

Terms of Trade

Thank you for choosing to do business with Northland Timber Company Limited.

This document sets out our Terms of Trade these clarify the rights and obligations of all the parties and are designed to create and ensure certainty between the buyer and seller. Our Terms of Trade are designed to provide the positive aspect of reducing the potential for misunderstandings between the parties involved in this transaction.

The terms of trade set out in this document govern all the supplies of Goods and services from Northland Timber Company Ltd. They will replace any terms and conditions contained in any document used by you and purporting to have contractual effect. Your acceptance of any Goods or services from Northland Timber Company indicates your acceptance of these terms of trade. These terms of trade are effective from the date of signing and replace any previous and all previous terms of trade between you and NTC.

1. Definitions:

For the purpose of this document, the terms:

- 1.1 “we”, “us”, “our” or “NTC” shall mean and refer to Northland Timber Company Ltd and includes any agents or employees thereof.
- 1.2 “you” and “your” shall mean the customer, any person acting on behalf of the customer, or any person purchasing Goods from us on behalf of or at the request of the customer, and includes each individual guarantor.
- 1.3 “Goods” shall mean all products (including but not limited to timber, flooring, weatherboards, and any additional building product) or services provided by us to you.
- 1.4 “Price” shall mean the price payable for the Goods as agreed between us and you as set out in the sections ‘Price’ and ‘Quotations’.

2. Price:

- 2.1 All prices are exclusive of GST, and any applicable taxes and/or duties unless otherwise stated in writing. Such items are payable in addition to the price in accordance with these terms and conditions.
- 2.2 Where no price is stated in writing or agreed to orally the Goods shall be deemed to be sold at the prevailing price (as certified by us) as such Goods sold by us at the time you agreed to purchase the Goods. Our prices are subject to change without warning due to market fluctuations and availability. The onus is on you to confirm prices prior to each delivery.
- 2.3 The price may be increased by the amount of any reasonable increase in the cost of supply of the Goods (for example, by reason of exchange rate changes) that are beyond our control between the date of the contract to supply the Goods and delivery of these Goods.
- 2.4 Where there are any variations to the specification or quantities of any order placed by you made by either us or you, you agree to pay any increase in the price because of any such variation(s).
- 2.5 All customary building industry tolerances shall apply to the dimensions and measurements of Goods unless we and you agree otherwise in writing.

3. Quotations

- 3.1 Quotations are open for acceptance for 30 days after the quotation date and are exclusive of GST (unless specifically stated otherwise.) You must pay GST and any other government duties, levies or taxes in respect of the Goods.
- 3.2 Quoted prices are the price on the date of the quotation only. These quoted prices may be subject to change due to unforeseen changes or fluctuations (transport, labour, customs duty, insurance, and other charges or any factors affecting the cost of production and/or delivery due to circumstances beyond our control after the date of quotation. Where prices are quoted in overseas currency, you are responsible for any currency fluctuations.
- 3.2 Quoted prices may be revised or withdrawn at any time prior to written acceptance of it. They may be subject to correction for errors or omissions, whether in computation or otherwise.
- 3.3 Goods are offered subject to availability. It may be possible to substitute a similar good to that ordered provided NTC obtains prior approval from you, prior to the time of supplying the substituted good. It is your responsibility to ensure that any proposed substituted good is acceptable for your requirements.
- 3.4 All customary building industry tolerances shall apply to the dimensions and measurements of Goods unless we and you agree otherwise in writing.

4. Orders

- 4.1 Northland Timber Company Ltd reserves the right to accept any order or part of an order. Any request to deliver Goods in instalments will result in each instalment comprising a separate contract subject to the terms outlined in Section 2.
- 4.2 Any variation to; waiver or cancellation of an order before delivery, may only be made if NTC agrees in writing to the cancellation or changes. NTC will not agree that an order may be cancelled, waived, or varied after timber has been cut for that order or, in the case of indented Goods, after the Goods have been indented.
- 4.3 Where NTC agrees in writing to accept the return of Goods which are not faulty, it reserves the right to charge you for any damage or soiling, along with a charge to you for any freight costs.

5. Delivery and Risk

- 5.1 You agree to pay all freight costs. If an order is delivered in parts (as agreed earlier) then each delivery is a separate contract with attached freight costs.
- 5.2 Where you request that we deliver Goods directly to a third party, that party takes possession of the Goods for you as your agent.
- 5.3 In respect of all Goods, you, or your agent, shall be deemed to have accepted the Goods unless you notify us of any discrepancy in your order within 24 hours of delivery of the Goods to you.
- 5.4 You are responsible for insurance and risk in regard to the Goods from the time they are received by you or your agent.
- 5.5 All claims for shortage or delivery damage must be made to the carrier and to NTC within five business days of the date of delivery.
- 5.6 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.

6. Payment

- 6.1 Unless NTC and you have an agreement in writing to extend credit to you in another manner, you must pay for all Goods and associated services in full prior to delivery or collection.
- 6.2 NTC may require you to pay a deposit or Export Credits before supplying you with an order.

6.3 Where NTC has agreed to extend credit to you, you must pay in full, without setoff or deduction by the 20th day of the month following the date of invoice. You will not be considered to have paid until the payment has fully cleared through the banking system into NTC's bank account.

The receipt of part payment of an amount owing by you to us shall not constitute any waiver of your obligation to pay the balance to us. All payments payable by you to us shall be paid in full and without counterclaim (and notwithstanding that you may be claiming that we owe you money or that there is an outstanding dispute between us).

6.4 If you have not paid in full by the due date, NTC may proceed to seek damages from you and, in addition without prejudice to any of our other rights, we may proceed with the following until the account is paid:

- 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 or accountants.
- Charge costs, including collection costs and legal costs on a solicitor-client basis.
- Withdraw any discount previously negotiated and re-invoice the Goods to you at the current full retail price.
- Suspend delivery of further Goods or services and demand payment in arrears as well as payment in advance before making any further deliveries.

6.5 Property and ownership of Goods, whether in their original form or incorporated in, or attached to another product, will not pass to you but remain with NTC until NTC receives payment in full of the purchase price of the Goods and all other amounts owed by you to NTC for any reason.

6.6 Until property passes to you in full, you shall be regarded as holding any Goods in trust for NTC and must store and sell them in a manner to enable them to be identified and cross referenced to particular invoices.

6.7 Where you purchase Goods for your own use as equipment, you may not resell or part with possession of these Goods until you have paid for them in full, unless NTC gives you written consent to do so.

6.8 Notwithstanding clauses 6.1; 6.2 and 6.3 above, all payments shall immediately become due to NTC forthwith without further notice to you if any of the following occur, whether we have received official notice or not:

- we reasonably believe that the information supplied by you in negotiating credit with NTC is incorrect and if following a request for information, you have failed to do so within five days of this request.
- you sell or otherwise dispose of any unpaid Goods without the written consent of NTC.
- 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 NTC provisions related to the Security interests of NTC
- If you make or attempt to make an arrangement or composition with creditors.

6.9 Where NTC reasonably believes you are, or will be, in breach of any part of clauses 6 (Payment) or 7 (Security Interests) 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. This includes Goods which are installed or affixed to other Goods or to buildings and you indemnify NTC against any costs and claims in respect to the exercising of the rights outlined under this clause.

7. Security Interests

7.1 Except as expressly provided in this clause, all Goods supplied by us to you shall remain our property and you will not acquire title to the Goods until you have paid in full all sums due to us from you in respect of all orders placed by you and all other obligations of you to us have been met.

7.2 The Goods supplied to you and secured by these terms of trade, together with any credit advanced by the supply of any services, are described on each of NTC's invoices.

- 7.3 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.
- 7.4 You agree that you will supply NTC, within two business days of its written request with copies of all security interests registered over your personal property, and you authorise 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.
- 7.5 Except where this affects the rights of third parties, if NTC repossess Goods under this agreement, we may retain those Goods or dispose of them without notice to you. You agree that after deducting reasonable costs of sale, NTC will use the credit (if any) to offset any of the sums owed by you to us. NTC shall not be obliged to provide you with a statement of account or pay to any other person any sum in excess of the total amount owed to us by you at the time we credit your account. NTC will not be obligated to re-supply any repossessed inventory at any time, and should we do so, this will be considered a new contract which will negate any discount previously negotiated and you will be re-invoiced for the Goods at the current full retail price, with full payment prior to delivery.

8. Limitations of Liability

- 8.1 Northland Timber Company Ltd will not be liable for any losses of any kind or any delay in supplying Goods or services which are caused in whole or part by force majeure including (but not limited to) any act of God, natural disaster, flood or earthquake, strike, lock-out, 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 registered to settle a strike or lockout or any other industrial disturbance against its wishes to benefit from this clause.
- 8.2 Where the Goods or services that you acquire from Northland Timber Company Ltd are not of a kind ordinarily acquired for personal household or domestic use, the guarantees contained in the Consumer Guarantees Act 1993 are excluded where you acquire Goods or services from us in trade, including for the purposes of a business in terms of section 2 and 43 of that Act.
- 8.3 Northland Timber Company Ltd's liability to you in respect of any Goods or services shall be limited to the value of the Goods or services. NTC and its employees, contractors, subcontractors and agents, manufacturers and/or developers of the Goods or any of their material or components and any suppliers, 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 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 of prevention) faulty specifications and design, and faulty materials or components of the Goods.

9. Return of Goods

- 9.1 Goods procured to special order are not returnable under any circumstances. In respect of all Goods, you shall be deemed to have accepted the Goods unless you notify us of any discrepancy in your order within 24 hours of delivery of the Goods to you. In the event of such a notification, you shall pay for the delivery of the returned Goods to us, and you may be entitled to a credit for the price of any such Goods.

10. Claims

- 10.1 It is your duty to check that consignment is as per the delivery note. Goods will be deemed accepted upon delivery within 24 hours. You must notify us in writing of any defects, errors or discrepancies within two days of delivery, provided we are able to inspect the Goods to confirm the defect, error or discrepancy. You shall maintain the Goods in good condition and if called upon, shall return them immediately to us.

10.2 We will remedy within a reasonable time any defects arising from faulty workmanship or materials at our sole option by either repairing or replacing the product or resupplying the service or if it cannot be remedied in a timely or cost-efficient manner, we will refund you the price paid (or apply the price against monies owing by you to us).

10.3 Except as otherwise provided by this contract or by statute we shall not be liable in contract, or in tort, or otherwise for (a) any loss or damage of any kind whatsoever whether suffered or incurred by you or another person, whether such loss or damage arises directly or indirectly from Goods or services or advice provided by us to you, and without limiting the generality of the foregoing we shall not be liable for any consequential loss or damage of any kind including without limitation any financial loss; and (b) for any loss, damage or injury beyond the value of the Goods provided by us to you.

10.4 You agree to indemnify Northland Timber Company Ltd 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.

10.5 When you provide any specifications to which Goods are to be supplied to you by NTC, 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 those requests.

11. Customer Warranties

11.1 If you purchase any Goods or services from NTC from resupply as, or incorporate or attach any Goods or services acquired from NTC into those acquired ordinarily for personal household or domestic use or consumption (regarded as, and referred to as 'Consumer Products') you warrant that provided the end user/consumer acquires the Consumer Products purely for business purposes, that:

- If you supply these 'Consumer Products' directly to an end user or consumer, you will do so using terms and conditions of supply which exclude any liability to NTC for any claims under the Consumer Guarantees Act 1993; and
- If your customer acquires the Goods for resupply, your customer and each person/entity in the distribution chain will exclude liability for NTC in its contract for supply for any claims under the Consumer Guarantees Act 1993.

11.2 We will not be liable in respect to Goods that have been modified or otherwise tampered with, without our approval, or which have been stored in an improper manner.

12. Personal Information

12.1 NTC is governed by a Privacy Policy.

12.2 Where applicable, NTC may use any information that you supply for credit, administrative, service and/or marketing purposes. You have the right of access to, and to request for correction of any of your personal information kept by us.

12.3 You authorise NTC to search the Personal Property Securities Register for any information about you or (in the case of a company) your parent or associated companies.

12.4 You authorise any person or company to provide NTC with any information required in response to your application for credit and/or other enquiries.

13. General Conditions

13.1 Northland Timber Company Ltd reserves the right to change these Terms of Trade from time to time by notice to you in writing.

13.2 If NTC fails to enforce any terms or to exercise its rights under these Terms of Trade at any time, NTC has not waived these rights.

13.3 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 in these Terms of Trade.

13.4 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

SIGNED FOR NORTHLAND TIMBER COMPANY LTD

Company Name

Director

Director's Signature

Director's Name

Director's Signature

Director's Name

