

KNet Technology Pty Ltd (ABN 91 070 043 266) Terms and Conditions of Sale

1) Order Receipt and Acceptance

No order will be accepted by KNet Technology Pty Ltd (ABN 91 070 043 266), hereafter called KNet, with out the requisite authority from the purchasing organisation or person. Such authority may be a Purchase Order, agreement to a quotation by quotation sign off, email or other method from an organisation or person with such authority as may make a request of KNet to supply. Any such order does not bind KNet to supply such equipment, software or other services, hereafter referred to as ES&S whether singular or plural. Such supply shall be solely at the discretion of KNet. KNet has an obligation to inform the customer as soon as practicable as to the delivery and time frame for delivery of the ES&S.

If KNet has extended credit to the purchasing organisation then such organisation immediately recognises such and agrees to comply with KNet's payment terms.

2) Title and Delivery

The customer acknowledges that the title of equipment and software and any and all items provided to the customer does not pass to the customer until the total payment for such has been received by KNet. The customer also expressly acknowledges that any and all risk for such equipment, software and other items passes to the customer on delivery of such to the customers' specified address.

3) Payment

Unless otherwise agreed payments of all invoices are net 7 days from the date of the invoice. KNet retains the right to charge a late payment fee of 2% above the then Commonwealth Bank Prime Lending Rate commencing at the date the invoice was due for payment. In the event that legal or mercantile costs are incurred by KNet in recovering overdue payments then KNet shall have the right to invoice the customer for such costs in recovering the overdue payment from the customer.

KNet may at its option ask for payments that are staggered to meet the requirements of the project.

For:

- a) Hardware, 3rd party software and network appliances – 50% on order and 50% on installation
- b) Software Application Development - 30% prior to project commencement and then in a payment schedule agreed between KNet and the customer prior to project commencement.
- c) Installation services – 30% on order, 60% on completion and 10% on acceptance.
- d) Customer Support Agreements and Service Level Agreement's or any other period contract that may be between the Customer and KNet.
 - i) Customer Support Agreements – Invoiced a minimum of 30 days prior to the commencement, renewal or anniversary date and paid by the customer 7 days prior to that commencement, renewal or anniversary date.
 - ii) Service Level Agreements – quarterly in advance and then monthly rolling to always be quarterly in advance.

3.1) Taxes

The customer shall be liable for all taxes as applicable in the jurisdiction of supply and payment. This including any goods and services tax (GST) taxes and levies arising out of changes in law, however designated unless the Customer provides KNet with an appropriate certificate of exemption. In the event that the Customer provides KNet with an appropriate certificate of exemption from any taxes owed, the Customer indemnifies KNet for any mistakes, omissions or other errors contained within that certificate which make that certificate void or otherwise not valid.

Notwithstanding the requirement for payment of GST if GST becomes payable with respect to any supply made or deemed to be made, or other matter or thing under or in connection with this Agreement the consideration otherwise payable by the Customer for the supply of ES&S from KNet, its contractors or subcontractors then the liability shall remain with the customer to make good any such payment.

KNet shall have an obligation to identify clearly to the customer in quote, order and invoice such taxes as may be applicable or the exemption of such taxes. KNet's further obligation is to provide all such documents as meet the standard required by law at the time of such document passing from KNet to the customer. E.g. a New Tax System (Goods and Services Tax) Act 1999 or its successor/s.

4) Warranty

All Goods supplied will be subject to the manufacturer's warranty, and no separate or additional warranty is provided by KNet.

All Services delivered by KNet are delivered to provide best endeavours and are subject to an agreed requirement of works between KNet, its third party requester, if such is involved, and the customer. KNet warrants that this work will be carried out as per the scope between its third party requester, and / or a scope directly with the customer.

To the extent permitted by law, and subject to the Trade Practices Act 1974 and the Fair Trading Acts of the various States, all other warranties and indemnities are hereby excluded. Without limiting the generality of this clause, KNet will at no time be liable for any consequential loss or damage, howsoever caused. Except as provided for by law and herein, KNet, its related corporate entities, subcontractors and suppliers make no warranties expressed or implied. KNet disclaims any warranties implied or statutory, including, but not limited to, any warranties of merchantability, satisfactory quality, fitness for a particular purpose, and non-infringement. The warranty remedies expressly provided in this Agreement will be the Customer's sole and exclusive remedies.

KNet warrants to the Customer that Professional Services and other contracted labour services will be carried out in a professional and workmanlike manner by qualified personnel. If such services have not been so performed and the Customer notifies KNet in a reasonable time during or after delivery of such services, and provides reasonable detail of the issue, then KNet will, at its option, re-perform the Service, correct the deficiencies or render a prorated refund based on the original charge for the deficient Service. KNet cannot and does not warrant uninterrupted or error free operation of any ES&S provided by it, its contractors or subcontractors and where Telephony products have been provided cannot warrant that these ES&S will prevent Toll Fraud.

5) Extraordinary Circumstances/Force Majeure

If KNet fails to fulfil, or delays in fulfilling its obligations under this agreement due to extra-ordinary circumstances or general circumstance beyond KNet's control, that failure shall not constitute a breach of KNet's obligations under this agreement if KNet resolves the issue as soon as practicable thereafter

6) Intellectual Property Rights

Any software or hardware development, corrections, upgrades, modifications and enhancements in the form of new or partial developments to programmes or documentation that is developed by KNet, its contractors or sub contractors and supplied to the customer will be provided to the customer as required or agreed between KNet and the Customer. Such Intellectual Property Rights that may be attached to such above shall remain the property of KNet, the developer of such as is common in Law.

The client also agrees to be bound by the Licence provisions of any and all products supplied by KNet to the customer and agrees to all conditions expressed in such agreements. Where Licences are from an Original Equipment Manufacturer (OEM) and supplied by KNet to the client, then such license must be agreed to between the customer and the Original Equipment Manufacturer.

7) Confidential Information and Privacy

It is an obligation of each party to this agreement to share as necessary information that may be deemed confidential so that the provision of ES&S can be delivered to the client. Such information is provided one party to the other and is to be used solely for the completion of the supply of ES&S.

Confidential information may include but not be limited to: market information, pricing, processes, business practices, procedures, Intellectual Property, business arrangement between any party in this agreement and another party irrespective if such is a current, past or future arrangement.

Such information must be kept confidential and may not be disclosed to any other party unless:

- a) Required to by a court of law
- b) Other overriding legal requirement
- c) To persons who have a need to know (and then only to the extent that each has a need to know) and who also are subject to a legally binding obligation to keep confidential the Confidential information.

Confidential information does not apply to information that can be proven to be in the public domain or in possession of either party prior to this agreement.

7.1) Privacy

Each party must comply with the:

Reasonable directions of the other party in relation to the handling of any personal information; and

Privacy Act as enacted in the jurisdiction of the provision of ES&S

8) Amendments

Neither party may vary or amend these terms and conditions without the joint consent of both parties. Such amendment, variation, addition or waiver shall be agreed in writing and signed by both parties by their authorised representative. In the case of KNet only a Director is an authorised representative.

KNet reserves the right to add other contracts as addenda to this agreement. These may include:

- a) Customer Support Agreements specific to application or Enterprise Software
- b) Service Level Agreements whether full service or part service
- c) Licence Agreements from 3rd party vendors
- d) Other Contracts as may be required from time to time between the Customer and KNet.

Where such agreements are included in the contract then manufacture warrantee or 3rd party warrantee shall take precedence in such warrantee and "fit for purpose" conditions. Where specific KNet contracts are provided that include performance indicators, resolution provisions and delivery time lines such shall be added to this contract and deemed to be part of these terms and conditions.

9) Termination or Cancellation

The Customer has the right to cancel orders it has placed on KNet for supply of ES&S with 30 days notice in writing to KNet. Such notice must be acknowledged by KNet. This notice date shall be taken from the delivered date supplied by KNet to the customer. However where KNet has ordered, or delivered, commenced development, design or other labour cost or expenses to deliver the requested ES&S on behalf of the customer the customer shall be liable for the payment of such ES&S that KNet in its sole discretion cannot send back to the 3rd party supplier for a refund or cannot resell. All labour, expenses or other costs must upon cancellation be paid to KNet.

10) General Provisions

This agreement supersedes all prior agreements between the parties. No amendment or waiver of any provision of this agreement shall be effective unless it is in writing and signed by each party. No failure or delay by either party in exercising any right, power or remedy hereunder shall operate as a waiver thereof. This agreement shall bind the parties and their successors and assigns, except that KNet may not assign or otherwise transfer its rights or obligations hereunder without the customer's prior written consent, which may be withheld in that party's absolute discretion or may be given on such terms and conditions as the customer thinks fit.

11) Agreement between the Parties

The conditions above and any attachments here-in is the sole agreement between KNet and the Customer unless otherwise agreed between the parties in writing.