



Conditions of Purchase

The conditions of purchase set out below ("**Conditions**"), as amended from time to time, apply to all goods and services ("**goods**") supplied by any company, person or other party ("**Supplier**") to Crane Distribution Limited ("**Purchaser**").

The Purchaser is not bound by any variation to the Conditions unless recorded in writing and signed by the General Manager Commercial of the Purchaser. These Conditions except as otherwise agreed in writing by the Purchaser shall apply notwithstanding any provisions to the contrary which appear on any order form or other documents issued by the Supplier or any other party.

1. PURCHASE ORDERS

- 1.1 All goods required by the Purchaser will be advised by way of an official Purchaser's Purchase Order. Verbal and/or hand-written Purchase Orders are not to be accepted under any circumstances.
- 1.2 A written quotation or price list, given by the Supplier to the Purchaser shall constitute an offer to sell. Any Purchase Order placed by the Purchaser in response to a quotation shall constitute acceptance of the offer on these Conditions. Terms and conditions deviating from or inconsistent with these Conditions are expressly rejected by and will not bind the Purchaser.
- 1.3 The Supplier will not vary a Purchase Order without first obtaining a modified Purchase Order from the Purchaser.
- 1.4 The delivery address may vary from the Purchase Order point of origin. Suppliers are to ensure delivery is made to the correct delivery address identified on the Purchase Order.
- 1.5 Where a Blanket Purchase Order has been issued to provide advance notice of stock requirements, no deliveries are to be made on this Blanket Purchase Order. Draw Down Purchase Orders will be issued referencing the Blanket Purchase Order Number to facilitate deliveries.
- 1.6 Delivery Dockets and Tax Invoices issued by the Supplier must reference the Draw Down Purchase Order Number and not the Blanket Purchase Order Number.
- 1.7 Suppliers agree to implement Electronic Data Interchange (EDI).

2. PRICING – SPECIAL ORDERS

- 2.1 Where goods ordered are the subject of special negotiated prices instead of the agreed purchaser/buying file prices, the Supplier will provide the Purchaser with a written price variance authority, which shall be known as the Supplier Quotation Number (SQN), for such goods. The Purchaser will itemise the quoted prices for each product line on the Purchase Order, quoting the Supplier's SQN. The SQN must also be reflected on the Tax Invoice issued by the Supplier.
- 2.2 The prices agreed to in Clause 2.1 as evidenced by the Supplier's written SQN and the Purchaser's Purchase Order will apply regardless of any other purchase price previously agreed between the Supplier and the Purchaser.

- 2.3 The Supplier must validate the SQN and item cost shown on the Purchaser's Purchase Order prior to despatch. If a discrepancy exists, an order amendment must be requested and obtained from the Purchaser's ordering branch. If an order amendment is not obtained, the Purchaser will not be liable for any amounts in excess of the original Purchase Order cost.
- 2.4 Any change to the expiry date contained in the original SQN must be confirmed in writing by the Supplier prior to the expiry date and agreed to by the Purchaser in writing.

3. PRODUCT RANGING

- 3.1 It is agreed and understood that the Purchaser is under no obligation to stock the Supplier's complete range of products, and that the Supplier must seek and gain pre-approval from the Purchaser's General Manager Commercial or relevant National Product Manager before approaching the Purchaser's Branches to promote or implement any new products or product lines. If the Supplier delivers product to any of the Purchaser's branches in breach of this condition, the Purchaser reserves the right to return such product at the Supplier's expense, and the Supplier further agrees to refund the Purchaser the full cost of such product including GST.

4. DELIVERIES

- 4.1 All deliveries are to be clearly labelled with the full address of the receiving location as shown on the Purchaser's Purchase Order. A Delivery Docket must accompany delivery of the goods so ordered.
- 4.2 Where the Supplier becomes aware that it will not be able to comply with a specified delivery date as shown on the Purchaser's Purchase Order, the Supplier will immediately notify the originator of the Purchase Order and obtain approval for any change to the original delivery date. If approval is not obtained, the Supplier will use, and be responsible for, any express freight that may be required to guarantee that the product is delivered into the branch to meet the required delivery date or the agreed lead-time. In the event that delivery is delayed by more than twenty-four (24) hours, the Purchaser shall be entitled to cancel the order or reject the delivery without any liability whatsoever.
- 4.3 Unless otherwise specified by the Purchaser, the Supplier agrees to complete delivery within forty-eight (48) hours from the issue date of the Purchaser's Purchase Order.

4.4 The Purchaser will be entitled to recover from the Supplier any costs or liquidated damages suffered by the Purchaser as a result of the Supplier failing to satisfactorily complete delivery within the agreed timeframe.

4.5 Where, at the Purchaser's direction, goods are collected ex the Supplier's warehouse by a party other than the Purchaser or delivered to an address other than a site occupied by the Purchaser, the Supplier must forward a copy of the Delivery Docket to the point of origin of the Purchase Order within twenty-four (24) hours after the time the goods are collected or delivered. Any costs resulting from the Supplier delivering the wrong product, delivering to the wrong address or failing to deliver within the agreed timeframe shall be borne by the Supplier.

4.6 Where goods ordered are unavailable for delivery by the specified date and time, the Supplier will not make substitutions or place the goods on backorder unless agreed to by the Purchaser in writing. The Supplier further agrees to advise the originator of any unfulfillable Purchase Order immediately upon receipt of the order.

4.7 The Supplier's Delivery Docket is to be numbered and include the following details.

- The Supplier's details including name, address, phone number and facsimile number.
- The Purchaser's details including name, address and phone number of the originator of the order.
- The Purchase Order Number.
- The Supplier's Delivery Docket and Tax Invoice Number.
- A full description of the goods including the Supplier's Part Number if applicable.
- The quantities of each item ordered, supplied and back ordered.
- Total quantity and unit of measure of packs, bags etc for each item.
- Method of transport and carrier Consignment Note Number.

The Supplier will issue a separate Tax Invoice for every Delivery Docket and where possible will ensure that Delivery Docket Numbers and the corresponding Tax Invoice Numbers are the same.

4.8 The Supplier acknowledges and agrees the Purchaser will not be liable to pay for goods unless Delivery Dockets have a legible and identifiable signature of an authorised representative of the Purchaser together with a valid Purchase Order Number and branches signature stamp recorded on the Supplier's delivery paperwork. Further, the Purchaser will not be liable for payment if invoices do not quote the Purchaser's valid Purchase Order Number.

4.9 The Supplier's Tax Invoices must quote the Purchaser's valid Purchase Order Numbers. It is the Supplier's responsibility to ensure that Purchase Order Numbers are obtained prior to delivery. The Purchaser will not be obliged to accept goods unless a valid Purchase Order Number is quoted on the Supplier's Delivery Docket.

4.10 If the Supplier is registered for GST, the Supplier must issue to the Purchaser complying Tax Invoices and Adjustment Notes (accounts) in accordance with "A New Tax System (Goods and Services Tax) Act 1999" and as periodically amended or updated by GST Rulings and Determinations made by the ATO. The Purchaser's billing name for accounts is "Crane Distribution Limited" and the billing addresses for the relevant States are as shown in the table below.

General Mail: Locked Bag 71 Virginia BC Qld 4014	A/P Vic/Tas: Locked Bag 107 Virginia BC Qld 4014
---	---

A/P Qld: Locked Bag 233 Virginia BC Qld 4014	A/P SA: Locked Bag 231 Virginia BC Qld 4014
---	--

A/P NSW: Locked Bag 232 Virginia BC Qld 4014	A/P WA: Locked Bag 230 Virginia BC Qld 4014
---	--

4.11 Statements of Account and Invoices must never be forwarded directly to the Purchaser's branches.

4.12 Statements of Account and Invoices must never be forwarded with the goods being delivered.

4.13 It is agreed and understood that if the Supplier fails to make accounts available to the Purchaser within five (5) working days following delivery of goods, payment may be delayed for such goods by up to thirty (30) days beyond the normal "due date" without penalty.

5. FREIGHT

5.1 Where it is agreed that goods are to be delivered free into store, the Supplier agrees to deliver, at their expense, all the goods ordered directly to the specified Purchaser's branch.

5.2 Where goods are supplied ex Supplier's warehouse or free to carrier, the Supplier acknowledges that the goods will be collected from the Supplier's warehouse or the carrier's depot by the Purchaser or their nominee at the Purchaser's expense.

The Purchaser reserves the right to specify the carrier to be utilised otherwise the Supplier's normal carrier may be engaged.

Where the Supplier utilises their delivery vehicles AND it has been agreed under the Terms & Conditions of Purchase that the Purchaser is responsible for freight AND such costs were included in the quote, the Supplier agrees to itemise the freight charge as a separate line item on the Tax Invoice. If there are no freight charges listed on the Tax Invoice, it is taken that the Supplier accepts responsibility for all freight charges.

5.3 In the instances where the Purchaser requires goods to be delivered by the Supplier directly to the Purchaser's Customer or job site (direct delivery) AND it has been expressly agreed that freight is payable by the Purchaser, the negotiated freight amount must be confirmed on the Purchase Order issued by the Purchaser to the Supplier. If the agreed freight charge has been omitted from the Purchase Order the Supplier agrees to contact the Purchaser's originating Branch and request an amended Purchase Order incorporating the freight charge. If the delivery is completed and there is no freight charge listed on the Purchaser's Purchase Order, the Supplier is deemed to have accepted all freight charges.

Where freight is to be charged, the Supplier also agrees to show the freight charge as a separate line item on the Tax Invoice issued to the Purchaser.

6. BACKORDERS

6.1 The Supplier agrees to contact the Purchaser's branch Inventory/Stock Controllers on a weekly basis and provide updated lead times for all outstanding backorders.

6.2 Prior to delivery of backorders, the Supplier agrees to contact the Purchaser's branch Inventory/Stock Controllers and confirm that the goods are still required.

7. RECEIVING GOODS'

7.1 The Purchaser reserves the right to make claims upon the Supplier for any goods which are at the time of delivery, damaged, defective, short delivered and/or incomplete.

7.2 The Supplier accepts that the contents of Supplier factory packaged goods will not be checked by the Purchaser at time of receipt, but will be checked at time of installation. Claims for damaged and/or defective goods, items short delivered and/or incomplete goods will be made at that time.

7.3 The Purchaser will only receive goods into its branch network between the hours of 9.00 am to 12 noon and 1.30 pm to 3.00 pm Monday to Friday but excluding gazetted public holidays. Any exceptions will be by prior arrangement only.

8. GOODS & SERVICES TAX (GST)

8.1 In this clause the expressions "GST", "Adjustment Note", "input tax credit", "tax invoice", "recipient" and "taxable supply" have the meanings given to those expressions in the *A New Tax System, (Goods and Services Tax) Act 1999*.

8.2 With the exception of any amount payable under this clause 8, unless otherwise expressly stated, all amounts stated to be payable in these Conditions are exclusive of GST.

8.3 If GST is imposed on any supply made under or in accordance with these Conditions, the recipient of the taxable supply must pay to the supplier an additional amount equal to the GST payable on or for the taxable supply. Payment of the additional amount will be made at the same time as payment for the taxable supply is required to be made in accordance with these Conditions, subject to the provision of a tax invoice.

8.4 If the Supplier is registered for GST it must raise and provide to the Purchaser GST compliant Tax Invoices and Adjustment Notes (accounts) in accordance with *A New Tax System (Goods and Services Tax) Act 1999* and as interpreted by GST Rulings and Determinations made by the ATO.

8.5 If the Supplier is not registered for GST, it agrees to include its ABN on all invoices and credit notes. Failure by the Supplier to quote its ABN on its invoices may result in the Purchaser withholding part payment at the top marginal tax rate (plus Medicare Levy) of the total invoice value and remitting this to the ATO as per legislated taxation requirements (PAYG system).

9. FEES & CHARGES

9.1 Unless otherwise agreed by the Purchaser, the Purchaser will not be liable for and will not pay fees for packaging and handling, restocking or any other fee or penalty of any kind under any circumstances.

10. RETURNS/DISPUTES/ADJUSTMENTS

10.1 Except in the case of Supplier packaged factory goods which are dealt with in Clause 7.2, where there is a discrepancy between goods received and those described on the Supplier's Delivery Docket, or if goods are rejected by the Purchaser upon delivery for any reason, the Purchaser will advise the Supplier within five (5) working days of receipt of the goods.

10.2 The Supplier will, at its cost, collect rejected goods or other stock returns from the Purchaser within fourteen (14) days of notice of the stock return being given by the Purchaser and must prior to collection issue the Purchaser with a written Return Authority (RA) Number. If the Supplier fails to collect the rejected product within the fourteen (14) day period, the Purchaser will return the product to the Supplier at the Supplier's cost.

10.3 Where a delivery error is caused by the Supplier, the Supplier agrees to immediately issue the Purchaser with a Return Authority (RA) Number and, if required by the Purchaser, immediately replace and/or arrange for the return of the product at the Supplier's cost.

10.4 Once the Return Authority (RA) has been provided and the subject stock returned, the Supplier must issue the relevant Adjustment Note within five (5) working days.

10.5 For any adjustments, the Supplier's Adjustment Note is to be numbered and, in additions to the requirements as contained at item 8.1, must include the following details:

- The Supplier's details including name, ABN address, phone number and facsimile number.
- The Purchaser's details including name, address of the claim originator.
- The Purchaser's Credit Claim Number to which the Adjustment Note relates (if applicable).
- The original Tax Invoice Number or Purchase Order Number to which the Adjustment Note relates.

10.6 The Supplier is to provide formal notification of any claims that are rejected. Notice of rejection of claims should contain the following details:

- The Supplier's details including name, address, phone number and facsimile number.
- The Purchaser's branch details including name, address of the originator of the claim.
- The Purchaser's Credit Claim Number to which the rejection relates.
- The reason for the rejection.

10.7 The Supplier undertakes and acknowledges that it is the Supplier's responsibility to resolve and finalise all claims or disputes within three (3) months from date of claim. The Purchaser will provide all reasonable assistance to the Supplier in resolving claims made upon the Purchaser by the Supplier.

10.8 The Supplier acknowledges and agrees that any claim or dispute not resolved within the agreed three (3) months (as per item 10.7 above) shall be deemed to be accepted by the Supplier and the Supplier will immediately issue to the Purchaser an Adjustment Note for the full value of the outstanding claim or dispute.

11. PAYMENT TERMS

11.1 Payment terms will be the number of days set out in Section B of the Trading Agreement between the Supplier and Purchaser, as attached. The calculations of payment terms will be from the end of month in which the goods are received.

11.2 If no Trading Agreement exists, or for any reason payment terms are omitted from the Trading Agreement, the agreed terms will be strictly sixty (60) days from the end of the month in which the goods are received.

12. ACCOUNT PAYMENT

12.1 The Supplier agrees that if payment is to be made by Electronic Funds Transfer (EFT), the payment will be made by the Purchaser on the first business day following the due date for payment as determined by the payment terms. It shall be deemed that payment in these circumstances has been made within agreed terms and the Supplier will not impose any penalties whatsoever.

12.2 If the Supplier does not accept payment by EFT, then payment will be made by the Purchaser posting a cheque to the Supplier on the last working day of the month in which the account is due for payment. The Purchaser will not be held responsible for any postal delays and it shall be deemed that payment in these circumstances has been made within agreed terms and the Supplier will not impose any penalties whatsoever.

12.3 The Accounts Payable Department of Crane Distribution Limited is to be the Supplier's first point of contact for payment queries. The Supplier acknowledges and agrees that it will never contact the ordering branch of the Purchaser for payment or account queries.

13. SETTLEMENT DISCOUNTS

13.1 The Supplier will allow a settlement discount at the agreed rate as noted in Section B of the Trading Agreement and such discount shall be calculated by the Purchaser and deducted from any payments due by the Purchaser to the Supplier.

14. STOCK CONTROL

14.1 The Supplier agrees to exchange any slow moving or discontinued stock, in resaleable condition, with other saleable stock items of equal value as required by the Purchaser.

14.2 Without limiting 14.1, upon request by the Purchaser, the Supplier agrees to exchange stock for which no sales have been recorded at a Purchaser's branch within the prior twelve (12) months and exchange it for current saleable stock of an equal value or other stock of equal value as nominated by the Purchaser.

14.3 The Purchaser will endeavour to redistribute stock within its own branch network prior to requesting the exchange of non-selling or discontinued products.

14.4 Where the Supplier intends to remove a product from its range or modify it in any way for whatever reason, the Supplier undertakes to provide the Purchaser's relevant National Product Manager or General Manager Commercial with written notice at least one hundred and twenty (120) days prior to the effective date of the removal or modification of such product.

14.5 Any stock of goods modified or removed from the Supplier's range which remains unsold at the Purchaser's branches at the end of the one hundred and twenty (120) days notice period as outlined at item 14.4 above will be exchanged by the Supplier for current saleable stock of an equal value or other stock of equal value as nominated by the Purchaser.

14.6 The Supplier further agrees that if less than one hundred and twenty (120) days notice of product removal or modification is given, the Supplier will accept the return of all such stock which remains unsold at the Purchaser's branches for full credit without penalty upon the Purchaser. The Supplier further agrees to immediately issue an Adjustment Note to the Purchaser for the full value of the goods that have been returned. The cost of returning such stock shall be borne by the Supplier.

15. PRICE CHANGES

15.1 The Supplier will provide written notification of general cost price changes to the Purchaser's National Product Manager no less than forty-five (45) days prior to the effective date of such cost price changes and must honour the price quoted for all Purchase Orders not yet fulfilled. The effective date for these changes must always be the 1st of a given month. The Purchaser reserves the right to negotiate any proposed price revision and to seek justification from the Supplier substantiating any cost price increases.

15.2 The Supplier will provide new price lists incorporating details of any cost price changes referred to in Clause 15.1 above by email to the National Product Manager at import@tradelink.com.au in the required format as shown on Appendix (1) at least thirty (30) days prior to the effective date of the cost price changes.

15.3 If the Supplier fails to provide such notifications and price lists in the required timeframe, the Purchaser reserves the right to reject or defer the cost price revisions until the next 1st of the following month.

15.4 The revised Supplier price lists are to be distributed by the Supplier direct to the Purchaser's branch network and State Support Offices, a minimum of five (5) working days prior to the effective date.

15.5 The Supplier will give the Purchaser fourteen (14) days written notification of the continuance of the Supplier periodical specials or promotional pricing beyond the originally advised expiry date for such specials.

16. WARRANTIES

16.1 Without limiting any warranties implied by law or by statute, the Supplier warrants that all goods supplied are of merchantable quality, are new on delivery, are free from defects in materials and workmanship, correspond with samples provided to the Purchaser, are fit for the stated purpose and comply with all appropriate Australian Standards and local authority by-laws.

16.2 All products which are classified by Standards Australia must be accredited to the relevant standard and carry the current Standards Mark or Watermark and License Number. Products must also be marked with Supplier identification.

16.3 Any suspension or cancellation of any Standards Australia accreditation is to be immediately notified to the Purchaser's National Product Manager or General Manager Commercial, and the Purchaser reserves the right to return any stock no longer covered by Standards Australia accreditation for a full refund without penalty.

16.4 The Supplier hereby indemnifies the Purchaser for any loss, costs, damages, expenses and injury to property or persons (including but not limited to legal expenses, loss of profits, business or other direct, indirect, special consequential or incidental damages) resulting from, arising out of or in connection with a breach by the Supplier of any of these Conditions, the negligence of the Supplier or the Purchaser, use or resupply by the Purchaser of the goods. In the event that a warranty claim requires a customer of the Purchaser to repair, replace or reinstall product, the Supplier agrees that the related costs will be at the Supplier's expense.

16.5 In the event of a warranty claim by a customer of the Purchaser, the Supplier agrees, where possible, to inspect the site of the installation within twenty-four (24) hours of the Supplier being notified of the warranty claim. The Supplier also agrees to respond with a written report to the customer within five (5) working days of the warranty claim notifying the customer of the Supplier's decision in relation to the warranty claim.

16.6 The Purchaser may, at its option or if requested by the Supplier, inspect the site of the installation the subject of a warranty claim. The Supplier agrees to reimburse the Purchaser for the Purchaser's costs for conducting such inspection.

16.7 The Supplier warrants that it holds and will maintain Public and Products Liability Insurance in relation to all supplies to the Purchaser with a reputable insurer for an amount not less than \$20,000,000 in respect of any one claim.

16.8 The Supplier agrees to provide copies of current Public and/or Product Liability Insurance Policies or Certificate of Currency when requested by the Purchaser detailing the policy number and the amount of insurance cover.

16.9 The Supplier is to have in place a Quality Assurance policy as per Australian Standard 3902/ISO 9002 and to comply with such Quality Assurance Policies as directed by the Purchaser.

17. GOVERNING LAW

17.1 The Supplier acknowledges and agrees that these Conditions shall be construed according to the laws of the State of Queensland. The parties submit to the exclusive jurisdiction of the courts in Queensland at the Purchaser's discretion.

18. PRODUCT KNOWLEDGE TRAINING

18.1 The Supplier agrees, at its cost, to provide product knowledge training, which complies with the requirements of any and all legislation, State and Federal and any requirements of the Purchaser. The Supplier agrees to arrange such training as required with the relevant Purchaser National Training Manager at the Supplier's expense.

19. MARKETING INITIATIVES

19.1 The Marketing (MKT1) rebate is used by the Purchaser for nationally coordinated Tradelink advertising and promotional activities focussed on increasing customer visits and purchases through the Purchaser's network of branches. The Supplier agrees that it must not undertake any direct supplier related promotional activity involving the Purchaser's branch network, unless all details of such promotions are provided to the Purchaser's National Product Managers and the National Manager Marketing Services, and their written approval is obtained prior to any release of information to the Purchaser's branches. (refer Appendix 2)

20. REBATES AND PAYMENTS

20.1 The Supplier acknowledges and agrees that it will pay purchase rebates, marketing incentives and any other incentives as set out in Section B of the Trading Agreement or as otherwise agreed in writing between the Purchaser and the Supplier.

20.2 Where there are no specific written conditions in the Trading Agreement as provided by Clause 20.1 above or no Trading Agreement exists, the Supplier agrees to pay the Purchaser a general rebate equal to 5.0% of the Purchaser's total monthly purchases.

20.3 The rebate method of payment is dependant on the nature and complexity of the rebate deal as provided by Clauses 20.1 and 20.2 above.

Where the sum of all purchase rebates, marketing incentives and any other incentives including general rebate, as provided by Clauses 20.1 and 20.2 above, can be expressed as a flat % AND applies to total purchases, e.g. total rebate payable by Supplier is 17.5% of total purchases, representing 15% purchase rebate PLUS 2.5% marketing incentive. The Supplier agrees to allow the Purchaser to calculate and deduct the appropriate % from monthly payments made by the Purchaser to the Supplier.

The Purchaser's remittance advice sent to the Supplier will show details of the rebate calculation for validation purposes by the Supplier.

In all other instances the Supplier agrees to calculate the monthly rebate owing to the Purchaser, notify the Purchaser of the amount and pay such purchase rebates, marketing incentives and any other incentives including general rebate, as provided by Clauses 20.1 and 20.2 as a liquidated debt. Payment is to be in accordance with the payment terms as explained in Section 11 above and the acceptable methods of payment are EFT, Cheque or Adjustment Note.

In either case, as rebates represent an adjustment to the original purchase price, the Supplier must calculate rebate on the GROSS invoice value including GST and issue a corresponding Adjustment Note equal to the amount of the remittance to the Purchaser so that GST can be correctly attributed.

Where the Supplier pays by Cheque or Adjustment Note, the payment is to be forwarded to:

National Rebates Clerk
Finance Department
Crane Distribution Limited
Locked Bag 71
VIRGINIA BUSINESS CENTRE QLD 4014

20.4 The Supplier shall prepare a Rebate Summary/ Adjustment Note for the Purchaser in accordance with Clause 20.3 and Appendix (2). This is to be completed by the Supplier showing purchases by State and the rebate and/or incentive payable to the Purchaser calculated in accordance with the Trading Agreement rebate structure and this Agreement and shall include the current GST.

20.5 The Supplier will forward the Rebate Summary/ Adjustment Note by facsimile to the Purchaser's Finance Department on (07) 3260 9823 on the same day the rebate and/or incentive is paid by EFT.

20.6 The Purchaser reserves the right to charge a late payment fee at the rate of 2.0% per month or part thereof on outstanding rebate payments.

20.7 The Supplier acknowledges and agrees that where rebates and/or incentives are overdue for 30 days or more, the Purchaser has the right, at its sole discretion, to withhold payment for subsequent purchases or deduct outstanding amounts and fees from any monies owed by the Purchaser to the Supplier without penalty.

20.8 The Supplier acknowledges and agrees that the Purchaser may, at its sole discretion, deduct any amount payable to the Purchaser by the Supplier (including amounts which are ascertained but not yet due) from any payment due to the Supplier, whether or not the deduction relates to that payment.

20.9 The Supplier acknowledges that rebate and incentive payments and the liability for them is not dependent upon prompt payment for purchases and that rebate and incentive payments are expressly separate agreements to payment/settlement terms for purchases, notwithstanding the requirements of Clauses 20.7 and 20.8 above.

21. ACCOUNT SET OFF

21.1 Subject to Clause 20.7, the Supplier acknowledges and agrees that the Purchaser may, at its option, set-off any amounts owed to the Supplier or related body corporate of the Supplier against amounts owed by the Supplier to the Purchaser or any related body corporate of a Crane Group Limited company.

22. NATIONAL TRADING AGREEMENTS

22.1 The Supplier agrees to immediately communicate the detail of the Trading Agreement to its State Managers, all of its agents and associated/ subsidiary companies as appropriate. The Supplier will ensure that these parties comply with all of the obligations/commitments contained in these Conditions and the Supplier will indemnify the Purchaser in respect of any breach of these Conditions by any such party.

23. TITLE AND RISK

23.1 Risk in the goods shall pass to the Purchaser on delivery.

23.2 Ownership of and unencumbered title in the goods shall pass to the Purchaser on delivery.

24. NOTICE

Notice given by the Supplier to the Purchaser may be delivered personally, posted, faxed or emailed to the General Manager Commercial of the Purchaser at:

Post: General Manager Commercial
Crane Distribution Limited
Locked Bag 71
VIRGINIA BUSINESS CENTRE Q 4014

Fax: (07) 3260 9771
email: import@tradelink.com.au

If the notice is posted, it shall be taken as delivered on the second business day following posting or if the notice is sent by fax or email, it shall be deemed delivered when successfully transmitted.

24.1 Any changes to the Supplier's contact details including national, state or regional office address, phone, fax, email, postal address, bank details, agents or distributors details are to be communicated in writing to the Purchaser's National Product Manager, no less than two weeks in advance of such changes.

25. COST PROTECTION

25.1 If the Supplier reduces the nett cost price of a Purchaser stocked item for two (2) consecutive months, the Supplier shall pay a rebate to the Purchaser equal to the difference in the actual invoice cost paid by the Purchaser for each of that item held in stock and the reduced cost of such item.

25.2 For the purposes of Clause 25.1, the Purchaser shall prepare a statement of such payments due and submit it to the Supplier after which the Supplier must pay the amount due within fourteen (14) days.

26. CONFIDENTIALITY

26.1 Under no circumstances are Suppliers to respond in telephone communications to cost price or trading agreement detail enquiries, such as rebate structures, from the branch network.

26.2 Branch network enquiries regarding Trading Agreement terms are to be referred to the Purchaser's National Product Manager or General Manager Commercial.

26.3 Invoice cost price enquiries should be responded to by facsimile or email to the enquiring branch and followed up by Supplier Sales Representative to ensure Supplier price lists and other product invoice cost information is available at the branch.

For the purposes of this clause, the term **Confidential Information** means all information which relates to the agreed trading terms including rebate structures the Purchaser, its business and undertaking, including know-how, trade secrets, proprietary information, business, operational, product pricing and any other information to which the Supplier obtains access.

The Supplier shall treat any Confidential Information disclosed to it by the Purchaser as confidential and to this end (but without limiting the generality of the obligation hereunder) the Supplier shall:

- (a) Initiate a system for the safe custody of the Confidential Information and for the control of the making of copies of it and their safe custody; and
- (b) Instruct each and every employee who will be required to use the Confidential Information to the effect that it is to be treated as confidential, must not be disclosed to third parties and must be kept in safe custody.

The obligation of confidentiality under this clause shall continue unless and until such Confidential Information is in the public domain other than by virtue of a breach of this clause or it is agreed by the Purchaser that such Confidential Information is otherwise sufficiently public as to negate this obligation.

TRADELINK ELECTRONIC PRICE LISTS

Following is an example of the format required for price updates.
(NB: The file needs to be in the latest version of "MS EXCEL" or any earlier format)

31/08/03								
Code	Description	UOM	State	Area	List Price	Discount	EAN	Quantity Breaks
8540	4.8x0.56 HD 6M	EA	QLD		20.02	20.00	97134521722	
8580	4.8x0.71 ACR 30M	EA	QLD		90.61	20.00	97251456325	
8680	4.8x0.71 AC 30M	EA	QLD		90.51	20.00	97589659247	
8720	4.8x0.71 HD 6M	EA	QLD		54.09	20.00	97892156581	
8780	4.8x0.91 ACR 30M	EA	QLD		50.00	00.00	97123456789	1+
8780	4.8x0.91 ACR 30M	EA	QLD		45.00	00.00	97123456789	50+

Note: Sample data

Explanation

Date: This is the date the price will apply.

Code: This is your product code / part number

Description: This is your description

UOM: This is your "Unit of Measure" - (The price you provide will be for this UOM.)

UOM	This is the unit of measure field. The following conventions need to be used for units of measure.	
	CL = Coil	MT2 = Square Metres
	EA = Each	MTR = Metres
	KG = Kilogram	PK = Pack
	LEN = Length	PR = Pair
	MM = Millimetres	ROLL = Rolls

State: If the same price applies to all states / territories please list as "National" otherwise input the state / territories the price/s apply to.

Area: If different prices apply to areas **within** a state/territory list the area (eg. NTH QLD).

List: This is your list price or recommended retail price (excluding GST). In other words the list price you publish from which a discount is taken. NB: If it is a special net invoice price (excluding GST) still enter it here however the discount will be nil.

Discount: This is the percentage discount Tradelink gets off your list price. (The list price less the discount is the invoice price (excluding GST) you will charge Tradelink.)

EAN: This will be your "European Article Number" (EAN) barcode.

Quantity Breaks: This is where a lower price applies if a certain quantity is ordered. (Where the price varies due to quantity buys, complete multiple lines showing the various costs and the minimum quantity required to achieve these prices. Refer last two lines of example above.)

Please email your MS Excel file to import@tradelink.com.au

Should you have any questions in relation to the above please feel free to contact our **National Cost File Office on (07) 3260 9171.**

Supplier Marketing Initiatives

CONTACTS

National marketing initiative proposals are to be presented to the Purchaser's relevant National Product Manager or National Manager Marketing Services, for review and approval.

State and Regional marketing initiative proposals are to be submitted to the relative Product and Regional Manager or their Delegate for review and approval with a copy to the National Manager Marketing Services. Written approval must be obtained prior to commencing the initiative.

This instruction includes all advertised media and in branch promotions and staff incentives. A three month lead time is required to maximise support and avoid conflicting promotions.

STAFF INCENTIVES

Crane Distribution administers staff incentive promotions centrally. The terms of proposed staff incentive promotions should be put into writing and forwarded to the National Manager Marketing Services and General Manager Commercial and must be approved in writing before commencement of the promotion. Staff incentive promotions are to incorporate all branch staff and be based on Tradelink's sales. Incentives based on purchases are never permitted. Promotions rewarding individual staff members will not usually be approved as they are contradictory to our Team culture. Monetary staff incentives are the easiest to administer and are preferred to non-monetary incentives. Cheques are to be made payable to Crane Distribution based on sales data provided by National or State Support Offices and sent to the National Manager Marketing Services for processing, under no circumstances are cheques, cash or other goods of value to be given to branch staff.

POINT OF SALE (POS) MATERIALS

All Point of Sale Materials, whether supporting a promotional activity or for general display, are to be submitted for approval to the National Manager Marketing Services for approval by Crane Legal. Our standard size range is A2 - A4 portrait or landscape. Specific POS requirement for each promotion should be sort prior to printing any materials. There is a restriction on many types of POS in our branches.

MERCHANT TAGGED ADVERTISING

Should the Supplier wish to tag their advertisement with the Purchaser's brand names, prior written approval must be obtained from the National Manager Marketing Services by submitting a final proof of the artwork, sound track or video. If approved, a bromide will be provided for tagging purposes.

OVER & ABOVE FUNDING

State or Local Marketing initiatives are to be planned with the local Purchaser's representatives. There are no funds to be spent on local initiatives from MKT1 rebate. All localised initiatives are classed as Over & Above funding.

Requests for Over & Above funding may be initiated by:

- ◆ National Manager Marketing Services
- ◆ Regional Managers
- ◆ Business Managers