

STANDARD TERMS AND CONDITIONS OF BUSINESS

Goods are sold and supplied by **STAREAST INTERNATIONAL PTY LTD ACN 067 397 059** ("STAREAST") on the following Standard Terms and Conditions unless otherwise expressly agreed in writing between STAREAST and the Purchaser.

1. Definitions

In these Conditions, except insofar as the context or subject-matter otherwise indicates or requires:

"Agreement" means the Standard Terms, the Account Application and any variations thereof in relation to a Credit Account;
"Account Application" means the application by a Purchaser for approval for a Credit Account with STAREAST for the purchase of STAREAST Goods;
"Credit Account" means an Account Application approved by STAREAST for the purchase of STAREAST Goods on these Standard Terms and Conditions of Business;
"Goods" means the goods supplied by STAREAST to the Purchaser;
"month" means calendar month;
"Purchaser" means the person or business approved by STAREAST to purchase STAREAST Goods; and
"Standard Terms" means these Standard Terms and Conditions of Business;
"Third Party Goods" means goods manufactured by third party manufacturers or suppliers, distributed by STAREAST or sold by STAREAST as agent of the third party.

2. Standard terms and Conditions of Business

The Standard Terms apply to and form part of any contract for the sale of STAREAST Goods.

Orders are only accepted upon and subject to these Standard Terms.

All Goods are sold cash on delivery except where a Credit account has been approved for a Purchaser.

Any qualification, addition or variation ("change") of these Standard Terms which appear on the Purchaser's order shall not form part of the contract between STAREAST and the Purchaser unless such change appears on the face of the quotation duly approved by an authorised person of STAREAST or is otherwise confirmed by STAREAST in writing.

3. Pricing

Goods are invoiced at the prices ruling on the date of delivery.

All prices quoted are in Australian dollars and are exclusive of:

- (a) Taxes (including GST) and duties, and
- (b) Any delivery charges or surcharge, or both, otherwise imposed by STAREAST in its absolute discretion.

Any tax or other impost on the production, sale or shipment or any Goods sold by STAREAST now imposed or hereafter becoming effective shall be added to the price quoted and shall be paid by the Purchaser to STAREAST.

Any orders placed by the Purchaser under the value of a \$150.00 will attract a freight charge.

Pricing is subject to variation without notice.

4. Delivery

STAREAST shall use its best endeavours to deliver the Goods to the Purchaser on or before the estimated delivery date but STAREAST is under no liability whatsoever for any failure or delay in the delivery of the Goods unless STAREAST has given a written guarantee of delivery specifying agreed liquidated damages and a loss has actually been suffered by the Purchaser.

STAREAST reserves the right to deliver any one or more consignments as part delivery with each consignment to be paid for in accordance with these Standard Terms.

Goods ordered by Purchaser shall be despatched by STAREAST to the Purchaser at the Purchaser's usual place of business provided that from the time the Purchaser signs for the Goods STAREAST's risk of any loss or damage to the Goods from whatever cause shall be borne by the Purchaser. Any damages to items must be notified by phone or writing within 24 hours.

5. Account terms

Unless otherwise stated and subject to satisfactory and continuing credit approval by STAREAST, Credit Account payment terms are as follows:

- (a) If approved for 30 day terms - payment in full must be made on or before the last day of the month following the invoice date;
- (b) If approved for 7 day terms - payment in full must be made within 7 days of the invoice date.

A penalty charge will accrue on overdue payments at the rate of 2 per cent per month converted to a daily basis from the date due for payment for each day until the date of actual receipt of payment by STAREAST.

Unless a Credit Account is in place with STAREAST prior to the date of the Purchaser's order, payment for all Goods shall be made on delivery.

6. Returns Policy

Subject to these Standard Terms, Goods will not be accepted for return of credit without the prior approval of STAREAST.

Non standard or specially manufactured Goods are not returnable.

STAREAST reserves the right to impose a surcharge, of up to 15 per cent, on the price of any Goods returned. STAREAST may in its absolute discretion impose a charge, levy or tax associated with the return of Goods including, but not limited to, freight costs.

Any claim in respect of faulty or defective Goods, or in respect of any incorrect supply of Goods, must be made by the Purchaser within 7 working days of the receipt of the Goods.

7. Limitation of Liability

STAREAST accepts no liability to the Purchaser or to any third party for any loss or damage of any kind whatsoever including without limitation loss of profit and consequential loss caused by any act, negligent or otherwise, or omission by STAREAST its servants or agents or any other persons in any way related to or arising out of the supply or non-supply or performance or non-performance of anything or any service provided for or contemplated by or in pursuance of this Agreement.

8. Warranties

In respect of Third Party Goods, STAREAST assigns the benefit of any manufacturer's warranty given by the manufacturer of the Goods only and itself gives no warranty.

For Goods manufactured by STAREAST, STAREAST warranties are as described in terms of the written guarantee document (if any) delivered with the Goods.

9. Fitness for Purpose

The Purchaser acknowledges that it has made due inquiry and relies on its own skill and judgment when deciding whether the product is fit for purpose.

10. Title and Property in Goods

10.1 Title to and ownership of and property in the Goods shall pass to the Purchaser only upon STAREAST receiving payment in clear funds of the full purchase price and any freight charges, taxes and interest or other monies due and while the Goods remain the property of STAREAST the Purchaser holds the Goods on trust for STAREAST in terms of these Standard Terms and the Purchaser shall store or keep the Goods in a manner which clearly identifies the Goods as the property of STAREAST.

10.2 Until the Purchaser pays all amounts it owes to STAREAST, the Purchaser:

- (a) must keep all Goods insured against theft, damage and destruction (and if the Purchaser fails to insure the Goods, STAREAST may do so and invoice the Purchaser for the cost of insurance);
- (b) STAREAST may enter premises where the Goods are stored to inspect them on reasonable notice;
- (c) acknowledges that it holds the Goods as STAREAST's bailee; and
- (d) must hold the proceeds from any sales of Goods on trust for STAREAST and hold them in a separate account or otherwise clearly identify them in its accounts.

11. Risk and Indemnity

Notwithstanding delivery, the risk in the Goods shall pass to the Purchaser on delivery to the Purchaser or the Purchaser's agent and should the Goods be lost or damaged after delivery and prior to payment the Purchaser shall indemnify STAREAST for such loss or damage.

12. On Sale

The Purchaser may on-sell the Goods prior to payment in full of the purchase price as agent for STAREAST provided that the proceeds received from the on-sale are held on trust for STAREAST until payment in full of the purchase price and are not mixed with other funds of the Purchaser until the purchase price is paid to STAREAST. If so the Purchaser agrees to indemnify STAREAST on a full indemnity basis and hold STAREAST harmless from liability for any loss damage or cost arising from any inaccurate or incomplete representations to third parties.

13. Statutory Rights

Certain Federal, State and Territory legislation including but not limited to the Trade Practices Act 1974 as amended ("the Act") has the effect of giving consumers certain rights which cannot be excluded, restricted or modified by agreement. The provisions of this Agreement are to be read subject to such legislation to the extent that it may be applicable and nothing in this Agreement shall have the effect of excluding, restricting or modifying such rights. Should STAREAST be liable for breach of a condition or warranty implied by the Act, STAREAST's liability is limited to:

- (a) in the case of Goods any one or more of the following as determined by STAREAST:
 - (i) the replacement of the Goods or the supply of equivalent Goods; or
 - (ii) the repair of the Goods; or
 - (iii) the payment of the cost of replacing the Goods or acquiring the equivalent Goods,
- (b) in the case of services any one or more of the following as determined by STAREAST:
 - (i) the supplying of the services again; or
 - (ii) the payment of the cost of having the services supplied again.

14. Force Majeure

Without prejudice to any other provision hereof STAREAST is not liable for any failure to fulfill any terms of this Agreement if such fulfillment is delayed, hindered or prevented by any circumstances not within STAREAST's direct control including without limiting the generality of the foregoing strikes or lock-outs, material shortages. STAREAST's suppliers failure to supply, labour disputes, war, hostilities or the threat or apprehension thereof or compliance with any order or request of any competent government authority or department or court of law.

15. Whole Agreement

These Standard Terms constitute the whole agreement between the parties about the subject matter hereof and representations and agreements not expressly contained or incorporated by reference shall not be binding upon STAREAST as conditions, warranties or otherwise. All additions and modifications of these Standard Terms shall be in writing signed by both the Purchaser and STAREAST.

16. Third Party's Products

Information published by STAREAST about Third Party Goods has either been supplied by the manufacturer of those Goods, obtained from the manufacturer's brochures and advertising material or supplied or otherwise obtained from that third party. Neither STAREAST, the manufacturer or the third party will be liable for any losses or damage, either directly or indirectly incurred by the use of, or reliance upon the information provided therein or for any errors, omissions or inaccuracies in the information provided. All information referring to a Third Party Goods should be specifically confirmed with STAREAST or the supplier concerned.

All information used to describe STAREAST replacement Goods may include codes and descriptions relating to Third Party Goods. The Purchaser acknowledges that these codes and descriptions are included for reference only and unless specifically stated as being Third Party Goods are STAREAST replacements parts. STAREAST is not liable for any damages or cost as a result of reliance of the information or specifications disclosed.

17. Exclusions

All conditions, warranties and representations on the part of STAREAST with the exception of these Standard Terms and any applicable statutory warranties and representations and any guarantee expressly referred to herein are expressly excluded to the full extent permitted by law. STAREAST is not liable to the Purchaser for any damages in connection with or arising out of the supply or use of the Goods howsoever arising including whether caused by or contributed to by STAREAST, its agents or contractors.

18. Default

If the Purchaser:

- (a) fails to pay the purchase price on the due date; or
- (b) fails to perform any of its obligations under these Standard Terms or any other agreement with STAREAST; or
- (c) being an individual commits any act of bankruptcy or being a corporation passes a resolution for winding up (except for the purpose of reconstruction); or

- (d) is unable to pay its debts as they fall due; or
- (e) ceases to or suspends conduct of its business, or threatens to; or
- (f) a receiver and/or manager or other form of insolvency administrator is appointed over all or part of its assets; or
- (g) makes an arrangement for the benefit of its creditors or enters into any scheme of arrangement pursuant to any of the provisions of the Corporations Act; or
- (h) has a petition presented for its winding up which is not dismissed within 21 days from the date of presentation thereof,

then STAREAST may, at its option do any or all of the following:

- (a) demand immediate payment of the balance of the purchase price;
- (b) require payment in advance for all deliveries;
- (c) enter the Purchaser's premises and repossess the Goods and any other Goods sold by STAREAST to the Purchaser for which payment is overdue; or
- (d) immediately suspend or terminate the supply or further supply of Goods pursuant to any agreement between STAREAST and the Purchaser.

The Purchaser indemnifies STAREAST against all losses, damages and expenses incurred or sustained by STAREAST (including any accrued interest, as well as any costs incurred by STAREAST, including but not limited to debt recovery, agency and legal fees, in connection with the recovery of that amount) as a result of the cancellation or partial cancellation of any agreement pursuant to this clause 18.

19. Freight

If any agreements, arrangements or understandings between the Purchaser and STAREAST for supply of Goods is terminated by agreement between the Purchaser and STAREAST, the Purchaser shall at the cost of the Purchaser arrange the return of any relevant Goods to STAREAST using the same method of freight as that used to transport the relevant Goods to the Purchaser and the risk in the product shall remain with the Purchaser until re-delivered to STAREAST.

20. General

This Agreement is governed by the laws of the State of New South Wales.

In the event that any portion of these Standard Terms are held to be unenforceable, the unenforceable portion shall be construed as nearly as possible to reflect the original intention of STAREAST and the remainder of the provisions shall remain in full force and effect. STAREAST's failure to insist upon or enforce strict performance of any provision of this Agreement shall not be construed as a waiver of any provision or right.

Neither the course of conduct between parties nor trade practice shall act to modify any provision of these Standard Terms.

This Agreement embodies the entire understanding and agreement between the parties.

STAREAST reserves the right to amend these Standard Terms from time to time as it sees fit.

These Standard Terms supersede and override all previous terms and conditions with STAREAST (if any).