable pursuant to any statute or rule of law or for any other reason that provision is deemed omitted without affecting the legality of the remaining provisions and the remaining provisions of the Terms shall continue in full force and effect.