



# Commercial Agreement



# Terms and Conditions

## 1. Preamble

- 1.1 PA is a provider of Information Technology Products, Services and Support.
- 1.2 Client wishes to engage with PA to procure one or more Products, Services or Support from PA.

## 2. Definitions

- 2.1 "Agreement" means this document, these terms and conditions, the documents referred to in clause 3.3 along with the Appendix.
- 2.2 "Customisations" means changes, modifications or amendments to software applications.
- 2.3 "Help Desk" means the provision of telephone, internet or email assistance.
- 2.4 "Maintenance" means software updates, fixes and enhancements.
- 2.5 "Products" means third party vendor software applications, PA-developed software applications ("PA Products") and hardware.
- 2.6 "Services" means the provision of consulting and development activities, including Customisations and the provision of Subscriptions. This may include but not limited to: project management, business analysis, training, technical configuration, IT Infrastructure engineering, software-as-a-service, software-licence-as-a-service.
- 2.7 "Subscriptions" means the provision of software and or information technology services at a periodic fee for a period of time.
- 2.8 "Support" means Maintenance and/or Help Desk.
- 2.9 "Third Party Suppliers" are suppliers to PA where PA has been or is an authorised reseller or authorised representative.
- 2.10 "Appendix" means the document attached hereto entitled "Appendix".
- 2.11 "PPSA" means the Personal Properties Securities Act 2009 (Cth) as amended from time to time.
- 2.12 "PPSR" means the Personal Properties Securities Register established under the PPSA.

## 3. Engagement

- 3.1 The provision of Products, Services and Support from PA are governed by this Agreement.
- 3.2 Where certain Products are governed by product-specific licence agreements, such agreements are independent of this Agreement.

- 3.3 PA will provide Services to Client from time-to-time as verbally requested by Client or as described in written form such as an engagement letter, project scope agreement, solution design document, development order, change requests or statements of work which will form exhibits to these terms and conditions and unless stated to be fixed, these are provided on a time and materials basis.
- 3.4 Services may be provided either at a Client site or off-site.
- 3.5 Where there is inconsistency between this agreement and a document titled "Project Scope Agreement" or "Statement of Work" ("Additional Agreements"), the terms of the Additional Agreement shall prevail to the extent of such inconsistency. In all other circumstances, the terms of this Agreement shall prevail.

## 4. Fees, Payment

- 4.1 All amounts in this Agreement are specified and payable in Australian Dollars.
- 4.2 All charges are exclusive of GST and any other governmental duty or tax which is applicable in any jurisdiction. Any such tax shall be additionally charged to the Client at the appropriate rate in force from time to time. GST has the meaning given to it in the A New Tax System (Goods and Services Tax) Act 1999.
- 4.3 All Services are provided on a fee for service basis from time to time at such rates as are generally charged by PA to its customers for such services or as otherwise agreed between PA and the Client. Refer to Appendix A.
- 4.4 Time and Materials Services are invoiced weekly in arrears based on work performed.
- 4.5 All software and hardware will be invoiced and must be paid in full prior to delivery.
- 4.6 Support and Maintenance fees are payable annually in advance.
- 4.7 Subscriptions will be invoiced to the Client annually in advance and are payable prior to the commencement of subscription services.
- 4.8 Subscription Fees are payable from the date of the commencement of the Subscription, and are subject to the following:
- i. Third Party Suppliers to PA may decrease or increase the price to PA at any time and any such decrease or increase will be passed on to the Client on a pro rata basis. (For example, if a Third Party Supplier decreases its prices to PA by 5%, PA will decrease the Subscription fees by 5%);
- 4.9 The Client agrees to pay for all invoices within 14 days following date of the invoice unless stated otherwise on the invoice.
- 4.10 PA will determine a credit limit for the Client. The Client must make such payments to PA which keep the balance due to PA below such limit, irrespective of the payment terms contained in this Agreement.

- 4.11 A travel fee is applicable for on-site visits to Client premises as described in the Appendix to this Agreement.
- 4.12 PA may refuse provision of Support and Services where Client account is not maintained within payment terms, or where the Client is otherwise in breach of this agreement.
- 4.13 Any overdue amounts may be charged interest at the prevailing ANZ Business Retail Index rate, or, if that rate ceases to exist, such other rate as is specified by PA for that purpose. The client will be liable for all collection and legal costs. Any amounts due in respect of this agreement may not be offset against any other claims the client may have against PA

## 5. Term and Termination

- 5.1 In the event of any breach of any term or provision of the Agreement by either party, which is incapable of being rectified, the other party may terminate the Agreement by giving 30 days prior written notice thereof.
- 5.2 The parties may terminate this Agreement by mutual agreement.
- 5.3 Either party may terminate this Agreement immediately upon written notice to the other party if the other party becomes or threatens to become or is in jeopardy of becoming subject to any form of insolvency administration.
- 5.4 No refunds for Support or Products will be issued.
- 5.5 Client shall be responsible for payment of all Services rendered prior to the date of termination. PA may terminate the Agreement immediately with written notice if any invoice is unpaid for a period greater than 30 days following its due date.
- 5.6 PA reserves the right to suspend the provision of Services and Support if the Client engages any other party for similar Services or Support.
- 5.7 In the event of any breach or termination of the agreement by either party, which is capable of being rectified, the other party may terminate the agreement if the party in breach does not rectify such breach within 30 days of receiving a written notice to do so.

## 6. Limited Warranty

- 6.1 PA represents and warrants that: (i) it has the authority to enter into this Agreement; (ii) it will comply with all applicable law; (iii) Services will be provided in a professional and workmanlike manner; and (iv) to the best of its knowledge, Products, Services and Support will not violate the copyright or proprietary rights of any third party, provided, however, that PA expressly disclaims any warranty relating to infringement resulting from PA's use of tools, instructions, specifications, or other materials provided by Client to PA ("client materials") and provided, further, that the foregoing warranty shall not apply where Client or its Agents make modifications to any aspect of the results of the Services.

- 6.2 Customisations that are provided on a fixed price basis are subject to a 30 day warranty from the date of delivery. During this warranty period PA will resolve all programming errors specific to the Customisation specification. Errors or issues arising after this period will be resolved using chargeable Services.
- 6.3 Client represents and warrants that: (i) it has the authority to enter into this Agreement; (ii) it will comply with all applicable law; (iii) it has or has obtained the right to permit PA to supply any of the Products, Services or Support contemplated by this Agreement; and (iv) in entering into this Agreement it has relied upon its own experience, skill and judgement to evaluate the Products, Services and Support and that it has satisfied itself as to the suitability of the Products, Services and Support to meet its requirements.

## 7. Software Updates

- 7.1 For Products which the Client has licensed and has paid the relevant Maintenance fees, the vendor will from time to time, supply at no additional charge, new software versions and upgrades as they are made available. The Client is also entitled to receive software updates, patches and fixes at no additional charge.
- 7.2 Any Services associated with installation and/or upgrading of software, including the re-application or modification of Customisations are provided on a standard chargeable basis.

## 8. Independent Contractor Status

- 8.1 The parties hereto are independent contractors. Nothing in this Agreement shall be deemed to create any form of partnership, principal-agent relationship, employer-employee relationship, or joint venture between the parties hereto.

## 9. Indemnification

- 9.1 Subject to clauses 9.2, 9.3 and 10 hereof, PA agrees to indemnify, hold harmless and defend Client from and against any and all judgments, liabilities, damages, losses, expenses and costs (including, but not limited to, court costs and legal fees) incurred by Client and for which Client provides notice to PA within thirty (30) days of such claim which relate to the violation and infringement of any third party's copyright or proprietary rights ("Relevant Breach") arising in the provision of Services or PA Products.
- 9.2 Clause 9.1 does not apply where such Relevant Breach arises from PA's reliance on Client's instructions or specifications or where Client or its agents modify any aspect of the results of the Services, in which case Client shall indemnify PA.

- 9.3 In the event of any Relevant Breach, Client's sole remedy shall be that PA shall, in its sole discretion: (i) modify infringing materials to be non-infringing; (ii) obtain a license for Client to use the infringing materials; or (iii) subject to the limitation of liability provisions of this Agreement, provide monetary compensation to Client under this indemnity.
- 9.4 Client agrees to indemnify, hold harmless and defend PA from and against any and all judgments, liabilities, damages, losses, expenses and costs (including, but not limited to, court costs and legal fees) incurred by PA and for which PA provides notice to Client within thirty (30) days of such claim which relate to the Relevant Breach of any third party's copyright or proprietary rights arising in connection with the provision of Services where such Relevant Breach arises from PA's reliance on Client's instructions or specifications or where Client or its agents modify any aspect of the results of the Services.

## 10. Limited Liability

- 10.1 To the full extent permitted by law, and subject to the remainder of this clause, the parties agree that neither party to this Agreement shall have any liability, obligation or responsibility, whether in contract, tort (including but not limited to negligence), under statute or on any other basis, for any indirect, incidental, consequential, special or exemplary damages, or damages for loss of profits, revenue, data or use, arising in any way in connection with this Agreement, including, but not limited to, damage to property, injury to persons, lost profits, or delays or inconvenience, even if such party has been advised of the possibility of such damages.
- 10.2 Under the Competition and Consumer Act 2010 Act No. 51 of 1974 as amended (Cth) when implied conditions and warranties cannot be expressly excluded, PA limits its liabilities: i) in the case of Services, to the supplying of the Services again, or the payment of the cost of having the Services supplied again at the discretion of PA and ii) in the case of goods, to the resupply of the goods.
- 10.3 To the full extent permitted by applicable law, PA's maximum aggregate liability for damages under or in relation to this Agreement or in tort (including negligence), under statute or otherwise shall not exceed the amount of the fees paid by Client to PA under this Agreement during the previous 12 month period in which such claim arises.

## 11. Intellectual Property and Privacy

- 11.1 All rights in any intellectual property relating to the PA Products, Services, Support, Customisations, related documentation, or background material remain the property of PA.
- 11.2 PA retains all rights to intellectual property created in connection with its performance of Services, Support and Customisations hereunder or elsewhere.
- 11.3 PA grants, subject to this clause, to the Client a non-exclusive, irrevocable, perpetual, global licence to use the Intellectual Property Rights in any Customisations and result of Services provided to the Client for its own internal purposes. For the avoidance of doubt, the Client is not entitled to exploit the Intellectual Property referred to in this clause.

- 11.4 All Client data stored within the Product or its related components remains the property of the Client. The Client warrants that any logo or copyright material supplied by it to PA are its own and may be used with its authorisation. PA accepts no responsibility for the accuracy or protection of the Client's data except to the extent imposed by privacy legislation. The Client warrants that it has complied with all such legislation and will continue to ensure it does so.

## 12. Privacy Notice

- 12.1 PA will comply, and will ensure that all of its representatives comply with the Privacy Act 1988 in respect of all personal information collected, used, disclosed and otherwise handled by them under or in connection with this Agreement, .
- 12.2 Subject to the Privacy Act 1988, PA uses Client information to provide Client with information relating to PA or promotional details about products and services that may be of interest to Client, unless Client has previously advised PA not to be contacted for those purposes. Should Client no longer wish to receive information such as this, please notify PA using the contact details in section 12.3.
- 12.3 If Client has any questions or feedback about privacy, or wish to make a complaint about the way in which PA has handled Client personal information, contact PA as follows: (i) [privacy@pa.com.au](mailto:privacy@pa.com.au); (ii) 02 9919 8900; (iii) The Privacy Officer, Professional Advantage Pty Ltd, Level 16, 124 Walker Street North Sydney NSW 2060 Australia.



## 13. Confidentiality

- 13.1 Each party to this Agreement (each, a “Recipient”) shall protect and keep confidential all non-public information disclosed by the other party (each a “Discloser”) and identified as confidential by the Discloser (“Confidential Information”), and shall not, except as may be authorised by Discloser in writing, use or disclose any such Confidential Information for a period of three (3) years from the Termination Date. Upon termination or expiration of this Agreement, Recipient shall return to Discloser all written materials which contain any Confidential Information. The obligations of confidentiality shall not apply to any information which: (i) was previously known to Recipient; (ii) is or becomes publicly available, through no fault of Recipient; (iii) is disclosed to Recipient by a third party having no obligation of confidentiality to Discloser; (iv) is independently developed by Recipient; or (v) is required to be disclosed as a matter of law.
- 13.2 Both parties acknowledge that any use or disclosure of the other party’s Confidential Information in a manner inconsistent with the provisions of the Agreement may cause the non-disclosing party irreparable damage for which remedies other than injunctive relief may be inadequate, and both parties agree that the non-disclosing party may request injunctive or other equitable relief seeking to restrain such use or disclosure.

## 14. Solicitation

- 14.1 Both parties agree not to hire or attempt to hire employees or subcontractors of the other party without prior written consent, during the term of this Agreement and during the one (1) year period commencing upon termination of this Agreement. If consent is provided, then the ‘hiring’ party agrees to pay the other party a recruitment fee equivalent to four months of the salary package as compensation. This restriction also applies for a period of 12 months from the date of resignation/termination of any employee or subcontractor.

## 15. Delays

- 15.1 Neither party shall be liable for delays caused by fire, accident, labour dispute, war, insurrection, riot, act of government, act of God, or any other cause reasonably beyond its control; but each party shall use all reasonable efforts to minimise the extent of any such delay. PA shall not be liable to Client (or Client’s customers) for any delay in performance or any failure in performance hereunder caused in whole or in part by reasons beyond the control of PA and resulting from Client’s failure to furnish in a timely manner information, equipment, or materials necessary to perform the Services. This clause shall not apply in respect of any obligation of the Client to make a payment.

## 16. Retention of title

- 16.1 Title to the products shall remain vested in PA shall not pass to the Client until the purchase price for those Products and any Products previously supplied to the Client has been paid in full and received by the PA, and there are no other amounts due or payable by the Client to PA;
- 16.2 Until title to the Products passes in accordance with clause 16.1;
- 16.3 PA shall have the authority to retake, sell or otherwise deal with or dispose of all or any part of the Products;
- 16.4 PA and its agents and employees shall be entitled at any time and without the need to give notice enter upon any property upon which the Products or any part stored, or upon which PA reasonably considered that they may be kept;
- 16.5 The client shall store or mark the Products in a manner reasonably satisfactory to PA including that title to the Products remains vested in PA;
- 16.6 The Client shall insure the products to the full replacement value and arrange for PA to be noted on the relevant insurance policy as the loss payee;
- 16.7 Notwithstanding whether title to the Products remain vested in PA, risk in all respects regarding the Products shall pass to the Client upon delivery;
- 16.8 This agreement may create a registered security interest under the PPSA in the Products and any proceeds. Neither party has agreed to postpone the time for attachment of the security interest. The Client agrees that value has been given for the creation of the security interest;
- 16.9 Where PA has other enforcement rights in addition to the enforcement rights provided for under the PPSA, those other enforcement rights will continue to apply;
- 16.10 The Client must ensure that any security interest created is enforceable, that PA's priority is preserved and that any defect in the security interest is overcome, including by expeditiously executing anything required by PA;
- 16.11 The Client must not, without PA's written consent, sell, lease, dispose of, create a security interest in, mortgage or part with possession of the Products or any interest in them or permit any lien over them. The Client may only disclose information or documents if PA has given its prior written consent;
- 16.12 To the extent that the PPSA permits, the Client waives its rights to receive a copy of any verification statement or financing change statement, any notice required under the PPSA, and its rights under sections 95, 96, 117, 118, 120, 121 (4), 123, 125, 126, 128, 129, 130, 135, 142 and 143 of the PPSA

## 17. Amendments

17.1 Changes to this Agreement need to be agreed in writing by both parties.

## 18. Assignment

18.1 Neither party may assign its rights or obligations hereunder (except to subsidiaries or affiliates) without prior written consent of the other party, which consent will not be unreasonably withheld.

## 19. Governing Law

19.1 This Agreement will be governed by and is construed in accordance with the laws of New South Wales, Australia without regard to its rules concerning conflicts of laws. The parties irrevocably submit to the exclusive jurisdiction of the courts of New South Wales, Australia.

## 20. Acceptance

20.1 By engaging PA to deliver any goods and services to the Client, the Client accepts these terms and conditions.

# Appendix A

## A1 Fees

PA reserves the right to amend rates from time-to-time.

### Minimum Charges

Minimum charge of 3 hours for on-site work

Minimum of 1 hour for remote services work

## A2 Weekend, Public Holiday or out of hours

Services performed on a weekend, public holiday or out of hours will be charged at double rates. Out of hours is deemed to be between the hours of 6pm to 8am.

## A3 Cancellation

If a client cancels a service booking the following cancellation fees will apply:

- Less than 5 business days' notice, 50% cancellation fee
- Less than 2 business days' notice, 100% cancellation fee

Cancellation fee will not exceed 5 days' worth of consulting.

## A4 Travel charges

For metropolitan clients, (i.e. clients within 50kms of a PA office) a travel zone fee is applicable for any on-site visit by PA resources to a Client premise. The fee is in lieu of charging any expenses. The fee is calculated on the basis of the approximate cost of a return taxi fare.

For non-metropolitan clients, (i.e. clients located beyond 50kms of a PA office) PA will pass on expenses at cost plus charge the time taken to travel to and from the Client's premises. Travelling time will be charged at 50% of the standard rate.

**Note:** Where a client specifically requests the services of a named or specialist consultant whose base location is in a different city from the client or where work could be done remotely but the client insists on work being done on site or does not give permission for remote access, the non-metropolitan rule will apply, even if the client's premises are located within 50kms of a local PA office.