

**PURCHASE ORDER TERMS AND CONDITIONS**

**1. SUPPLY OF GOODS AND/OR SERVICES**

- 1.1. The Supplier agrees to sell and Coates Hire agrees to buy the Goods and/or Services on and subject to the Order and these Purchase Order Terms and Conditions ("the Terms").
- 1.2. These Terms constitute the entire agreement and supersede any other agreement or understanding between the parties. If the Supplier's terms are supplied with the Goods or Services, those terms will be of no legal effect (even if any representative of Coates Hire signs those terms or annexes the terms and conditions to any Order).
- 1.3. The Supplier must, in supplying the Goods or performing the Services, comply with the Coates Hire Code of Conduct.
- 1.4. On request by Coates Hire, the Supplier must provide any information and assistance reasonably required by Coates Hire on any matter relating to the Goods and/or Services.

**2. DELIVERY**

- 2.1. The Supplier must deliver the Goods to the Delivery Address by the Delivery Date.
- 2.2. The Supplier must ensure that the Goods are suitably packed to avoid damage in transit or in storage.
- 2.3. Packages must be marked with the Order number, item number, destination, contents, quantity, date and method of dispatch and weight of each package.
- 2.4. On reasonable notice, the Supplier must provide and procure for Coates Hire (and its representatives) full access to all premises and locations to allow Coates Hire to inspect the Goods at any time prior to their Delivery.

**3. TITLE**

- 3.1. Title in the Goods passes to Coates Hire upon delivery.

**4. PRICE**

- 4.1. Coates Hire must pay the Supplier the Price for the Goods and/or Services based on the rates and quantities set out in the Order.
- 4.2. Coates Hire may direct the Supplier to alter, add to or omit all or part of the Goods and/or Services. The price for such variation will be based on the rates set out in the Order unless otherwise agreed by the parties.
- 4.3. The Price is inclusive of all costs incurred by the Supplier in the supply of the Goods and/or performance of the Services.
- 4.4. If GST is imposed on any supply made by the Supplier under or in connection with the Order, the Supplier must provide Coates Hire with a valid tax invoice before Coates Hire will pay the GST amount to the Supplier.

**5. INVOICING**

- 5.1. The Supplier must provide to Coates Hire a Supplier Delivery Document upon delivery of the Goods and/or completion of the Services. All invoices must include an Order Number.
- 5.2. Coates Hire is not obliged to pay any invoice or part of the invoice that has not been submitted in accordance with the Terms (including but not limited to invoices submitted without an Order Number) or which relates to Goods or Services that have not been accepted by Coates Hire and are the subject of a Dispute (as defined in clause 8.1).
- 5.3. Subject to clause 5.2, Coates Hire will pay all invoices that comply with the Terms within 45 days from the end of the month in which the invoice was received, except where Coates Hire disputes the Supplier Delivery Document or invoice, in which case:
  - a) Coates Hire may withhold payment pending resolution of the Dispute; and
  - b) if upon resolution of the Dispute, it is determined that Coates Hire must pay an amount to the Supplier, Coates Hire must pay that amount within 14 days of such resolution.
- 5.4. Coates Hire may reduce any payment due to the Supplier under the Terms by any amount which the Supplier must pay Coates Hire, including costs, charges, damages and expenses and any debts owed by the Supplier to Coates Hire

on any account whatsoever. This does not limit Coates Hire's right to recover those amounts in other way.

**6. QUALITY**

- 6.1. The Supplier warrants that:
  - a) the Goods and/or Services match the description referred to in the Order, and conform to all relevant specifications, drawings, samples and descriptions;
  - b) the Goods and/or Services are fit for Coates Hire's intended purpose;
  - c) the Goods are of reasonable quality and, unless otherwise specified in the Order, are new;
  - d) the Services will be performed in a thorough, professional and competent manner using the standard of care, skill and diligence that would reasonably be expected from an experienced provider of similar services and expertise in Australia;
  - e) the Goods are free of all liens and encumbrances and the Supplier has good title to them;
  - f) its employees, contractors, and agents will at all times hold all licences required by Law for the supply of the Goods and/or the performance of the Services; and
  - g) there are no terms, conditions or restrictions which will become binding on Coates Hire as a result of the sale of the Goods to Coates Hire or the use of the Goods by Coates Hire or the resale or hiring out of the Goods by Coates Hire.

**7. DEFECTIVE GOODS AND SERVICES**

- 7.1. If, any of the Goods or Services are found to be Defective, Coates Hire may, at the Supplier's cost:
  - a) return the Defective Goods to the Supplier;
  - b) reject the Defective Services;
  - c) repair or make good the Defective Goods; or
  - d) re-perform or make good the Defective Services.
- 7.2. The Supplier must at the Supplier's cost, if requested to do so by Coates Hire:
  - a) repair or replace the Defective Goods;
  - b) re-perform or make good the Defective Services; or
  - c) reimburse Coates Hire for any expenses incurred in repairing, re-performing or making good (as the case may be) any Defective Goods or Services.

**8. DISPUTE RESOLUTION**

- 8.1. If a difference or dispute between the parties arises in connection with an invoice or the subject matter or interpretation of the Terms ("Dispute"), either party may give the other party written notice of the Dispute identifying and providing details of the Dispute ("Dispute Notice").
- 8.2. Within 7 business days of receipt of the Dispute Notice, representatives of the parties having authority to bind the parties shall discuss the Dispute ("Dispute Meeting").
- 8.3. Providing the provisions of this clause have been complied with and the Dispute has not been resolved within 10 business days following the Dispute Meeting, either party may commence proceedings in court..

**9. INTELLECTUAL PROPERTY**

- 9.1. If the Supplier is manufacturing or procuring the manufacture of the Goods and the Goods are required to be manufactured or fabricated to Coates Hire's specifications or special requirements (and are not goods of the type ordinarily manufactured by the Supplier or the Supplier's subcontractors) Coates Hire will own all intellectual property rights of any kind that arise as a result of, or in the course of, the design or manufacture of the Goods.
- 9.2. If the Services are required to be performed to Coates Hire's specifications or special requirements Coates Hire will own all intellectual property rights of any kind that arise as a result of, or in the course of, the performance of the Services.
- 9.3. The Supplier will do all necessary acts to give effect to Coates Hire's rights under clauses 9.1 and 9.2.

- 9.4. The Supplier warrants that the supply of the Services and Goods to Coates Hire, the use of the Goods by Coates Hire or any resale or hiring out of the Goods by Coates Hire will not infringe the intellectual property rights of any person and Coates Hire will not have to pay any licence fee, royalty or other amount to any person in connection with the Services or Goods.

**10. GENERAL**

- 10.1. Either party may terminate an Order in its absolute discretion by giving the other party 7 days' notice in writing prior to the Delivery Date. In such case no Price will be payable by Coates Hire. Termination of the Order pursuant to this clause shall be without prejudice to the rights of either party which accrued before termination.
  - 10.2. Coates Hire may terminate an Order with immediate effect where it reasonably believes that the Supplier has breached the Code of Conduct in any material respect. The only Price payable to the Supplier following termination of the Order will be for Goods or Services delivered to Coates Hire in accordance with the Terms prior to the breach.
  - 10.3. Any amount paid by Coates Hire to any subcontractor or supplier of the Supplier pursuant to any notice of claim served on Coates Hire by such subcontractor or supplier under the Contractors Debt Act 1997 (NSW) or the Building and Construction Industry Security of Payment Act 2002 (Vic) (or any equivalent legislation in other states or territories) shall be a debt due and payable by the Supplier to Coates Hire.
  - 10.4. Coates Hire shall have no liability to the Supplier in respect of any matter in connection with the Order unless a claim together with full particulars is lodged with Coates Hire within 21 days of the occurrence of the event on which the claim is based.
  - 10.5. If any provision or part of any provision of the Terms is unenforceable, such unenforceability shall not affect any other part of such provision or any other provision of the Terms.
  - 10.6. Delivery acronyms such as FCA, FOB, CIF shall be interpreted in accordance with INCOTERMS 2000 edition.
  - 10.7. The Terms shall be governed by the laws of New South Wales and the Parties agree to submit to the jurisdiction of the Courts of that state.
  - 10.8. Coates Hire agrees that it will deal with all personal information provided by the Supplier in accordance with its legal obligations and the Coates Hire Privacy Policy, a copy of which is available on the Website.
  - 10.9. If the Supplier subcontracts any part of the Services:
    - (a) The terms of the subcontract must be consistent with the Terms;
    - (b) The Supplier's obligations are not lessened or otherwise affected by subcontracting the performance of those Services; and
    - (c) The Supplier is responsible for ensuring their subcontractors' compliance with the Code of Conduct.
- 11. LIABILITY AND INDEMNITY**
- 11.1. The Supplier shall indemnify and hold Coates Hire harmless against any claim, action, damage, loss, liability, cost, charge, expense, outgoing or payment (including any legal costs on a full indemnity basis) arising out of, or in connection with, the supply of the Goods or Services in respect of:
    - a) personal injury to, or the death of, any person;
    - b) loss of, damage to, or loss of use of, any property, including property of Coates Hire;
    - c) any claim that the Goods and/or Services infringe the intellectual property rights of a third party;
    - d) a breach of clause 6 of these Terms; and

- e) wrongful or negligent act or omission by or on behalf of the Supplier, including a breach of the Terms.

- 11.2. The Supplier is responsible for all acts or omissions of the Supplier's officers, employees, agents and contractors in relation to the provision of the Services and supply of the Goods.

- 11.3. The Supplier must remedy any environmental damage or degradation resulting from the Supplier's actions or omissions.

**12. EXCLUSIONS FROM SMALL BUSINESS CONTRACTS**

- 12.1. If the Supplier is a Small Business and the upfront price payable under the Order is no more than \$300,000 or \$1 million if the Order is for more than 12 months (or such other amounts as prescribed by the ACL) then: Clause 10.4 (21 days to lodge a claim) will not apply.

**13. DEFINITIONS**

**ACL** means the Australian Consumer Law, which is contained in Schedule 2 of the Competition and Consumer Act 2010 (Cth).

**Coates Hire** means Coates Hire Operations Pty Limited ACN 074 126 971 or the Coates Hire entity named in the Order.

**Code of Conduct** means the Coates Hire Code of Conduct, a copy of which is available on the Website.

**Defective** means Goods and/or Services (or any aspect of them) which are not in accordance with the Order or which are damaged, deficient, faulty, inadequate or incomplete.

**Delivery Address** means the place for delivery specified on the Order.

**Delivery Date** means the delivery date specified on the Order, or a date subsequently notified in writing by Coates Hire to the Supplier.

**Goods** means the goods, if any, described in the Order.

**GST** has the meaning given to that term under the A New Tax System (Goods and Services Tax) Act 1999 (Cth).

**Law** means:

- a) Commonwealth, State and local government legislation including regulations, by-laws, orders, awards and proclamations;
- b) common law and equity;
- c) authority requirements and consents, certificates, licences, permits and approvals (including conditions in respect of those consents, certificates, licences, permits and approvals); and
- d) guidelines of Authorities with which the Supplier is legally required to comply.

**Order** means the purchase order issued by Coates Hire to the Supplier from time to time containing, amongst other things, a description of the Goods and/or Services.

**Order Number** means a 7 digit number, which appears on all valid Orders.

**Price** means the price set out in the Order which is exclusive of GST, but is inclusive of all other costs and charges.

**Services** means the services, if any, described in the Order.

**Small Business** means a business that employs less than 20 people (including casual employees employed on a regular and systematic basis) or such as other number as prescribed by the ACL.

**Supplier** means the party identified as such in the Order.

**Supplier Delivery Document** means a delivery document, dispatch note, time sheet, claim form or such other document which evidences the delivery of Goods or performance of Services.

**Website** means <http://www.coateshire.com.au>

**Coates Hire seeks to conduct business in a safe, accountable and ethical manner, in compliance with all applicable laws and in accordance with Coates Hire's values. Coates Hire seeks to engage suppliers who share these values.**

This Supplier Code of Conduct sets out Coates Hire's expectations of its suppliers. Compliance with this Code is a requirement of conducting business with Coates Hire.

Coates Hire's suppliers are required to comply with the following Coates Hire values:

- Always putting safety above all else;
- Respecting our customers and our community;
- Being accountable;
- Behaving ethically in all interactions; and
- Being relentlessly focussed and striving for excellence.

## 1. Health and Safety

Ensuring a safe working environment for Coates Hire's employees, contractors and visitors is of the utmost importance to Coates Hire. Coates Hire's suppliers must comply with the following minimum requirements:

### Coates Hire health and safety policies and site requirements

Suppliers must, in the conduct of any work for Coates Hire:

- comply with all Coates Hire policies and procedures, training requirements and site requirements relating to health and safety;
- comply with all lawful directions given by Coates Hire's representatives;
- provide all such information and assistance as Coates Hire reasonably requires in connection with any safety investigation;
- ensure that its employees, agents and contractors entering Coates Hire's premises behave in a safe manner, are properly qualified and skilled, and are of such character as not to: prejudice safe working practices, the safety and care of property, or the continuity of work;
- promptly notify Coates Hire of any actual or threatened risk to workplace health and safety; and
- ensure that its employees always wear and use the required protective clothing and equipment and are not under the influence of drugs or alcohol.

### Law, codes, and standards

Suppliers must comply with all relevant laws, codes and standards in the conduct of any work for Coates Hire.

### Documented policies, standards and systems

Suppliers must develop and implement:

- written health and safety policies and standards; and
- documented systems to record work-related injuries and illnesses.

## 2. Risk management

Coates Hire will prefer suppliers with comprehensive and documented risk management frameworks, which cover environmental, social and corporate governance risks. Coates Hire's suppliers must comply with the following minimum requirements:

- Suppliers must implement policies and practices aimed at identifying risks, vulnerabilities and compliance obligations and must facilitate risk awareness and mitigation within their business.

## 3. Corporate governance and ethics

Coates Hire seeks to engage suppliers who are shown to have strong governance frameworks and who adopt high ethical standards. Coates Hire's suppliers must comply with the following minimum requirements:

- Suppliers must comply with all applicable laws and regulations on bribery, corruption prohibited business practices; and
- Suppliers must conduct business in an ethical, equitable and professional manner.

## 4. Environmental management

Coates Hire seeks to reduce the direct environmental impact of the activities occurring along its supply chain. Coates Hire's suppliers must comply with the following minimum requirements:

### Legislative Compliance

Suppliers must:

- comply with all relevant laws, regulations and standards on environmental management and reporting;
- implement and maintain a written environmental policy;
- establish and maintain a data collection process that supports environmental reporting and compliance with legislative requirements; and
- maximise the efficient use of natural resources, energy, water and raw materials and minimise pollution and waste.

### Environmental Protection

Suppliers must:

- conduct business in a way that will minimise adverse effects on the environment; and
- promptly notify Coates Hire of any actual or threatened environmental harm.

## 5. Labour policies, human rights and non-discrimination

Coates Hire aims to support responsible labour practices that contribute to a fair and inclusive workplace. Coates Hire's suppliers must comply with the following minimum requirements:

### Forced and child labour

Suppliers must not use any form of forced or involuntary labour or child labour and must comply with all international standards and domestic regulations relating to the employment of children.

### Equal rights and non-discrimination

Suppliers must operate an inclusive workplace that is free of discrimination, harassment bullying and other unlawful conduct.

### Fair wages, benefits and conditions

Suppliers must comply with all applicable laws relating to wages, working hours and legally mandated benefits.

### Legal compliance and workplace policies

- Suppliers must comply with all relevant laws and regulations with regards to employment practices, benefits, health and safety and anti-discrimination.
- Suppliers must have written workplace policies and standards that include equal opportunity, anti-discrimination, anti-harassment and anti-bullying principles.

## 6. Supply chain

At a minimum, Coates Hire's suppliers must ensure that any person or organisation in their supply chain complies with the principles outlined in this Supplier Code of Conduct.