1. DEFINITION OF TERMS
   (a) CAE is CAE Australia Pty Ltd
       A.C.N. 066 670 522, ABN 16 066 670 522.
   (b) SUPPLIER is the company, person, firm or any
       other business entity specified in this purchase
       order (“Order”) for the supply of goods or services
       to CAE.

2. The SUPPLIER shall be registered for Goods and
   Services Tax (GST) and shall provide valid tax invoices
   in accordance with the GST Act 1999.

3. Upon acceptance by the SUPPLIER, this Order is
   deemed to be subject to the conditions here on; these
   conditions shall supersede all conflicting SUPPLIER’s
   Terms & Conditions of Sale. Commencement of any
   work or the performance of any service by the
   SUPPLIER shall constitute acceptance of this Order.

4. Any change or alteration to this Order including prices
   and terms and conditions may only be made by way of
   issue and acceptance of an amended Order. The signing
   of a Delivery Docket/Despatch Note by any CAE
   personnel is only an acknowledgment of delivery of
   goods and in no way constitutes an agreement to vary
   these terms and conditions or to accept alternative
   SUPPLIER’s terms and conditions.

5. Unless delivery is affected within the time specified and
   to the requisite quality level, this Order or any part of it
   may be cancelled by CAE and without redress.

6. All goods supplied or work done in the execution of this
   Order shall conform as to the quantity, quality and
   description with the particulars and/or specifications
   contained in this Order and shall be of the best materials
   and workmanship of their respective kinds.

7. If samples have been supplied and approved by CAE,
   the goods so supplied shall be of the same quality and
   free of any defects which were not apparent when the
   samples were approved by CAE.

8. A Certificate of Conformance (C of C) shall be supplied
   with the goods when stated on the Order. Failure to
   enclose a C of C will render the goods liable to be
   returned at the SUPPLIER’s risk and expense.

9. The SUPPLIER warrants that the goods delivered
   hereunder are free from defects in materials,
   workmanship and design. CAE shall be entitled to give
   written notice of any defect arising under the proper use
   of the goods within a period of 12 months from delivery,
   and having regard to the nature of the defect, the
   SUPPLIER shall at CAE’s option repair or replace the
   goods free of charge.

10. The goods shall be packaged as customary to the trade;
    the packaging shall be adequate to protect the goods
    from damage whilst in transit or during delivery and
    shall take account of the mode of transport and
    associated handling procedures. Damaged goods are
    liable to be returned at the SUPPLIER’s risk and
    expense.

11. The packaged goods shall be clearly labelled with the
    delivery address and Order Number shown on this
    Order. The packaging shall not bear obsolete delivery
    information.

12. Each package shall contain a Delivery Note identifying
    this Order Number and listing all delivered contents and
    referencing these against Order Item Numbers.
    Multiple packages of the same delivery shall be clearly
    marked 1/n, 2/n where n is the total number of packages
    in the delivery.

13. All invoices shall be sent to CAE Australia Pty Ltd, at
    the address shown on this Order and shall reference this
    Order Number and relevant Delivery Note numbers.
    Invoices will not be paid until CAE is satisfied that the
    delivered goods are totally compliant with the
    requirements of the Order. Payment terms are specified
    in the Order or otherwise net 30 days from CAE’s
    receipt of the SUPPLIER’s correct invoice.

14. The SUPPLIER shall be responsible for the goods until
delivery to the point specified in the Order.

15. The SUPPLIER shall indemnify CAE against any loss
    or damage suffered by CAE and against any claims for
    injury to or death of any person or for loss of or any
    damage to the property of any other person by reason of
    any negligent act, or omission or breach of any law by
    the SUPPLIER or its employees, subcontractors or
    agents arising out of the execution of this Order.

16. Technical information, drawings, design and other data
    supplied by CAE are confidential and shall not without
    the prior written consent of CAE be disclosed to any
    third party; they shall be used solely for the purpose of
    this Order unless otherwise instructed.

17. Any tools, dies, jigs or models furnished or paid for by
    CAE shall remain the property of CAE and shall be
    returned in good condition on demand; they shall be
    used only for fulfilling CAE Orders and for no other
    purpose.

18. CAE may in its absolute discretion terminate this Order
    by giving written notice to the SUPPLIER. Such
    termination shall not prejudice the rights of either party
to entitlements accruing up to the date of termination.

19. These terms and conditions are governed by the laws
    of the State of NSW and any dispute arising which cannot
    be settled by negotiation between the parties shall be
    referred to the Australian Commercial Disputes Centre
    for arbitration.

20. No order is valid nor shall CAE be liable in respect of
    any purported order unless it is issued and confirmed on
    CAE’s Order form.

21. Any Special Conditions pursuant to this Order shall take
    precedence over the General Conditions stated above.