

PURCHASE ORDER GENERAL TERMS AND CONDITIONS

1.0 DEFINITIONS

As used throughout these terms and conditions the following terms, shall have the same meanings set forth below unless otherwise indicated.

- 1.1 The term "Customer" means the party or parties, if any, to whom POWER INTEGRATION shall sell or otherwise dispose of the Article;
- 1.2 The term "Supplier" or "Subcontractor" means the individual, partnership, corporation or other entity contracting to furnish the Article;
- 1.3 The word "Articles" refers to the goods, products, services, supplies, parts, work, performance, assemblies, technical data, drawings, units or other items constituting the subject matter of this contract which are to be furnished by the Supplier to POWER INTEGRATION hereunder.
- 1.4 The term "Contract" includes in order of precedence, the following documents, the POWER INTEGRATION Purchase order, an Amendment Advice, changes or supplements thereto, any special terms and conditions included herein and all specifications and terms made part hereof or incorporated by reference and the General Terms and Conditions of Purchase set forth herein.
- 1.5 The term "PPSA" means the *Personal Property Securities Act 2009* (Cth), as amended from time-to-time.
- 1.6 The term "Power Integration" refers to PI Services Group P/L, PI Construction Group P/L, PI Air P/L and PI Solar P/L

2.0 ACCEPTANCE

The Supplier will be deemed to have accepted these terms and conditions by either:

- 2.1.1 communicating acceptance of a purchase order to POWER INTEGRATION; or
- 2.1.2 supplying POWER INTEGRATION with the Articles requested under the purchase order.

3.0 SPECIFICATIONS

All Articles supplied shall be in accordance with Quality Management Systems – Requirements AS/NZS ISO9001:2016 and the specification prepared by POWER INTEGRATION provided that where the specification is not prepared by POWER INTEGRATION all Articles shall be in accordance with the specification prepared by the customer or, if that specification is not relevant to the Articles, the Standards Australia's specification or, if that specification is not relevant to the Articles, the British Standard Specification or, where none of these specifications are relevant, in accordance with the detailed specification prepared by the Supplier and accepted by POWER INTEGRATION in the case of project specific switchboards or luminaries, approval prior to manufacture is subject to the supply of samples and/or 1 original and 2 prints of "As For Construction" drawings. Within 10 days of the Articles supply "As Built" drawings and "Installation and Maintenance Manuals" shall be supplied. Switchboards shall include touch up paint to match and schedule cards with cover sheets mounted in each switchboard as a minimum or as per the specification.

4.0 INSPECTION AND RIGHT OF REJECTION

- 4.1 Inspectors nominated by POWER INTEGRATION shall have access to the Suppliers premises at all times during working hours for the purpose of inspecting the Articles at any stage of their manufacture or preparation. POWER INTEGRATION may reject the Articles either in the course of manufacture or preparation or at any time thereafter (including after delivery) if it considers the Articles to contain defects in material or workmanship or to be not in accordance with the specification and, if requested by POWER INTEGRATION, the Articles rejected shall be removed from the premises of POWER INTEGRATION or the customer (if delivered there) by the Supplier at the Suppliers expense and the cost of any demurrage, freight, cartage or haulage paid by POWER INTEGRATION on the rejected articles together with the costs incurred by POWER INTEGRATION (if any) in testing the Articles shall be paid by the Supplier to POWER INTEGRATION on demand. Except in the case of sub clause (4.3) applying, all Articles rejected shall be promptly replaced at the expense of the Supplier.
- 4.2 The required date of delivery stated for the Articles is the essence of this Contract. POWER INTEGRATION may refuse any Articles and may cancel all or any part of this Contract if the Supplier fails to deliver all or any part of the Articles in accordance with the terms of this Contract. Extensions of time may be granted provided they are submitted in writing immediately the delay has become apparent and granted in writing by POWER INTEGRATION.
- 4.3 If the Articles are rejected under either sub clause (4.1) or sub clause (4.2) of this clause and in either case POWER INTEGRATION notifies the Supplier of its determination to act under this sub clause POWER INTEGRATION may contract with any person, firm or corporation to supply the Articles and may charge the Supplier or deduct from the amount owed by POWER INTEGRATION to the Supplier the costs, expenses and losses, including incidentals and consequential damages incurred thereby, which are in excess of the Suppliers price for the Articles.

5.0 PROTECTION AND DELIVERY

The Supplier shall provide appropriate means to protect the Articles from damage or deterioration during any storage, handling and delivery. Until an accredited representative of POWER INTEGRATION accepts the delivery all risks shall be the Suppliers, in all respects. All Articles shall be delivered FIS (Free into Store) at the location nominated in this Contract. Deliveries **must** be delivered in accordance with the delivery schedule nominated in the Contact and must arrive prior to 2.00 pm with identification on each package clearly describing its contents and the relevant POWER INTEGRATION Purchase Order Number.

6.0 WARRANTIES

- 6.1 The Supplier represents and warrants;
- 6.1.1 That the price charged for the Articles shall be no higher than the price nominated in this Contract and no higher than the Suppliers current price to any other customer for the same quantity of such Articles and under like conditions;
- 6.1.2 That all Articles delivered pursuant hereto will be new unless otherwise specified and free from any and all defects in materials and workmanship and that all Articles will conform to applicable specifications (including Drawings and standards of Quality and Performance) and that all Articles will be free from defects in design (when design is the responsibility of the Supplier) and suitable and safe for their intended use or purpose;
- 6.1.3 That all services performed pursuant hereto will be free from any and all defects in material and workmanship and will be performed in accordance with the specifications and instructions of POWER INTEGRATION and the Supplier shall retain direction and control with respect to the manner and means of performing such service and shall at all times remain an independent Contractor.
- 6.2 The Supplier warrants and guarantees all Articles for a period of Twelve Months (or longer if Specified) after practical completion of the project.

7.0 SUBCONTRACTING AND ASSIGNMENT

The Supplier shall not assign its rights or obligations or any sums that may accrue to it or be due to it hereunder or subcontract any of the work provided for herein without the prior written consent of POWER INTEGRATION.

8.0 TAXES AND DUTIES

Unless otherwise specified in this Contract the prices to be paid to the Supplier as shown herein include all Federal, State and local taxes and all foreign taxes and all duties, foreign or domestic which are applicable to the Articles being furnished hereunder.

9.0 APPLICABLE LAWS

This Contract shall be governed by, subject to and construed according to the laws of the State or Territory in which the POWER INTEGRATION Branch or site is situated, and the parties accept the jurisdiction of the courts of that State or Territory and the Commonwealth of Australia. The Supplier shall comply with all applicable Federal, State and Local Laws.

10.0 LIABILITY

The Supplier shall be liable and shall indemnify POWER INTEGRATION against any liability, loss, claim or proceeding in respect of any injury, loss or damage whatsoever to any property, real or personal, or in respect of any personal injuries to or death of any person whomsoever insofar as such injury, loss or damage arises out of or in the course of or by reason of the execution of the works or the Articles in relation to this contract provided always that the same is due to the negligence, omission, default or breach of the Supplier, the Supplier's servants or agents or of any Subcontractor, or the Subcontractor's servants or agents and provided further that the indemnity hereby given shall not be defeated or reduced by reason of any negligence, omission, default or breach of POWER INTEGRATION or any person.

11.0 EXTRAS, CORRESPONDENCE AND PAYMENTS

11.1 The terms of payment are 60 Days from the invoiced end of month subject to the invoice being received by and dated on or before the 25th of each month ("the Cutoff Date"), the invoice displaying an approved Purchase Order Number and receipt from the Supplier of all documentation required by law and/or by this order. If the Cutoff Date falls on a non-business day, the Cutoff Date will be deemed to be the next business day following the non-business day. Any invoice not displaying an approved Purchase Order Number will be rejected. Retention may be held until the above requirements are fulfilled.

11.2 Except as otherwise provided in this contract, no payment for extra work of any type or description shall be made unless such extras and the price therefore has been authorised in writing by POWER INTEGRATION.

11.3 All correspondence regarding this order shall be expressly with POWER INTEGRATION unless written permission is granted to the Supplier and/or Subcontractor by POWER INTEGRATION.

11.4 Monthly progress claims for Articles furnished to POWER INTEGRATION will be paid under normal POWER INTEGRATION terms and conditions of trading provided they are received by the Cutoff Date, include an itemised statement detailing the Articles supplied, the period of supply and the relevant POWER INTEGRATION Purchase Order Number.

11.5 In the event of late delivery of goods or late completion of services required under this order the Supplier shall be liable for ALL damages incurred by POWER INTEGRATION and other parties.

11.6 Offsite payments will only be made under the terms and conditions of POWER INTEGRATION's head contract. Where progress payments or off-site payments are made POWER INTEGRATION shall retain full title of the goods or services.

12.0 PPSA

12.1 Terms in this clause 12.0 have the same meaning as in the PPSA.

12.2 By accepting these terms and conditions in the manner specified in clause 2.0, the Supplier agrees that this clause 12.0 takes precedence over any clause in the Supplier's terms and conditions that deals with or purports to deal with the PPSA, notwithstanding any statement in the Supplier's terms and conditions to the contrary.

12.3 The parties agree that POWER INTEGRATION does not grant to the Supplier a purchase money security interest in the Articles, whether supplied previously or in the future, or a security interest in any of POWER INTEGRATION present and after acquired personal property.

12.4 The Supplier agrees that it will not register, or attempt to register, a security interest of any kind on the Personal Property Securities Register, in relation to the Articles or the present and after acquired personal property of POWER INTEGRATION, without the prior written consent of POWER INTEGRATION.