PRE-PURCHASE TIMBER PEST/TERMITE INSPECTION

Visual Inspection

The Pest Bully ("TPB") conducts its **Pre-Purchase Timber Pest Inspections** in accordance with the requirements of **Australian Standards AS4349.3-2010 Inspection of buildings Part 3**.

TPB's **Pre-Purchase Termite Inspections** are conducted in accordance with the requirements of **Australian Standards AS3660.2-2000 Termite Management Part 2: In and around existing buildings and structures**.

Termite Inspections are **not** recommended for Pre-Purchase Inspections.

Both of the above inspections will be a non-invasive visual inspection limited to those areas and sections of the property referred to below to which reasonable access is both available and permitted at the time of inspection. The inspection will not cover inaccessible areas including but not limited to concealed frame timbers or any area concealed by wall lining/cladding, inside skillion roofing, floor coverings, furniture, appliances, behind stored items or other obstructions to visual inspection. The inspection will not involve breaking apart, dismantling, removing or moving objects including but not limited to, foliage, mouldings, insulation, floor or wall coverings,

Non-invasive procedures

The Pest Bully technician may use a probe/tapper or screwdriver to tap and sound some timbers and may use a knife to carry out "splinter testing" on structural timber in the sub-floor or roof void.

Visible Timbers cannot be destructively probed or hit without the written consent of the property owner, and such procedures will not be performed during Pre-Purchase Inspections. The technician may use a moisture meter to check moisture levels in walls that back onto wet areas such as showers etc. Other than these areas the moisture meter will not be used on other surfaces except where the visual inspection indicates that there may be a need to further test the area.

TPB <u>will not</u> perform any other invasive procedure such cutting, breaking apart, dismantling, removing or moving objects including, but not limited to, roofing and wall and ceiling sheeting, ducting, foliage, mouldings, debris, sarking, roof insulation, sisalation, floor or wall coverings, fixtures, sidings, pavers, floors, furnishings, appliances or personal possessions, unless a separate contract is entered into.

TPB technician can't see or inspect inside walls, between floors, inside eaves, inside skillion roofing, behind stored goods in cupboards, in other areas that are concealed or obstructed. Insulation in the roof void may conceal the ceiling timbers and make inspection of the area unsafe. If the property to be inspected, is occupied, you should be aware that furnishings and/or household items may conceal evidence of Timber Pests, which may only be revealed and visible when the items are removed or moved. If you are the purchaser and not the owner of the property to be inspected, you should obtain a statement from the owner as to any timber pest activity or damage to the property known to them and what, if any, treatments have been carried out to the property. It is important to obtain copies of any documentation issued and the details of any repairs carried out. Ideally the information obtained should be accessible to the technician prior to the inspection conducted at the property.

Scope of Inspection and Report

The inspection is confined to reporting on the presence of, and/or damage caused by subterranean and damp wood termites (white ants) borers of seasoned timber and wood decay fungi (rot) (collectively referred to as "Timber Pests") present on the date and time of the inspection. The inspection will not cover any other pest and they will not be referred to in the inspection report. The inspection does not cover borers of seasoned timber or wood decay (rot) but the report may contain a reference to them as a conducive condition for termite activity if visual evidence of infestation is found.

In both cases the Inspection will not cover any other pests and the Report <u>will not</u> comment on them. Dry wood termites (*Kalotermitidae*) and European House Borer (*Hylotrupes bujules Linnaeus*) will be excluded from the Inspection.

The inspection will report any evidence of termite treatment that happens to be found. Where evidence of a treatment is reported, you should assume that the treatment was applied as a curative and not as a preventative. You should obtain a statement from the owner as to any treatments that have been carried out to the property. It is important to obtain copies of any documentation issued.

Mould

Mildew and non-wood decay fungi are commonly known as mould and is not considered a Timber Pest but may be an indicator of poor ventilation or the presence of termites, wood decay or water leaks. Mould and their spores may cause health problems or allergic reactions such as asthma and dermatitis in some people.

Limitations

A Timber Pest Inspection is not a guarantee that inaccessible or partly inaccessible areas or sections of the property or any adjoining property as at the inspection date are not or have not been infested by Timber Pests. Our inspection is NOT A GUARANTEE that an infestation or damage does not exist in any inaccessible or partly inaccessible areas or section of the property or any adjoining properties, nor is it a guarantee that future infestation of Timber Pests will not occur or be found. No inspection of furnishings or household items will be made. In an occupied property, furnishings and household items may conceal evidence of Timber Pest damage or activity that may only be revealed when the item is removed.

Reports, Hidden Damage and Repairs

The inspection and our subsequent report cannot state the extent of any damage from Timber Pests. If any Timber Pest activity or damage is found, it will be noted in the inspection report. It is strongly recommended that a builder, engineer, architect or other qualified person in the building trade be asked to determine the full extent of damage to the structure and the extent of repairs required. If timber pest activity or damage is found, either within the structures or the grounds of the property, then damage may exist in concealed areas such as wall timbers. An invasive inspection is strongly recommended in this case. Damage may only be found when wall linings and/or cladding are removed to reveal the concealed areas. If activity is not found at the time of inspection, this is not a guarantee that timber pests are not present. TPB is not responsible to repair any damage disclosed in the inspection including timber pest infestation or damage which exists in areas or timbers which

were not accessible for visual inspection on the date of inspection unless agreed by way of separate agreement with TPB.

Recommendations

The inspection report will set out recommendations for reducing the risk of Timber Pest infestation including matters such as ensuring adequate sub floor ventilation, fixing broken or inadequate drainage, removing surplus or rotting wood around the building and the inspection of trees in adjoining areas or properties. The report will also include recommendations for future inspections and the recommended time interval based upon a risk assessment of the circumstances at the property. Recommendations may also include timber pest treatments and / or termite treatment programs. Any treatment program will be the subject of a separate proposal and terms and conditions.

Terms and Conditions

- **1. The Service:** The Pest Bully Trust (ABN 86950 345493) agrees to provide a visual timber pest / termite inspection at the Premises specified and in accordance with Australian Standards and these terms and conditions. Important information about this service is set out above. All references to Timber Pests means subterranean termites, borers and wood decay fungi.
- **2. Payment:** Our Fee (which is inclusive of GST) is payable in full on the day our Service is rendered. Where the Client authorizes charges to a credit card or by direct debit from a bank account, a charge for the Fee will be processed on the day the Service is rendered. Interest will be charged on amounts overdue for payment at the rate of 2% above the rate charged by TPB's Bank for overdrafts under \$100,000 from the due date until paid calculated daily. Should TPB incur costs to a collection agency or legal fees in recovering any unpaid monies, these fees will be payable by the Client on an indemnity basis.
- **3. Access:** The Client will provide access to those areas of the premises required by TPB at times agreed with TPB to carry out the inspection. TPB shall be entitled to charge the Client at its normal hourly rate for any wasted journeys due to a Client not observing an appointment, delays in carrying out inspection and/or treatment or cancellations as a result of the Client's failure to provide access. TPB personnel will present identification to the Client upon request and comply with all reasonable requests while present at the premises.
- **4. Areas Inspected:** The area of a property to be inspected will include the main structure and adjoining outbuildings and susceptible trees on the property within a 50-metre distance of the main structure. The inspection area/s is within the boundaries of the property.
- **5. Inaccessible areas:** The Client acknowledges that it is possible that Timber Pest infestation and damage may exist in unexposed areas of the Premises or in areas that are inaccessible to visual inspection. Therefore, TPB cannot guarantee the visual inspection will disclose all timber pest activity or damage in the Premises as at the date of the inspection. The Client acknowledges that the services of a licensed builder or other structural expert may be necessary to fully determine the extent of infestation or damage in all areas of the property.
- **6. Reliance on Service and Report:** The Visual Timber Pest Report and any other report provided by TPB is provided solely for the benefit of the Client named in the report. No report may be

transferred by the Client to another person without the prior written approval of TPB that may be given conditionally or withheld. The Client is not entitled to represent the condition of the Premises based upon any inspection by TPB and if the Client does so, it must indemnify TPB against any claims from any third party relying on the content of any Report.

7. Force Majeure: TPB shall not be responsible for any failure to meet its obligations to a Client if the failure is the direct or indirect result of a cause beyond its control.

8. Non-Solicitation

For the duration of this Agreement and for a period of six (6) months after, the Client shall not directly or indirectly employ, engage or enter into any contract for works or services with any employee of TPB without the prior written consent of TPB. The client acknowledges that a breach of this will give rise to considerable cost being incurred by TPB. In the event of any such breach the Client agrees to make the following payments to TPB: a) the full recruitment costs associated with the recruitment of a replacement for the employee including for advertising, agency fees, and reasonable internal management time; b) any additional costs incurred by TPB in the employment of temporary staff to provide cover in whole or in part for the said employee during any recruitment period; and c) refund any training expenses incurred by TPB including but not limited to the costs reasonably associated with time on the job training. If TPB consents to the employment of any of its employees by the Client, such consent does not vary or amend the duties of confidentiality owed by the said employee to TPB, nor the Clients obligations under this Agreement.

9. Subcontracting

The Client agrees that TPB may subcontract any or all the work to be performed under this Agreement. TPB acknowledges that it remains responsible for performance of the Services, notwithstanding the appointment of a Subcontractor.

10. Entire Agreement: These terms and conditions must be read in conjunction with the Important Information on Timber Pest Inspections set out above that together contain the entire understanding of the parties. Save for the *Competition and Consumer Act 2010* (Cth) or other laws which cannot be excluded or modified by agreement ("consumer laws"), all other terms, representations, conditions, guarantees, undertakings, warranties including liability for negligence which might have been implied by law or have any application are expressly excluded to the fullest extent permitted by law. No variation, extension or exclusion shall be binding upon TPB unless agreed in writing by an authorized manager of TPB.

11. Liability:

11.1 The Report is provided for the benefit of the Client only. TPB accepts no responsibility whether in contract, tort or otherwise, including in relation to negligence, to any third party as a result of the provision of any inspection or report. Any third party acting or relying on this report, in whole or in part, does so entirely at their own risk. However, if ordered by a Real Estate Agent or a Vendor for auctioning a property, the Inspection Report may be ordered up to seven (7) days prior to the auction, and copies may be given out prior to the auction. The Report will be valid for fourteen (14) days during which time it may be transferred to the purchaser. Provided the purchaser agrees to the terms of this agreement, they may rely on the report subject to the terms and conditions of this agreement and the report itself.

- 11.2 If the Client is a "consumer" under consumer law, the Services provided by TPB come with guarantees and remedies that cannot be excluded by law and TPB's liability to the Client shall be limited to remedies provided under consumer laws.
- 11.3 Subject to Clause 9.2 and to the extent permitted by law, all representation, warranties, guarantees and conditions (other than those provided in writing by TPB) express or implied, statutory or otherwise are excluded. Liability for a breach of any condition or warranty on the part of TPB that cannot be excluded shall be limited to:
- (i) the re-supply of the report; or
- (ii) the cost of the re-supply of the report by TPB as determined by TPB is its absolute discretion.

12. Complaints procedure:

In the event of any dispute or claim resulting from, or relating to the Inspection or the Report, you must notify TPB immediately of the dispute or claim by email or mail. You must allow us (or persons nominated by us) to visit the property. Such visit must occur within twenty-eight (28) days of your notification to us and you have to arrange/give us full access in order to allow and enable us to fully investigate the complaint. You will be provided with a written response to your dispute or claim within twenty-eight (28) days of the date of the inspection.

If we fail to respond to your claim satisfactorily, you must refer the matter to a Mediator, nominated by us, from the Institute of Arbitrators and Mediators of Australia within twenty one (21) days of your receipt of our written response. Costs relating to the mediator and mediation process will be equally borne by both parties or as agreed as part of the mediated settlement. Any dispute/claim not resolved during mediation will then proceed to arbitration. The Institute of Arbitrators and Mediators of Australia will appoint an Arbitrator who will hear and resolve the dispute. The arbitration, directed by the Arbitrator, will proceed in the following manner:

- a. All written submissions and evidence from parties involved, are to be handed to the Arbitrator within twenty- one (21) days of the final day of arbitration. Costs, if any, may be determined by the Arbitrator as well as time of payments and by whom (relevant parties involved). The Arbitrator's decision is final and binding on both parties involved. Any costs or amounts payable by parties, as determined by Arbitration, will be paid within the determined payment dates. If no dates are determined then any payments/costs will be made within twenty- one (21) days of the order.
- b. In the event that you do not comply with the Complaints Procedure as per above and chooses to commence litigation against us, you agree to indemnify us completely against any costs, legal fees, expenses or any awards incurred by us in having to set aside litigation or adjourned to permit the foregoing Complaints Procedure to be completed.
- **13. Privacy:** The Client authorizes TPB, its employees and related entities, subject to compliance with the *Privacy Act 1988* to use and disclose the personal information of the Client in accordance with its Privacy Policy which can be accessed at www.thepestbully.com.au. This use includes communicating information and offers to the Client about products and services from TPB. The Client has the choice to opt out of receiving this information in future.
- **14. GST and Taxes:** Where the Client is an individual, the Fee is inclusive of GST. In all other cases, where the supply of a service under this Agreement is subject to GST, the Client must, subject to TPB

providing the Client with a valid tax invoice, pay an additional amount to TPB equal to the Fee multiplied by the prevailing GST rate. The Client must also pay any other governmental taxes levied or assessed in relation to this Agreement.

15. Governing Law: This Agreement is governed by the laws of the State or Territory where the Service is being provided to the Client and the parties submit to the jurisdiction of the courts of that State or Territory.

DEFINITIONS

You should read and understand the following definitions of words used in this agreement and the report. This will help you to understand what is involved in a Timber Pest Inspection and the contents of the report that you will receive following the inspection.

Access hole - A hole in the structure, through which a person can enter an area.

Active - live timber pests were seen during the inspection.

Client – the person(s) who requested the report. If the report has been ordered by client's Agent, then it is agreed that the Agent represents the client and has the authority to act for and on behalf of the client.

High Moisture Reading – a reading on the moisture meter that is higher than the norm for parts of the structure. High readings should be investigated by an invasive inspection, as the reading could indicate a leak or timber pest activity and damage.

Inactive – no active (see definition above) timber pests were detected but evidence such as damage, mudding, workings or exit holes was found at the time of the inspection.

Note: where visual evidence of inactive termite workings and/or damage is located, it is possible that live termites may still be in the immediate area and could continue to cause more damage. It is not possible, without further investigation and inspections over a period of time, to determine whether an infestation is active or inactive. Continued, regular, inspections are essential.

Property – the structure, gardens, trees, fences etc. up to thirty (30) meters from the exterior walls of the main building but within the boundaries of the land on which the building stands. Unless you specifically order in writing that structures, gardens, trees, fences etc. outside of the thirty (30) meters from the exterior walls of the main building are to be inspected, no such inspection will be carried out.

Reasonable Access – only areas to which have reasonable access will be inspected. The Australian Standards AS 36620 refers to AS 4349.3-2010 which defines reasonable access. Access will not be available where there are safety concerns, obstructions, or the space available is less than the following:

Roof Void – the dimensions of the access hole should be at least 500mm x 400mm, and, reachable by a 3.6 M ladder, and have at least 600mm x 600mm of space to crawl;

Roof exterior – must be accessible by a 3.6m ladder;

Subfloor – access is normally not available where dimensions are less than 500mm x 400mm of crawl space beneath the lowest bearer, or, less than 500mm beneath the lowest part of any concreate floor;

The technician will determine whether sufficient space is available to allow safe access in confined areas.

Reasonable access does not include the use of destructive or invasive inspection methods. Nor does reasonable access include cutting or making access traps or moving heavy furniture or stored goods.

Report – the information given to you following the inspection by our technician.

Termites – subterranean and Damp Wood termites (white ants) and does not include Dry Wood termites.

Our/Us/We – the company, partnership or individual named below that you have requested to carry out a Timber Pest Inspection and report.

You/Your – the party identified as the client on the front page of this agreement, and where more than one party all such parties jointly and severally, together with any agent of that party.