

General Conditions of Purchase

ACCEPTANCE

1. These General Conditions of Purchase ('**Conditions**') will apply to all orders and purchases of goods and/or services supplied to Alstef Group ('**Alstef**') from you ('**Supplier**'). These Conditions take priority over any express or implied terms of trade or other provisions issued by the Supplier and no other terms apply unless expressly agreed to or specified in writing by Alstef. Alstef may vary these Conditions for future supplies of goods and/or services by notice to the Supplier.
2. Alstef does not accept responsibility for any order unless it is issued on Alstef's standard order form from time to time ('**Order**') duly signed by Alstef and which Order is acknowledged by the Supplier. No variation of any Order will be binding unless approved in writing by Alstef. An Order once issued shall be deemed an offer to purchase the goods and/or services specified therein and upon these Conditions together with any specific terms and conditions set out in the Order. Written acceptance of such Order, or the commencement of any work by the Supplier, shall constitute a contract for sale and purchase of the goods and/or services and acceptance by the Supplier of these Conditions together with any specific terms and conditions set out in the Order. To the extent of any conflict between these Conditions and any terms and conditions set out in the Order, the terms and conditions set out in the Order will prevail.

PACKAGING/MARKING

3. All goods supplied must be clearly marked with inter alia, the Supplier's name, the description and quantity of the contents. All goods must be packed in such a manner as to reach Alstef in good condition. The Supplier must adequately pack and protect the goods supplied against damage or deterioration and the Supplier must deliver the goods no later than the time specified in the relevant Order. Time will be of the essence and the Supplier will keep Alstef informed of any likely delays to delivery. The Supplier will reimburse Alstef for all expenses incurred by Alstef, whether direct or consequential, as a result of improper and/or faulty packaging or marking or late delivery. Glide path may cancel any Order placed by it at any time prior to it being accepted by the Supplier in writing.
4. Cases and packing materials are to be supplied free of charge unless otherwise agreed. Where requested, empties will be returned at the Supplier's expense, but, whilst every care will be taken to ensure their return, no liability will be accepted by Alstef in this respect.

DOCUMENTS

5. The Supplier will send in respect of each Order:
 - a. an advice note with all goods, detailing Alstef's order number, description, code number (if any) and quantity of the goods consigned, means of transport, point and date of despatch.
 - b. a copy of the advice note to the address from which the Order was issued.
 - c. detailed price invoices (including the Supplier's name, Alstef's order number and delivery point) to the ordering or other office as instructed on the Order.
 - d. an advice note indicating any substances in the goods which are or may be hazardous to human health, animal health, or the environment by clearly marking those goods and their packaging and by including appropriate and prominent precautions in documentation accompanying such goods.

PRICE AND PAYMENT

6. Unless otherwise stated by Alstef, the prices shall be those specified in the order and shall include the costs of delivery to the destination point stated in the Order and all taxes, duties and other costs.
7. Payment will be made without prejudice to Alstef's rights should the goods and/or materials prove unsatisfactory or are not in accordance with Alstef's ordering instructions. If Alstef disputes any amount claimed in an invoice, Alstef will advise the Supplier in writing of the nature of the dispute as soon as practical and pay any undisputed portion of the invoice in accordance with these Conditions. Within 5 days of the date of resolution or determination of any disputed invoice, Alstef will pay to the Supplier the disputed amount of the invoice as resolved or determined.
8. Payment will be made by Alstef in accordance with the payment terms agreed with each supplier and on receipt of a valid tax invoice by Alstef from the supplier.
9. Alstef shall be entitled to deduct from and set off against any payments due to the Supplier any credits, fees, discounts, claims or other amounts from time to time owing by the Supplier to Alstef.

INSPECTION AND TESTS

10. Before despatching the goods, the Supplier will carefully inspect and test them for compliance with the Order. If requested, the Supplier will give Alstef reasonable notice of such tests, which Alstef shall be entitled to attend. The Supplier will supply Alstef with certificates of the results of the inspection in such a form as Alstef may require.
11. If specified in the Order, a representative, duly authorised by Alstef, or where applicable, by Alstef's customer is to be granted access, at all reasonable times, to the Supplier's premises (previous notice having been given by Alstef) and allowed to inspect and test the goods and materials to be supplied during their manufacture. Such inspection and tests

will not relieve the Supplier from any liability or responsibility nor be interpreted as in any way implying acceptance of such goods or materials.

12. If any goods or materials fail to pass these inspections or tests or if they are not of the stipulated quality, weight or measurement, or otherwise in accordance with the Order, Alstef may, without prejudice to any other rights or remedies specified in these Conditions:
 - a. require the Supplier, within a reasonable time, to replace the rejected goods with goods which comply with the Order, or
 - b. reject any such goods and materials and cancel (in part or whole) the Order in Alstef's sole discretion, purchase elsewhere goods and materials as nearly as practicable to the same specification, requirements and standards as circumstances permit.
13. Without limiting any other available rights or remedies, Alstef may deduct any costs, loss or damage incurred by Alstef resulting from such failure including additional costs incurred by it in purchasing substitute goods or any part thereof, from any monies then due or thereafter to become due to the Supplier and recover forthwith from the Supplier such amounts or any part thereof which has not been deducted.

FAULTY GOODS

14. The Supplier shall notify Alstef in writing without undue delay, should they become aware of any quality issues which may affect the safe use of their product/s. In such cases the Supplier shall implement a recall procedure and identify the distribution of the affected products and work with Alstef to provide a suitable resolution. The Supplier shall be liable for all costs associated with a product recall, including but not limited to; replacement product costs, labour costs, distribution costs and consequential damages.

DELIVERY

15. Goods are to be delivered on the date and at the place and price specified in the Order. Alstef reserves the right to purchase elsewhere other goods and materials in the Order or any part thereof which is not executed by the specified date or any extended date agreed by Alstef and the Supplier will pay the amount of any extra costs and expenses incurred unless the Supplier's failure is due to industrial dispute or any cause beyond the Supplier's reasonable control.
16. Risk of any loss, damage or deterioration of or to the goods, and title to the goods passes to Alstef on delivery to the place specified in the applicable Order. Where goods are delivered by the Supplier directly to Alstef's customer, the Supplier shall provide Alstef within seven days with confirmation that delivery has been made to the customer.

TOOLS PATTERNS ETC

17. All tools and patterns and drawings, designs and other documents supplied by Alstef or made at Alstef's expense, including any improvements or modifications to the same developed by the Supplier will remain Alstef's sole property, shall be treated as confidential, and shall not be disclosed by the Supplier or any other person, company or firm, nor used by the Supplier except for the purpose of implementing the Order. The Supplier shall immediately return to Alstef at Alstef's request all such tools, patterns, drawings designs and other documents.

CONFIDENTIALITY

18. Each party undertakes to the other that neither it nor its officers, employees, agents, and/or subcontractors will divulge any information of a confidential nature to others, without prior written consent of the other party, otherwise that as required in the ordinary course of performing its obligations under this contract or as may be necessary for Alstef to promote, sell or service the goods or as required by law.
19. All confidential information provided by Alstef will be and will remain the property of Alstef, and the Supplier must:
 - a. use such confidential information only for the purpose of this contract and/or fulfilling an Order; and
 - b. return the confidential information to Alstef upon Alstef's request at any time or if no request is made, upon completion or termination of this Contract.

ASSIGNMENT

20. The Supplier may not assign or sub-contract the performance of any Order (in part or in whole) without Alstef's prior written consent.

WARRANTY

21. The Supplier warrants that the Supplier has the right to supply the goods and/or services and that the goods and/or services supplied pursuant to the Order will in all respects conform with the specifications, drawings, samples, instructions or other descriptions furnished by Alstef, and further that the goods and/or services will:
 - a. be of first class workmanship, free from defects of any kind, and suitable for purposes for which they are intended and fit for any particular purpose required by Alstef and made known to the Supplier (or of which the Supplier should reasonably be aware);

- b. comply with any applicable statutory requirements and be free of any security interest, charge, lien or other encumbrance;
 - c. not infringe nor violate any third party intellectual property rights;
 - d. be delivered in accordance with clause 15; and
 - e. where installation is required, be installed by persons with the requisite skill and experience, demonstrating first class workmanship.
22. The warranties specified in clause 21 shall be in addition to warranties implied by law, shall subsist notwithstanding acceptance by Alstef of goods and/or services with respect to which such warranties are and shall remain applicable, and will be deemed to be given and continue to apply both as at the time of delivery, and in the case of those warranties relating to compliance with specifications, drawings, samples, instructions, descriptions or otherwise relating to workmanship, absence of defects and/or suitability for purpose, for:
- i. in respect of raw materials, a period of not less than 2 years (or such longer period as would reasonably be required by Alstef in respect of such materials) from the date of delivery;
 - ii. in respect of parts, components, goods or equipment manufactured or provided by the Supplier to Alstef, and whether for inclusion in products provided by Alstef to Alstef's clients and/or customers, not less than 2 years from the time that such items (or items within which such items are contained) are installed by either Alstef or Alstef's clients or customers and Alstef's client or customer has commenced using such products.
23. The Supplier acknowledges that for the purposes of these Conditions and in relation to any Order between the Supplier and Alstef, Alstef is to be treated as a "consumer" in terms of the Consumer Guarantees Act 1993.

DEFAULT

24. If the Supplier breaches any of the warranties contained in clause 21 or any other provision of these Conditions any Order or other contract or arrangement with Alstef, then at the sole discretion of Alstef and without prejudice to any other remedy or right it may have, Alstef may:
- a. suspend payment for the goods and/or services until the breach has been remedied;
 - b. reject the goods and/or services in whole or in part and return the goods to the Supplier at the Supplier's risk and expense and the Supplier must immediately reimburse Alstef for any monies paid in respect of any rejected goods and/or services;
 - c. require the Supplier to (at Alstef's sole discretion) replace, repair, reinstate or resupply the goods and/or services to Alstef (at the Supplier's expense) so they conform to the relevant Order; or
 - d. Alstef may have the goods and/or services replaced, repaired, or resupplied by another entity and recover the cost of doing so from the Supplier.
25. Notwithstanding clause 24 if the Supplier is in breach of any of these Conditions, any Order or other contract or arrangement with Alstef, Alstef shall be entitled to cancel this contract and any other contract or arrangement to purchase goods and/or services from the Supplier without notice or payment of any sums to the Supplier, except for goods and/or services already delivered to Alstef and which comply with the relevant Order.

LIABILITY

26. The Supplier will keep Alstef fully indemnified against all actions, proceedings, claims, demands, damages, costs, charges and expenses whatsoever brought or made against Alstef or sustained or incurred by Alstef in respect of or as a result of:
- a. any infringement or alleged infringement of any Letters Patent, Registered Design, Copyright or Trademark by the use or sales of any article, goods or materials supplied to Alstef unless the infringement is due to the Supplier having followed Alstef's Design or instruction;
 - b. any injury, loss or damage to persons or property caused by the negligence of the Supplier, the Supplier's subcontractors or agents or by faulty design, workmanship or materials unless the injury, loss or damage is caused directly by the acts or omission of Alstef or of others; or
 - c. a breach of the warranties provided in clause 21 of these Conditions.
27. The Supplier will pay all costs incurred by Alstef, including costs on a solicitor-client basis and debt collectors' costs, relating to the enforcement or attempted enforcement of these Conditions.
28. Cancellation of an Order does not affect any responsibilities that are intended to continue or come into effect under this or any other contract or arrangement.

BANKRUPTCY OR LIQUIDATION

29. The Supplier must notify Alstef of any changes in the partnership or change in the ownership, directorship, and effective control (as the case may be) or a material change in the nature of the Supplier's business no later than 14 days prior to any such proposed changes coming into effect. Alstef shall not be obliged to continue to purchase any goods from any such new owner or changed business and may elect to cancel (without cost or penalty) any Order.
30. The Supplier shall be liable to Alstef for all losses, unpaid accounts, interest, damages, costs, charges, fees and expenses incurred by Alstef under any contract, as a result of the Supplier being in breach of clause 29 or as a result of Alstef trading with any person, company or entity which may have acquired the Supplier's business in whole or in part and traded with Alstef using the Supplier's previously approved credit terms.
31. Without prejudice to its other remedies, Alstef shall be entitled to immediately cancel this Contract and any other contract or arrangement for purchase with the Supplier in the following circumstances:

- a. if the Supplier ceases to satisfy the solvency test (in the case of a company), otherwise becomes insolvent or is adjudicated bankrupt;
 - b. if an application is made to wind up the Supplier or if a liquidator or receiver is appointed in respect of the assets of the Supplier;
 - c. if the Supplier no longer carries on business or threatens to cease carrying on business;
 - d. if an arrangement with the Supplier's creditors is made or likely to be made; or
 - e. if the ownership or effective control of the Supplier is transferred or the nature of the Supplier's business is materially altered and the Supplier has failed to comply with clause 29.
32. Cancellation of an Order does not affect any responsibilities that are intended to continue or come into effect under this or any other contract or arrangement.

RETENTION OF TITLE

33. Any product sold or supplied by Alstef to a customer or any item supplied by Alstef to the Supplier shall remain Alstef's sole and absolute property as the legal owner until all outstanding accounts are remitted. Alstef reserves the right to recover any and all goods or products supplied at Alstef's discretion. The Supplier shall permit any person authorised by Alstef upon the premises where any of Alstef's products or property are located for the purpose of inspecting, repairing, maintaining or repossessing such products at any time.
34. On Alstef's request the Supplier shall promptly execute any documents and do anything else required by Alstef to ensure that the security interest created under these Conditions constitutes a first ranking perfected security interest over Alstef's property. The Supplier shall waive any right to receive a copy of the verification statement under the Personal Property Securities Act 1999.

SEVERABILITY

35. If any clause in these Conditions are held by a court to be ineffective by virtue of non-registration, illegality or otherwise, then such term or condition, or part of it, shall be severed from all other terms and conditions without affecting their validity or enforceability.

RELATIONSHIP

36. Nothing in these Conditions should be interpreted as constituting either Alstef or the Supplier as an agent, partner, or employer of each other and neither party may pledge the credit of the other nor represent to anyone that:
- a. it is the other party;
 - b. it is an agent, partner or employee of the other party; or
 - c. it has any power or authority to incur any obligation on behalf of the other party.

ARBITRATION AND LAW

37. Subject to clause 41, where any question, dispute, or difference arises between the parties concerning or in any way arising out of this Agreement or the performance by either party of this Agreement, or the circumstances, representations, and conduct giving rise thereto, ("Dispute") no party may commence any court or arbitration proceedings relating to the Dispute unless that party has complied with the procedures set out in this clause.
38. The party initiating the Dispute ("the first party") must provide written notice of the same to the other party ("the other party") and nominate in that notice the first party's representative for the negotiations. The other party must within seven days give written notice to the first party naming the other party's representative for the negotiations. Each representative nominated will have authority to settle or resolve the Dispute.
39. If the parties are unable to resolve the Dispute by discussion and negotiation within seven days of receipt of the written notice from the first party, then the parties must immediately refer the Dispute to mediation.
40. The mediation must be conducted in terms of the Resolution Institute standard mediation agreement. The mediation must be conducted by a mediator and at a fee agreed by the parties. Failing agreement between the parties, the mediator will be selected and his/her fee determined by the Chair for the time being of Resolution Institute.
41. If the Dispute remains unresolved after the mediation, then the Dispute must be submitted to the arbitration of a single arbitrator (to be appointed by agreement between Alstef and the Supplier or, failing agreement to be nominated by the President for the time being of the Institution of Electrical Engineers).
42. Nothing in clauses 37 to 41 of these Conditions prevents either party from taking immediate steps to seek urgent interlocutory relief before an appropriate New Zealand court.
43. These Conditions shall be governed by the laws of New Zealand.