

NORTHLAND TIMBER COMPANY LIMITED

TERMS OF TRADE

The terms of trade set out below govern all of the supplies of goods and services from Northland Timber Company Limited ("NTC", "we", "us") to the Customer ("you"). They will replace any terms and conditions contained in any document used by you and purporting to have contractual effect, and your acceptance of any goods or services from NTC indicates your acceptance of these terms of trade. These terms of trade are effective from the date of signing, and replace all previous terms of trade between you and NTC.

1. Quotations

- 1.1 Quotations are exclusive of GST and are open for acceptance for 30 days after the quotation date.
- 1.2 Quoted prices are the price on date of quotation only, and may be subject to change. Where prices are quoted in overseas currency, you are responsible for any currency fluctuations.
- 1.3 You must pay GST and any other government duties, levies or taxes in respect of the goods or services.

2. Orders

- 2.1 NTC reserves the right to refuse to accept any order or any part of an order, and to deliver goods by instalments, in which case each instalment will comprise a separate contract.
- 2.2 Orders may be cancelled before delivery only if NTC agrees in writing to the cancellation. NTC will not agree that an order may be cancelled after timber has been cut for that order or, in the case of indented goods, after the goods have been indented.
- 2.3 Where NTC agrees to accept the return of goods which are not faulty, it reserves the right to charge for any damage or soiling, and to charge you for any freight costs.

3. Delivery and risk

- 3.1 You agree to pay all delivery costs. If we deliver any order in parts, then each delivery is a separate contract.
- 3.2 Where you ask us to deliver goods directly to another person, that person takes possession of the goods for you as your agent.
- 3.3 You are responsible for insurance and risk in the goods from the time they are received by you or your agent.
- 3.4 All claims for shortage or delivery damage must be made to the carrier and to NTC within 5 business days of the date of delivery.
- 3.5 NTC will make every effort to ensure delivery of goods, or performance of services, is on time but will not be liable to you for any loss or damage arising in any way from any delay in delivery. If you do not, then you must pay NTC's full costs of delay, including waiting time and additional labour costs.

4. Payments and property

- 4.1 Unless NTC has agreed in writing to extend credit to you in another manner, you must pay for all goods and associated services in full before delivery or collection.
- 4.2 NTC may require you to pay a deposit or supply a letter of credit or bank draft drawn on a bank acceptable to NTC's bankers before supplying any order.
- 4.3 Where NTC has agreed to extend credit to you, you must pay in full, without deduction or setoff, by the 20th day of the month following the date of invoice. You will not be considered to have paid until the payment has been fully cleared through the banking system into NTC's bank account.
- 4.4 If you have not paid in full by the due date, NTC may charge you interest compounding monthly on the unpaid overdue balance at the rate of 5% per annum above the then current overdraft rate as notified by NTC's bankers, and NTC may at its option charge costs (including collection costs and legal costs on a solicitor-client basis) and suspend delivery of further goods or performance of further services until the account is paid.
- 4.5 Property and ownership in goods, whether in their original form or incorporated in or attached to another product, will not pass to you but will remain with NTC until NTC receives payment in full of the purchase price of the goods and all other amounts that you owe to NTC for any reason.
- 4.6 Until property passes to you, you shall hold any goods in trust for NTC, and store and sell them in a manner to enable them to be identified and cross referenced to particular invoices.
- 4.7 Unless otherwise notified in writing, where goods are sold to you as inventory for resupply, you are authorized to sell the goods in the ordinary course of your

business, but you must keep the proceeds of any goods sold in a separate account in trust for NTC.

- 4.8 Where you acquire any goods for your own use as equipment, you must not resell or part with possession of them before you have paid for them in full, unless we have given you written consent.
- 4.9 Notwithstanding clauses 4.1, 4.2 and 4.3 above, all payments shall immediately become due to NTC if we reasonably believe that the information which you have given us in your application for credit is not correct and you have failed to give us correct information within 5 days of our request, if you sell or otherwise dispose of any goods which have not been paid for without our consent, if you become insolvent, commit any act of bankruptcy, or if a receiver, liquidator or statutory manager is appointed over any of your assets or undertaking, if you fail to comply with any of the provisions of clause 5 or if you make or attempt to make an arrangement or composition with creditors.
- 4.10 Where NTC reasonably believes you are or will be in breach of any part of clauses 4 or 5 of this agreement, NTC or its agent may enter any premises under your control without further notice to remove any goods which are the property of NTC, including goods which are installed in or affixed to other goods or to buildings, and you indemnify NTC against all costs and claims in respect of its exercise of rights under this clause 4.

5. Security interests

- 5.1 The goods supplied to you and secured by these terms of trade, together with the credit advanced by the supply of any services, are described on each of our invoices.
- 5.2 You agree that you will do all acts necessary and provide to NTC on request all information required by it to register a financing statement over the goods or their proceeds, and that you will advise NTC of any changes to that information.
- 5.3 You agree that you will supply NTC, within 2 business days of its written request, with copies of all security interests registered over your personal property, and you authorize NTC as your agent to request information from any secured party relating to any security interest which is held in any personal property which is or has been in your possession or control.
- 5.4 You agree that NTC, at its option, may require you to pay all reasonable costs, including legal costs on a solicitor-client basis, associated with the discharge or amendment of any financing statement registered by NTC, whether or not the change was initiated by you.
- 5.5 Except where this affects the rights of third parties, if we repossess goods under this agreement, we may retain those goods or dispose of them without notice to you and, after deducting reasonable costs of sale, credit any surplus by way of setoff against any sums owing to us. NTC shall not be obliged to furnish you with a statement of account or to pay to any other person any sum in excess of the total amount you owe us at the time we credit your account. NTC will not be obliged to resupply any repossessed inventory.

6. Limitation of liability

- 6.1 Where the Consumer Guarantees Act applies to the supply of goods or services under these terms of trade, you or your customers may have additional rights under the Act.
- 6.2 NTC will not be liable for any losses of any kind or any delay in supplying goods or services which are caused in whole or in part by force majeure including (but not limited to) any act of God, natural disaster, flood or earthquake, strike, lockout, fire, war, civil commotion, network service failure, inability to obtain products or supplies including the imposition of any export or import bans, or any other cause beyond its reasonable control. NTC shall not be required to settle a strike or lockout or other industrial disturbance against its wishes in order to benefit from this clause.
- 6.3 Where the goods or services that you acquire from NTC are not of a kind ordinarily acquired for personal household or domestic use or consumption, or where you acquire, or hold yourself out as acquiring, the goods or services for the purposes of a business, the provisions of the consumer Guarantees Act 1993 and the conditions, warranties and guarantees set out in the Sale of Goods Act 1908 or implied by common law will not apply and are excluded from these terms of trade.
- 6.4 Subject to clause 6.1, NTC's liability to you in respect of any goods or services shall be limited to the value of those goods or services, and NTC and its employees, contractors, subcontractors and agents, any importer, manufacturer(s) or developer of the goods or any of their material or components and any suppliers of services, will not be liable to you for loss or damage of any kind however that loss or damage is caused or arises. This limitation of liability includes, but is not limited to, costs (including costs of returning goods to NTC or to any importer or manufacturer), damage caused by improper priming or treatment or exposure to sunlight and water, consequential loss, loss of contracts, loss of profits and damage caused by or arising from delays in manufacturing or delivery, faulty or delayed installation, unreasonable use, negligence (including a failure to do something which should have been done or to prevent something from happening), faulty specifications and design, and faulty materials or components of the goods.

7. Customer Warranties

- 7.1 If you purchase any goods or services from NTC for resupply as, or incorporate or attach any goods or services acquired from NTC into, goods or services ordinarily acquired for personal household or domestic use or consumption ("Consumer Products") you warrant that:
- (a) if you supply the Consumer Products directly to an end user/consumer you will do so using terms and conditions of supply which exclude liability for any claims under the Consumer Guarantees Act 1993; and
 - (b) if your customer acquires the goods for resupply, your customer and each person in the distribution chain will exclude liability in its contract for supply for any claims under the Consumer Guarantees Act 1993, but in each case only where the end user/consumer acquires the Consumer Products for business purposes.

- 7.2 You agree to indemnify NTC against any failure by you, your customers or any person in your distribution chain to properly contract out of liability to business end users/consumers under the Consumer Guarantees Act 1993.
- 7.3 Where you provide any specification to which goods are to be supplied, you warrant that you have the right (including copyright) to ask NTC to supply goods to that specification and you indemnify NTC against all costs and losses whatsoever, including claims from third parties, which arise as a result of NTC carrying out your requests.

8. Personal Information

- 8.1 NTC will use any personal information that you supply for credit, administration, service and marketing purposes. You have the right of access to, and to ask for correction of, your personal information.
- 8.2 You authorise NTC to search the Personal Property Securities Register for any information about you or (in case of a company) your parent or associated companies.
- 8.3 You authorise any person or company to provide NTC with any information required in response to your application for credit and /or other enquiries.

9. General Conditions

- 9.1 NTC reserves the right to change these terms of trade from time to time by notice to you in writing.
- 9.2 If NTC fails to enforce any terms or to exercise its rights under these terms of trade at any time, NTC has not waived those rights.
- 9.3 If any provision of these terms of trade is held to be invalid or unenforceable for any reason, the remaining provisions shall remain in full force and effect and the parties shall adjust their respective rights and obligations in accordance with the spirit and intent of the parties as shown by these terms of trade.
- 9.4 Any agreement between you and NTC is governed by the laws of New Zealand. You agree that any dispute is subject to the exclusive jurisdiction of the New Zealand courts although NTC reserves the right to commence any proceedings against you in any other court.

SIGNED FOR CUSTOMER

Company Name

Director's Signature

Director's Name

Director's Signature

Director's Name

**SIGNED FOR NORTHLAND
TIMBER COMPANY LIMITED**

Director