

TERMS AND CONDITIONS FOR SALE OF GOODS & SERVICES

1. DEFINITIONS

1.1 Unless the context otherwise requires, the following definitions shall apply to these terms and conditions:

- (a) **"Company"** – SEC Group of Companies – SEC Auto Electrical Limited, SEC Engineering and Design Ltd, SEC Leasing Limited, SEC Machinery Limited.
- (b) **"Customer"** - the purchaser of goods from the Company shown on the front of this form.
- (c) **"Default Rate"** means the base lending rate charged by the Company's bank plus a margin of 6 per cent per annum
- (d) **"Goods and Services"** means the goods and services supplied to the Customer.
- (e) **"PPSA"** means the Personal Property Securities Act 1999 and associated regulations.

2. SUPPLY

2.1 Any goods or services supplied to you shall be subject to these terms of trade unless we agree in writing to change them. If you accept goods or services from us, those actions by you will be deemed to be acceptance of these terms of trade, notwithstanding anything that may be stated to the contrary in your enquiries or your order.

3. PRICE

3.1 Unless otherwise agreed in writing all freight, insurance, delivery and travel charges will be additional to any price quoted.

3.2 Unless otherwise agreed in writing any quoted price may be altered prior to delivery of goods or provisions of services to you. If wages, salaries, costs or materials, freight rates, government charges, insurance rates, duties and/or exchange rates are increased between the time of the order and the date of delivery.

3.3 Any quotation will lapse 20 days after it is given without notice.

3.4 The price for goods and services will be either as quoted to you in writing or, if no written quote is provided, pursuant to our standard charges applying at the time.

4. PAYMENT

4.1 Unless otherwise agreed in writing you must pay for goods and services by the 20th day of the month following the date of the invoice relating to those goods or services.

4.2 Payment by cheque, bill of exchange or other negotiable instrument will not be considered as payment until actually paid and honoured.

4.3 The customer shall pay the price in full and shall have no right to set off against the price any claims, which the Customer may have against the Company.

4.4 The price shall become immediately payable regardless of the terms of payment and the Company may take immediate action to recover the price if the Customer is in default under this agreement or commits an act of bankruptcy or goes into liquidation or receivership or enters into a creditors composition or has its credit standing impaired in any other way.

4.5 If full payment for the goods or services is not made on the due date, then without prejudice to any other remedies available to us:

- (a) We may cancel or withhold supply of further goods or services.
- (b) Interest on monies overdue shall be charged at the Default Rate from the due date until payment.
- (c) The Customer shall be responsible for all costs incurred by the Company in recovering such monies.

4.6 In the event of sequential contracts or deliveries of goods and services, money paid by the Customer to the Company will be applied by the Company to the earliest-in-time delivery or contract that is unpaid or has a portion unpaid for the purposes of determining the continued existence of PMSI's taken by the Company with respect to particular deliveries or goods and services (Refer Clause 5.2 of this document for the definition of PMSI).

5. OWNERSHIP

5.1 Ownership in the goods shall not pass to the Customer until the Customer has paid in full for the goods.

5.2 The Company supplies the goods to the Customer on terms on the condition that the Company has a Purchase Money Security Interest ("PMSI") in the goods as inventory (as PMSI and inventory are defined in the PPSA).

5.3 If the Customer sells the goods prior to payment for the same to the Company, the Customer will pay the proceeds arising from that dealing into a separate account with separate records so that those proceeds remain identifiable and traceable to that dealing and the goods.

5.4 The Customer irrevocably gives the Company and its agents the right to enter upon the Customer's premises, without giving notice, and without being in any way liable to the Customer or to any person or company claiming through the Customer, if the Company has sufficient cause to exercise its rights under Section 109 of the PPSA.

5.5 The parties contract out of Part 9 of the PPSA in the following manner the rights and obligations contained in Sections 114, 132 and 133 of that Part do not apply between the Customer and the Company.

5.6 The Customer will assist the Company by completing any formalities or providing any information required by the Company such that the Company may establish and maintain the best security position that it is entitled to under the PPSA.

5.7 The Customer in accordance with Section 148 of the PPSA waives its right to receive a verification statement.

6. RISK AND DELIVERY

6.1 Unless otherwise agreed, you shall be responsible for the cost of and arranging transportation of all goods. If we are delivering the goods to you, we will use our best endeavours to see that deliveries are made according to schedule, but shall not be responsible for delivery delays due to causes beyond our control.

6.2 The Company may stop future deliveries until the Customer has paid for all previous deliveries.

6.3 Rejection or refusal or default on your part to accept delivery shall be deemed to constitute delivery.

6.4 Risk in respect of the goods sold shall pass to you when the goods are delivered to you or your carrier, or the time you pay for the goods, whichever is the earlier.

6.5 All plant and vehicles stored on site are at owners risks at all times.

7. WARRANTIES

7.1 Details of warranties available, if any, will be provided upon request but are subject to Clauses 7.2 and 7.3. Except to the extent of written warranties given by us to you, all warranties and representations in respect of goods sold or services supplied are excluded, including (to the extent permitted by law) those expressed or implied by law. Where any written warranty conflicts with Clauses 7.2 or 7.3, the provisions of Clauses 7.2 and 7.3 as applicable shall apply.

7.2 We shall not be liable:

- (a) Where you have altered or modified the goods, misapplied the goods, or have subjected them to any unusual or non-recommended use, servicing or handling.
- (b) For loss caused by any factors beyond our control.
- (c) For any indirect or consequential loss of any kind.
- (d) For any second hand goods.
- (e) Where the terms of any written warranty have not been complied with, or any manufacturers' handbook provided to you has not been complied with.

7.3 Our total liability under any warranty for defective or damaged goods supplied by us or in relation to the provision of services is limited at our option to either:

- (a) Replacing or repairing the defective or damaged goods; or
- (b) Refunding the price of the defective or damaged goods or provision of service.

7.4 The Customer agrees to indemnify and keep indemnified the Company from and against all costs, damages and expenses incurred by or recovered against the Company in respect of any claim for infringement of any letters patent or registered design where the Company has used them on the Customer's instructions.

8. CANCELLATION

8.1 The Customer shall not be entitled to cancel any order or any part of an order without the written consent of the Company.

8.2 The Company shall be entitled to cancel any order if the Customer being a company or body corporate shall go into liquidation or receivership or being a person shall become bankrupt.

9. ENFORCEABILITY

9.1 Each provision of these terms and conditions is severable in whole or in part if any provision is held to be illegal or unenforceable for any reason, only the illegal or unenforceable portion shall be affected and the remainder shall remain in full force and effect.

10. GOVERNING LAW

10.1 These terms of trade will be interpreted in accordance with and governed by the laws of New Zealand, and the New Zealand Courts will have nonexclusive jurisdiction in respect of all matters between the Customer and the Company.

11. GUARANTEES AND CONDITIONS

11.1 This Clause 11 shall apply where the Customer is a consumer under the Consumer Guarantees Act 1993.

11.2 The provisions of the Consumer Guarantees Act 1993 shall apply.

12. PRIVACY ACT

12.1 The Customer agrees that the Company may obtain information about the Customer and/or personal guarantor from the Customer or any other person (including any credit or debit collection agencies) in the course of the Company's business, including credit assessment, debt collecting and direct marketing activities and the Customer consents to any person providing the Company with such information.

12.2 The Customer agrees that the Company may use any information it has about the Customer and/or personal guarantor relating to the Customer's and/or personal guarantor's creditworthiness and give that information to any other person, including any credit or debit agencies, for credit assessment and debt collection purposes. The Customer and/or personal guarantor agrees that any other information collected by the Company about the Customer and/or personal guarantor may be used by the Company in the course of its business.

12.3 The Customer shall notify the Company of any change in circumstances which may affect the accuracy of any information provided by the Customer to the Company.

12.4 The Customer and/or personal guarantor has rights under the Privacy Act 1993 to access and request the correction of any personal information which the Company holds about the Customer and/or personal guarantor.