

## **IM GROUP – Terms and Conditions**

1. These Terms and Conditions apply and are incorporated to each contract for the supply of goods (hereinafter “goods”) and/or services (hereinafter “services”) from Innovative Mechatronics Group Pty Ltd A.C.N. 006 171 035 (“IM Group”) to any customer (“Customer”).

2. A contract for the supply and purchase of goods and/or services will be formed on these Terms and Conditions immediately when a Customer requests the supply of goods and/or services (whether verbally, in writing or through any other means of communication) and IM Group: (i) agrees to supply the goods and/or services (whether verbally, in writing or through any other means of communication) or (ii) provides the goods and/or services to the Customer.

3. Payment must be made at the time of the goods and/or services being provided to the Customer, unless the Customer has entered into IM Group’s Account Application (also known as “credit application”), in which case payment is to be made in accordance with the credit application. If the Customer fails to pay IM Group in full on or before the due date for payment, IM Group may: (a) charge interest at a rate of 3% per annum plus the rate for the time being fixed by section 2 of the Penalty Interest Rates Act 1983 (Vic) on overdue amounts; and (b) suspend any further deliveries of goods and/or provision of services to the Customer or terminate any contract in relation to undelivered goods or services to be provided. The Customer must pay to IM Group any costs, expenses or losses incurred by IM Group as a result of the Customer's failure to pay all amounts due to IM Group by the due date including, without limitation, any debt collection and legal costs incurred on a full indemnity basis.

4. Where the Customer changes their mind concerning a purchase, goods supplied to a Customer shall not be accepted for return and credit or exchange by IM Group without the prior approval of IM Group, which approval shall be at IM Group’ sole discretion and subject to conditions as IM Group solely considers appropriate.

5. Goods sold on a changeover basis shall be subject to the following terms:- (a) the return core must be deemed to be suitable for re-manufacture by IM Group (including without limiting the foregoing, the core shall not have water damage, physical damage, or be incomplete or tampered with); (b) the core shall be of identical description and specification to the changeover goods sold; (c) in the event that (a) or (b) have not been satisfied IM Group may in its sole discretion impose and charge to the Customer a core charge fee, which fee shall stand as a debt due and payable by the Customer to IM Group.

6. Subject to any law to the contrary, until the Customer has paid all sums outstanding in relation to the goods:- (a) IM Group will retain legal and beneficial title in and full ownership of the goods; (b) if the goods are in the Customer's possession, the Customer must store the goods so that they are clearly identifiable as the property of IM Group; (c) IM Group may call for and recover possession of the goods (for which purposes IM Group’s employees or agents may enter the Customer's premises and take possession of the goods without liability to the Customer) and the Customer must deliver the goods to IM Group if requested to do so by IM Group at the sole expense of the Customer; (d) the Customer may, in the ordinary course of the Customer's business, sell the goods to a third party, provided that the Customer holds the proceeds of sale on trust for IM Group, and accounts to IM Group for those sums if requested to do so by IM Group; (e) appropriate records shall be kept by the Customer of any goods owned by IM Group. Without limiting the foregoing, for the avoidance of doubt, until goods are paid for in full, the relationship between IM Group and the Customer shall be fiduciary and the Customer shall hold the goods as bailee for IM Group.

7. Until the Customer has paid all sums owing or outstanding in relation to the goods, the supply of goods to the Customer by IM Group under this Agreement gives rise to a Security Interest in the goods in favour of IM Group, being a Purchase Money Security Interest, and IM Group may register a Financing

Statement in respect of its Security Interest pursuant to this clause on the Personal Property Securities Register. (Terms used in this clause have the meaning given to them in the Personal Property Securities Act 2009 (Clth)(as amended)).

8. The risk in any goods supplied to, or sold to a Customer passes to the Customer: (a) if IM Group delivers the goods to the Customer's premises - at the time of delivery; or (b) otherwise, at the time the goods are collected by or on behalf of the Customer.

9. IM Group will make all reasonable efforts to have goods delivered and/or services provided to the Customer on the date(s) agreed between the parties, however if for any reason delivery is not made or the service is not provided on the agreed dates, then, subject to any law to the contrary:- (a) IM Group will not be liable to the Customer; and (b) the Customer will not be entitled to cancel any Contract as a consequence of IM Group failure to deliver the goods and/or services on the agreed date(s).

10. IM Group acknowledges that there are certain laws which imply terms, conditions, warranties and guarantees into agreements for provision of goods and/or services ("Prescribed Terms") including under the Australian Consumer Law ("ACL") and which laws prohibit exclusion, restriction or modification of such Prescribed Terms or the limitation of the liability of the supplier of the goods and/or services for a breach thereof. Except for the Prescribed Terms IM Group excludes all other conditions and warranties implied by custom, the general law or statute. However, to the extent permissible by law, if a Claim is made under the Prescribed Terms, where the goods and/or services are not those of a kind ordinarily acquired for personal, domestic, or household use or consumption as defined in the ACL ("Non-PDH") the liability of IM Group for any Claim or for a breach of the Prescribed Terms (other than a breach of sections 51, 52 or 53 of the ACL) will be limited, at the option of IM Group, to the following Agreed Remedies: (a) in the case of goods: (i) the replacement of the goods or the supply of equivalent goods; (ii) the repair of the goods; (iii) the payment of the cost of replacing the goods or of acquiring

equivalent goods; (iv) the payment of the cost of having the goods repaired. (b) in the case of services: (i) the supplying of the services again; or (ii) the payment of the cost of having the services supplied again. If the goods or services are Non PDH goods or services, the purchase price for which is more than \$40,000 (or such other amount specified in or prescribed under section 3 of the ACL) or the ACL does not apply to the purchase of the goods or services, then (to the extent permitted by law) then all other warranties or guarantees (whether express or implied) are excluded.

11. To the extent permissible by the law, in no circumstances will IM Group be liable to the Customer or others for any Claims, including for any indirect, incidental, special and/or consequential losses, liability, costs or damages; any loss of income, loss of business opportunity, loss of revenue, loss of profits, any labour costs, injury or damage or death to persons or property, towing charges, accommodation, or engine backfire damage. In these Terms and Conditions "Claim(s)" means any and all claims arising from or in relation to the supply of any goods and/or services by IM Group to the Customer howsoever caused, whether wilfully or otherwise and whether for fundamental or nonfundamental breach of contract, in tort (including negligence) or for breach of any statutory provision.

12. To the extent permissible by law, IM Group shall not be liable for and the Customer shall indemnify and hold IM Group harmless against any Claim, including for loss, damage, injury or death to any person or property directly or indirectly occasioned by or arising from the use or operation or possession of the goods or any part of the goods or from the negligence, recklessness or wilful default (including the use of any part of the goods or any other goods supplied by IM Group otherwise than in accordance with the recommendations or specifications of the original manufacturer or any special instructions supplied by IM Group) or misuse by or on the part of the Customer or any other person other than IM Group service personnel and this indemnity shall extend to any costs and expenses incurred by IM Group.

13. It is the Customer's responsibility to ensure that goods supplied by IM Group are the correct part for the application. Without limiting the foregoing, the parties acknowledge that some goods are designed and completed in accordance with information supplied by the Customer ("Customer Information"). IM Group will not be responsible for any defects in the goods which are the result (in whole or in part) of defects, omissions or errors in the Customer Information.

14. To the extent permissible by law, IM Group shall not be responsible for any defects in goods or any Claim(s) made by a Customer where: (a) the goods have not been installed and tested in accordance with the original manufacturer's instructions and in accordance with any special instructions provided by IM Group and by competent and qualified automotive repairers (b) all necessary repairs and testing to the vehicle in which the goods are installed have not been performed prior to installing the goods; (c) if goods are supplied on a changeover basis where the changeover goods have not been delivered to IM Group or monies have not been paid to IM Group; (d) there are unpaid monies owing to IM Group by the Customer in connection with the goods and/or services; (e) a defect has arisen for reasons other than defective parts or workmanship – including, but not limited to, defects arising from accidents, misuse, incorrect, improper or inappropriate operation of the goods, water damage, tampering, physical damage, negligence or damage caused by a vehicle modified from manufacturer's specifications; (f) there has been removal, dismantling, alteration, tampering or attempted repair of any component or goods.

15. Nothing in these Terms limits, excludes or modifies or purports to limit, exclude or modify the rights provided under the ACL (as amended), or similar consumer protection law, where it would be illegal to do so.

16. This Agreement and all contracts made between IM Group and the Customer are made in the State of Victoria and the parties agree to submit all disputes arising between them to the courts of Victoria. These Terms and Conditions may only be varied with the written consent of a current director of IM Group. If any term or part of a term of these Terms and Conditions is illegal or unenforceable it may be severed from these Terms and Conditions and the remaining terms or parts will continue in force. Save for the Prescribed Terms, this document contains and represents the entire agreement between IM Group and the Customer (and supercedes and excludes all prior and other discussions and representations and arrangements relating to the goods and/or services), save also to the extent of the terms contained in any credit application (if any) previously made by the Customer and accepted by IM Group, the terms of which shall be deemed to be incorporated into this Agreement and to the extent that there is any inconsistency between the terms of this Agreement and the credit application, the terms and conditions of the credit application shall prevail.