



Morris and Watson Australia Pty Ltd

Precious Metal Refiners, Dealers, Fabricators, Casters

Chain Manufacturers and Distributors

ABN 66 960 162 198

MORRIS AND WATSON AUSTRALIA PTY LTD - TERMS OF SUPPLY

All goods are sold and supplied on the following terms:

Definitions and Interpretation

- 1.1 In this document
- (a) "Company", "we" and "us" means Morris & Watson Australia Pty Limited (ACN 082 879 132) as trustee for the Morris & Watson (Australia) Trust (ABN 66 960 162 198);
 - (b) "Customer" means you; and
 - (c) "Goods" means:
 - (i) all goods supplied or financed by us to the Customer;
 - (ii) all inventory of the Customer that is supplied or financed by us;
 - (iii) all goods that are marked as having been supplied or financed by us or that are stored by the Customer in a manner that enables them to be identified as having been supplied or financed by us.
- 1.2 Nothing in these Terms of Supply excludes, restricts or modifies or has the effect of excluding, restricting or modifying any condition, warranty, guarantee, right or remedy implied by law (including the Competition and Consumer Act 2010 (Cth)) and which by law cannot be excluded, restricted or modified.

Customer Credit Account Application

- 2.1 Unless a Customer Credit Account Application has been completed by the Customer and approved by us pursuant to the remainder of this clause, good and proceeds from our services will only be supplied after payment has been received in full.
- 2.2 If we are supplying to a Customer under a line of credit, a Customer Credit Account Application must be completed and approved before any supply of goods occurs to the Customer.
- 2.3 We may approve or reject and Customer Credit Application, impose or vary any weekly limit, or cancel the credit approval at our absolute discretion.

Orders

- 3.1 Each order for the supply of Goods is subject to acceptance by us by either partial or full supply of the order.
- 3.2 All Goods to be supplied by us to the Customer are as described on the order form agreed by us and the Customer and the description on such order form as so agreed prevails over all other descriptions of the Goods including any specification or enquiry of the Customer. Except in relation to gold, silver and platinum bullion, the Customer acknowledges that the product weights ordered are approximate only and product weights may differ slightly on the final invoice.
- 3.3 In respect of any casting orders originating from Customer supplied print files, the Customer warrants that the computer aided design (CAD) and stereolithography (STL/SLA) files sent to us by the Customer are complete, correct and ready for processing. We will not be responsible for any defects or incorrect design aspects that may affect the finished goods if the goods are produced by us in accordance with the Customer's submitted designs. Any alternations may incur further fees and result in a delay in delivery times.
- 3.4 Any changes in a Customer's instructions, once provided by the Customer to us, relating to computer aided design (CAD) drawings prepared by us may incur further fees.
- 3.5 Risk in the Goods shall pass to the Customer upon delivery to the Customer or to the address specified by the Customer.
- 3.6 Despite delivery of the goods to the Customer, we retain title and ownership of all goods supplied until the Customer has discharged all outstanding indebtedness (whether in respect of the goods supplied or otherwise) to us.
- 3.7 When an order for the supply of goods is accepted by us, a contract between us and the Customer is formed comprising the order, the invoice, and these Terms of Supply.
- 3.8 The Customer acknowledges that we are the legal and equitable owner of the Goods (together with all proceeds, including without limitation, goods, money, account receivable, chattel paper, intangibles, negotiable instruments, investment securities and documents of title) until such time as all monies due and payable by the Customer to us are paid in full. The Customer shall immediately upon request supply us with all information concerning the Goods and any proceeds of the sale by the Customer of the Goods to third parties. Where the Customer sells the Goods or any of them, the proceeds of such sale are held by the Customer as a bare trustee for us

Delivery

- 4.1 The delivery times made known to the Customer are estimates only and we are not liable for late delivery or non-delivery.
- 4.2 We will not be liable for any loss, damage or delay occasioned to the Customer or its customers arising from late or non-delivery or late installation of the Goods.
- 4.3 We may at our option deliver the Goods to the Customer in any number of instalments unless there is an endorsement on the order form or invoice to the effect that the Customer will not take delivery by instalments.
- 4.4 If we deliver any of the Goods by instalments, and any one of those instalments is defective for any reason:
- (a) this does not constitute a repudiation of the contract of sale formed by these conditions; and
 - (b) the defective instalment is a severable breach that gives rise only to a claim for compensation.
- 4.5 The Customer must provide us with such assistance as may be reasonably necessary to institute claims against a carrier for damages to Goods in transit.

Prices

- 5.1 The Prices charged for the goods will be as set out in a price list issued by us from time to time or appearing on the tax invoice for the supply of the goods.
- 5.2 Unless otherwise stated all prices quoted by us are exclusive of Goods and Services Tax ("GST").

Payment

- 6.1 We will issue a GST inclusive tax invoice for each order.
- 6.2 If goods are supplied on approved credit terms, unless the Customer is specifically notified about an earlier due date for payment of invoices or we have accepted a prior written agreement for alternative or extended terms, payment is due by the 20th of the next month following the date of invoice. (For example, if an invoice is issued on any day in July, it is due by 20 August). For all other orders, the invoice will state that payment is required in advance or on delivery of the goods.
- 6.3 Payment must be made by credit card, direct debit, or cheque or cash.
- 6.4 Where any amount payable by the Customer is overdue, we reserve the right to apply any payments received from the Customer against the Customer's oldest outstanding invoice and the Customer will pay as liquidated damages interest on any amount outstanding on any overdue invoice with us, with such interest to be calculated daily at 18% per annum from the due date for payment until paid in full. The Customer acknowledges and agrees that the interest rate of 18% per annum is a genuine and realistic assessment of the loss and damage we will incur or suffer as a result of late payment.
- 6.5 We may also suspend any agreement with the Customer and refrain from making further supplies until the Customer has discharged all outstanding indebtedness.
- 6.6 Any payments received by us in respect of any Goods supplied may be accepted and applied by us in respect of any indebtedness of the Customer in such a manner as we think fit, including allocating payment against any specific Goods regardless of the time of supply and we shall not be bound by any conditions or qualifications attaching to such payments.
- 6.7 The Customer will upon demand pay all our expenses and legal costs (on a full indemnity basis and out of pocket expenses and any goods and services taxes payable in relation to such costs and expenses) in the collection of all overdue monies, or in the repossession by us of the Goods. The Customer will also be liable for any losses arising upon resale or otherwise incurred or suffered by us however arising.

Default

- 7.1 The Customer is in default if it:
- (a) breaches any of these Terms of Supply; or
 - (b) becomes insolvent.
- 7.2 If the Customer is in default, without prejudice to any other remedies we have, we may do any one or more of the following:
- (a) refuse credit or cancel the Customer's credit account;
 - (b) suspend (without having to give notice) the Customer's credit account until the default has been remedied;
 - (c) cancel any order for future delivery of Goods;
 - (d) terminate the supply of Goods to the Customer; or
 - (e) commence proceedings to recover any moneys outstanding.

Rights in Relation to Goods (Retention of Title)

- 8.1 We reserve the following rights in relation to the Goods until all accounts owed by the Customer to the us are fully paid:
- (a) ownership of the Goods;
 - (b) to enter the Customer's premises (or the premises of any associated company or agent where the Goods are located) without liability for trespass or any resulting damage and retake possession of the Goods; and

(c) subject to, and in accordance with, the *Personal Property Securities Act 2009*, to keep or resell any Goods repossessed pursuant to clause 8.1(b).

8.2 If the Goods are resold, or products manufactured using the Goods are sold, by the Customer, the Customer will hold such part of the proceeds of any such sale as represents the invoice price of the Goods sold or used in the manufacture of the Goods sold in a separate identifiable account. This will be held by the Customer as our beneficial property and the Customer will pay such amount to us upon request. Despite the provisions above, we will be entitled to maintain an action against the Customer for the purchase price and the risk of the Goods shall pass to the Customer upon delivery.

8.3 Until payment has been made of the full amount due in respect of a purchase, the Customer acknowledges and agrees that it hereby irrevocably gives us, our employees and our agents, leave and licence without the necessity of giving any notice to enter any premises occupied by the Customer or any other premises where the goods are located, to search for and remove any of the goods without in any way being liable to the Customer or any person or company claiming through the Customer.

8.4 The Customer will upon demand pay all our expenses and legal costs (on a full indemnity basis and out of pocket expenses and any goods and services taxes payable in relation to such costs and expenses) in the collection of all overdue monies, or in the repossession by us of the Goods.

8.5 The Customer will also be liable for any losses arising upon a resale or otherwise incurred or suffered by us however arising.

Personal Property Securities Act (Cth) 2009 (PPSA)

9.1 These Terms of Supply are a security agreement.

9.2 Our interest in the Goods and all proceeds from the sale of the Goods by the Customer to a third party is a security interest.

9.3 The Customer consents to us registering this security interest on the Personal Property Securities Register and agrees to provide all assistance reasonably required by us to facilitate registration.

9.4 Until title in the Goods has passed to the Customer as contemplated by clause 3 of these Terms of Supply, the Customer agrees not to in any way assign, charge, lease or otherwise deal with the Goods in such a manner as to create, a security interest over, the Goods in favour of the Customer or any third party, The parties agree that this clause will not prohibit the Customer from selling the Goods in the ordinary course of business.

9.5 The Customer waives its rights to receive any notice under PPSA (including notice of verification statement) unless the notice is required by the PPSA and cannot be excluded.

9.6 Both parties agree that these Terms of Supply and all related information and document(s) are confidential ("Confidential Information") and will not be disclosed to unauthorised representatives or third parties, except to the extent disclosure is permitted by this agreement or required by law. Both parties agree that the Customer will not disclose the Confidential Information pursuant to a request under section 275(1) of the PPSA.

9.7 Unless the Goods are used predominantly for personal, domestic or household purposes, we both agree each of the following requirements or rights under the PPSA do not apply to the enforcement of our security interest in the Goods or of these Terms of Supply:

- (a) any requirement for the seller to give the Customer a notice of removal of accession;
- (b) any requirement for us to give the Customer a notice of our proposed disposal of the goods;
- (c) any requirement for us to include in a statement of account, after disposal of the Goods, the details of any amounts paid to other secured parties;
- (d) any requirement for us to give the Customer a statement of account if we do not dispose of the Goods;
- (e) any right the Customer has to redeem the Goods before we exercise a right of disposal; and
- (f) any right the Customer has to reinstate these Terms of Supply before we exercise a right of disposal of the Goods.

9.8 Expressions defined in the PPSA have the same meaning when used in these Terms of Supply.

Sale in the Customer's Ordinary Course of Business

10.1 The Customer may on-sell the Goods to bona fide purchases in the ordinary course of the Customer's business.

Lien

11.1 Without prejudice to any other remedies we may have, we will have a lien on all goods or property of the Customer in our possession (whether worked on or not) in respect of unpaid debts owing to us and we will be entitled and authorised on the expiration of 14 days' notice in writing to the Customer to dispose of such goods or property as we think fit and apply to any proceeds received towards such debts. We may also at any time without notice to the Customer set off any liability of the Customer to us against any liability of us to the Customer whether the liability of the Customer or ours shall be actual or contingent primary or collateral or joint and several and whether expressed as a liability to pay money or a liability to delivery or transfer precious metal or goods.

Cancellation

12.1 We shall be entitled to cancel all or any part of any contract or contracts with the Customer, in addition to its other remedies, if any one or more of the following occurs:

- (a) any amount payable by the Customer to us is overdue;

- (b) the Customer fails to meet any obligation under this or any other contract or obligation to us;
- (c) the Customer becomes insolvent or is unable to pay its debts as they fall due;
- (d) a receiver, statutory manager, or liquidator is appointed in respect of the assets of the Customer;
- (e) the Customer no longer carries on business or threatens to cease carrying on business;
- (f) an arrangement with the Customer's creditors is made or likely to be made; or
- (g) the ownership of effective control of the Customer is transferred, or the nature of the Customer's business is materially altered.

12.2 Without limiting any other provision of these Terms of Supply, upon the occurrence of one or more of the events provided by clause 12.1, we shall have the immediate right to retake and resume possession of the Goods for which payment in full of the purchase price has not been made and may exercise such right notwithstanding that the due date of payment for such Goods has not then arrived.

12.3 We shall be entitled to assign to any other person all or any part of the Customer's indebtedness to the Company, and the assignee shall be entitled to claim all or part of the indebtedness and shall have the same rights of recovery as us. In this document, the term "person" is not restricted to mean an individual or individuals.

12.4 No order may be cancelled by the Customer except with the written consent of us. If there is a cancellation of the order by the Customer, we have the right to claim indemnity against all losses suffered by us as a result of such cancellation.

Returned Goods

13.1 Except for any provisions to the contrary contained in this agreement, we are not under any duty to accept Goods returned by the Customer. We will do so only on terms to be agreed in writing in each individual case.

13.2 If we agree to accept returned Goods from the Customer under this clause, the Customer must return the Goods to us at our place of business referred to in the relevant invoice or any other location notified by us at the time.

Claims against the Company

14.1 Our liability for Goods manufactured by us is limited to making good any defects. This must be done by repairing the defects or, at our option, by replacement, within a period not exceeding 12 calendar months after the Goods have been dispatched. This applies so long as:

- (a) the defects have arisen solely from faulty materials or workmanship;
- (b) the Goods have not received maltreatment, inattention or interference;
- (c) the seals of any kind on the Goods remain unbroken; and
- (d) the defective parts are promptly returned free of cost to us.

14.2 If the Goods are not manufactured by us, the guarantee of the manufacturer of those Goods is accepted by the Customer and is the only guarantee given to us for the Goods. We agree to assign to the Customer on request made by the Customer the benefit of any warranty or entitlement to the Goods that the manufacturer has granted to us under any contract or by implication or operation of law to the extent that the benefit of any warranty or entitlement is assignable.

14.3 Our liability for a breach of a condition or warranty implied by Part 3-2 Division 1 of the Australian Consumer Law is limited to:

- (a) in the case of Goods, any one or more of:
 - (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; and
 - (iv) the payment of the cost of having the Goods repaired; or
- (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.

14.4 Except as provided in these Terms of Supply, all express and implied warranties, guarantees and conditions under statute or general law as to merchantability, description, quality, suitability or fitness of the Goods for any purpose or as to design, assembly, installation, materials or workmanship or otherwise are expressly excluded. We are not liable for physical or financial injury, loss or damage or for consequential loss or damage of any kind arising out of the supply, layout, assembly, installation or operation of the Goods or arising out of our negligence or in any way. Our liability (if any) in respect of any contract under these Terms of Supply shall be limited to the price of the relevant Goods supplied.

14.5 We shall not be liable in any way to the Customer or any third party, whether in tort or contract, for any indirect, special or consequential loss or damage of any kind.

14.6 We shall not be liable for any loss or damage whatever due to failure by us to deliver the Goods (or any of them) promptly (or at all in the event of the Customer's default).

Obligations of the Customer

- 15.1 The Customer must promptly on demand pay to the Company by way of reimbursement all costs (on a full indemnity basis and out of pocket expenses and any goods and services taxes payable in relation to such costs and expenses) incurred by us in receiving the Goods where there has been a breach by the Customer of its obligations.
- 15.2 The Customer must not change its name or place of business without first giving us at least fourteen (14) days prior written notice thereof together with full details of the changes.
- 15.3 The Customer must not sell its business or substantially alter the nature of the business or change the place where it stores the Goods without giving at least fourteen (14) days prior written notice thereof to us together with full details of the changes.

Termination

- 16.1 Either party may terminate this agreement by giving the other no less than 30 days prior written notice. The termination of this agreement shall be without prejudice to the rights of the parties accrued up to the date of such expiry or termination, or which by their nature, are intended to survive termination. Upon termination, all amounts owing to us by the Customer become due and payable.

Tools

- 17.1 Unless otherwise agreed by us in writing, all tools, dies, patterns and all other items (including all intellectual property rights subsisting in those items) made by us for the execution of the Customer's orders shall remain our property notwithstanding any charge to the Customer in respect thereof.

Patents

- 18.1 We accept no liability for any claims against the Customer for any infringement of any patent or other intellectual property rights in the use, resale or offering for resale of the goods.

Refining

- 19.1 Refining methods and procedure used are in accordance with usual industry practice. Refining returns are calculated after metal recovery allowance (if any) made.

General

- 20.1 These Terms of Supply are governed by the laws of Queensland, Australia.
- 20.2 No failure to exercise a delay in exercising any right or remedy on our part shall operate as a waiver nor shall in the exercise or
- 20.3 Partial exercise of any right or remedy by us precludes any further exercise of any such right or remedy.
- 20.4 We may vary, any of these Terms of Supply, by written notice to the Customer.
- 20.5 We may serve any notice on the Customer by sending it by post or facsimile to the address or facsimile number specified in the Customer Credit Account Application

Please initial all pages and sign below that you agree with these Terms of Supply and return all pages.

Signed: _____

Print Name: _____

Date: _____ / _____ / _____