

Stratco Group – Standard Credit Terms

1. **(Introduction)** These Credit Terms apply to every supply of credit by a Supplier identified in a Credit Application to Stratco and will be incorporated by reference, deemed part of, and govern any credit account established by the Supplier in favour of Stratco (Credit Account).
2. **(Other terms)** These Credit Terms operate to the exclusion of all other terms and conditions proposed or notified by the Supplier, irrespective of whether the Supplier's terms and conditions were proposed or notified prior to or after Stratco's Credit Application was submitted.
3. **(Supply Terms)** These Credit Terms apply in addition to Stratco's standard procurement terms and conditions, which apply to the supply of the Products and/or Services by the Supplier to Stratco.
4. **(Credit Application)** Stratco will apply for credit from the Supplier by submitting a Credit Application. The Supplier must notify Stratco if there is anything the Supplier is not sure of with respect to the details of the Credit Application.
5. **(Credit checks)** Stratco gives consent to and authorisation for the Supplier to request credit reports containing information about Stratco's commercial credit arrangements from credit reporting agencies for the purposes of assessing Stratco's Credit Application and/or its creditworthiness.
6. **(Trade References)** Stratco authorises the Supplier to obtain trading information from any trade references supplied by Stratco in its Credit Application.
7. **(Exclusion of Guarantees)** Under no circumstance will any corporate or personal guarantee be provided by Stratco or its officers or employees under these Credit Terms. Any guarantee purported to be given by or on behalf of Stratco or its officers or employees in relation to the Credit Application is void.
8. **(Contract formation)** A contract incorporating these Credit Terms (**Credit Contract**) between the Supplier (as lender) and Stratco (as borrower) is entered when the Supplier accepts or is deemed to have accepted a Credit Application under these Credit Terms. In the event of any inconsistency between these Credit Terms and the terms of an accepted Credit Application, these Credit Terms will prevail to the extent of any inconsistency.
9. **(Authority and acceptance)** Stratco will not be bound by a Credit Application unless it is issued by Stratco or on Stratco's behalf. When Stratco issues a Credit Application, the Supplier must promptly either accept or reject that Credit Application by notice to Stratco. The establishment of a Credit Account for Stratco, or the supply of any Products and/or Services by the Supplier to Stratco prior to the Supplier receiving payment in full, also constitutes deemed acceptance by the Supplier of the Credit Application and these Credit Terms.
10. **(Payment)** Stratco will pay for all Products and/or Services supplied by the Supplier within 30 days of the end of the month in which Stratco receives a valid tax invoice from the Supplier (**Due Date**).
11. **(Title)** Title to any Products will not pass to Stratco until the Supplier has received payment in full for the Products pursuant to clause 10 of these Credit Terms.
12. **(PPSA)** Stratco acknowledges the Supplier may be entitled under the PPSA to register its interest in Products the Supplier supplies to Stratco and Stratco waives its right to receive a copy of any such registration. Stratco will comply with any reasonable request by the Supplier (including providing information) necessary for the Supplier to perfect or otherwise ensure the enforceability and priority of the Supplier's security interest in the Products. Any costs incurred by either party to perfect or enforce the Supplier's security interest under the PPSA will be solely at the Supplier's expense. Neither Stratco nor the Supplier will disclose information of the kind described in section 275(1) of the PPSA without the other party's written consent, except as required or permitted by law or these Credit Terms.
13. **(Default Event)** Stratco must not cause or allow the occurrence or continuation of a Default Event. If a Default Event occurs, the Supplier may, without incurring any liability to Stratco:
 - 13.1 call up all monies owed to the Supplier by Stratco;
 - 13.2 terminate the supply of any Products and/or Services on credit;
 - 13.3 recover from Stratco compensation for any reasonable expenses incurred by the Supplier in relating to the enforcement of the Supplier's rights against Stratco;
 - 13.4 take immediate possession of any Products for which payment remains outstanding;

- 13.5 cease and terminate the Credit Account; and/or
- 13.6 exercise any other powers conferred by statute, law, equity or otherwise, in addition to the powers conferred under these Credit Terms.
14. **(Expenses)** Stratco must pay the Supplier all reasonable costs, charges, fees and expenses (including, without limitation, legal fees and costs and debt recovery expenses on a full indemnity basis) incurred by the Supplier in connection with the exercise or attempted exercise of any power, right or remedy under these Credit Terms and/or the failure of Stratco to comply with any of its obligations under these Credit Terms.
15. **(No set-off)** Neither party may set-off amounts owed by it to the other party against amounts owed by the other party to it.
16. **(Confidentiality)** The Supplier must not, and must ensure that its employees, agents and sub-contractors do not, without the prior written approval of Stratco, at any time use, disclose or give to any person any Confidential Information. This clause does not apply to Confidential Information that the Supplier proves is in the public domain other than as a result of a breach of these Terms or is required to be disclosed by any applicable law or the listing rules of any applicable securities or stock exchange. The Supplier must maintain, in accordance with good industry practice, appropriate administrative, physical, and technical safeguards for the protection of the security, confidentiality and integrity of any of Stratco's Confidential Information in the Supplier's possession or control.
17. **(Privacy)** To the extent the Supplier accesses or is provided with any Personal Information for the for the purposes of assessing Stratco's Credit Application and/or its creditworthiness, the Supplier must comply with all relevant Privacy Laws. If the Supplier reasonably suspects or becomes aware of a security breach in relation to Stratco's Personal Information, the Supplier must promptly notify Stratco in writing (within 48 hours) and provide Stratco with regular updates in relation to the Supplier's investigation and resolution of the security breach.
18. **(Termination)** Stratco may terminate a Credit Contract at any time by written notice to the Supplier provided there are no debts or liabilities that remain outstanding in respect of the relevant Credit Account. If a Credit Contract is terminated, the Secured Party must close the relevant Credit Account and remove any security interest it has registered against Stratco under the PPSA within 10 Business Days of the date of Stratco's written notice of termination.
19. **(Notice)**
- 19.1 Notices under these Credit Terms must be in writing. Any notice from the Supplier to Stratco or vice versa must be given using the relevant contact details provided in the Credit Application.
- 19.2 Notice is deemed to be received by the addressee:
- (a) when left at the addressee's address;
 - (b) if sent by pre-paid mail, on the sixth Business Day after posting; and
 - (c) if sent by email, at the time and on the day shown in a sending machine's transmission report which indicates that the whole email was sent to the addressee's email address last notified (or if the day shown is not a Business Day or the time shown is after 5pm at the addressee's location, at 9am on the next Business Day at the addressee's location).
20. **(Acknowledgement)** The parties acknowledge that these Credit Terms are subject to, do not purport to exclude, restrict or modify and do not have the effect of excluding, restricting or modifying, any laws which cannot be excluded, restricted or modified, and these Credit Terms will be read and applied accordingly.
21. **(Severance)** A provision in these Credit Terms must be read down to the extent necessary to be valid. If it cannot be read down to that extent, it must be severed.
22. **(Amendment)** A Credit Contract may only be amended by agreement in writing between Stratco and the Supplier.
23. **(Governing law)** These Credit Terms are governed by the laws of South Australia. The parties submit to the non-exclusive jurisdiction of the courts of South Australia and the South Australian division of the Federal Court of Australia and the courts of appeal from them. No party may object to the jurisdiction of any of those courts on the ground that it is an inconvenient forum or that it does not have jurisdiction.
24. **(Entire agreement)** These Credit Terms and the relevant Credit Application constitute the entire agreement between the parties for the supply of credit by the Supplier to Stratco and supersede all previous agreements, proposals, representations, correspondence and discussions in connection with same.

25. **(Interpretation)** In these Credit Terms: headings do not affect interpretation; singular includes plural and plural includes singular; reference to a person includes a body corporate, partnership, association and any other entity; a reference to a party is to a party bound by these Terms and includes the party's successors and permitted assigns and substitutes; a reference to two or more people means of them individually and all of them jointly; a provision must not be construed against a party only because that party prepared it; and the meaning of general words or provisions shall not be limited by references to specific matters that follow them (for example; introduced by words such as "including") or precede them or are included elsewhere in these Terms.

26. **(Definitions)**

Unless otherwise specified, in these Terms:

Business Day means any day except a Saturday or a Sunday or other public holiday or bank holiday in South Australia;

Confidential Information means all information (including without limitation data, trade secrets, recipes, ingredients, know how, formulations, samples, processes, supplier details, product development, operating procedures, technical information and any Personal Information) relating to Stratco and its related entities, in any form or media whatsoever, that is provided or otherwise made available (directly or indirectly) to the Supplier or the Supplier's employees, agents or contractors in connection with a Credit Application, Credit Account or these Credit Terms at any time before, on or after the date of the Credit Application, but does not include information which at the time of disclosure was or is in the public domain, except through disclosure by breach of these Credit Terms or other obligation of confidentiality;

Credit Account has the meaning given to that term in clause 1;

Credit Application means an application for credit (whether in electronic, written or other form) issued by Stratco to the Supplier;

Credit Terms means the terms and conditions set out above, as amended by the parties from time to time;

Default Event means any of the following events:

- (a) Stratco breaches a term of these Credit Terms and fails to rectify such breach within 14 days of receipt of written notice from the Supplier;
- (b) Stratco ceases or threatens to cease carrying on a business;
- (c) Stratco suffers, or in the reasonable opinion of the Supplier, is in jeopardy of becoming subject to any form of insolvency, administration or bankruptcy;

Personal Information has the meaning given to that term under the Privacy Laws;

Privacy Laws means the *Privacy Act 1988* (Cth) and any regulations, determination, code or guideline issued under that Act;

Products means any products to be provided by the Supplier to Stratco as agreed by the parties;

PPSA means *Personal Property Securities Act 2009* (Cth);

Services means any services to be performed by the Supplier for Stratco as agreed by the parties;

Stratco means Stratco (Australia) Pty. Limited ACN 007 550 754, Stratco (Qld) Pty. Ltd. ACN 010 474 996, Stratco (N.S.W.) Pty. Ltd. ACN 003 583 702, Stratco Pty Ltd ACN 007 528 850, Stratco (W.A.) Pty Ltd ACN 008 836 833, Stratco (Alice Springs) Pty Ltd ACN 061 118 456 and their related entities;

Supplier means the person from which Stratco obtains credit as described in the Credit Application.