



STANDARD TERMS AND CONDITIONS OF SUPPLY FOR GOODS

1 Orders

PPCS Limited ("PPCS") may order goods by sending a purchase order ("Purchase Order") to the Supplier. PPCS reserves the right to reject any goods supplied to it by the Supplier for which a Purchase Order has not been issued.

2 Price and Payment:

- (a) The Purchase Order shall state the GST (if any) inclusive price for the goods ("Price"). The Supplier shall be deemed to have agreed the Price for any goods it delivers to PPCS unless the parties agree a different price in writing.
- (b) PPCS will pay the Supplier the Price (or any alternative price agreed in writing) by the end of the month following the month in which the goods were delivered to PPCS subject to the Supplier having supplied a correct tax invoice to PPCS by the tenth business day of that month of payment.
- (c) The Supplier may only invoice PPCS for goods if the goods have been delivered in accordance with clause 3 and not rejected in accordance with clause 4.
- (d) Invoices issued by the Supplier must quote the Purchase Order number.
PPCS may withhold payment of an invoice it has reasonably disputed until the dispute is resolved.
- (e) The Price includes all taxes and duties.
- (f) All amounts are payable in New Zealand dollars unless otherwise specified in the Purchase Order.
- (g) The Supplier is not entitled to recover from PPCS any amount other than the Price.

3 Delivery and packaging:

- (a) The Supplier must deliver the goods:
 - (i) at the time for delivery specified in the Purchase Order (if any) or such other time as is notified in writing by PPCS;
 - (ii) to the delivery address specified in the Purchase Order; and
 - (iii) with documentation giving details of the goods (including the Purchase Order number).
- (b) The Supplier must obtain signed acknowledgement of receipt from PPCS immediately on delivering the goods.
- (c) All costs incurred in delivering the goods (including packaging costs) will be met by the Supplier unless otherwise agreed in writing by the parties.
- (d) The Supplier must notify PPCS immediately on becoming aware of any actual or potential delay in delivering the goods or non-delivery of the goods.
- (e) The Supplier must ensure that the goods are deposited securely at the delivery address and in a manner that provides reasonable protection from damage.
- (f) PPCS will not accept any part deliveries unless the Supplier has made prior arrangements with PPCS.
- (g) Unless otherwise agreed, all cartons, parcels or palletised stock must clearly state the Purchase Order number, description and quantity of the goods.

4 Rejection and Repair of goods:

- (a) The following goods are deemed to be "Defective Goods":
 - (i) goods having any defect;
 - (ii) goods supplied to PPCS for which PPCS did not provide a Purchase Order;
 - (iii) goods supplied in a different quantity than ordered; or
 - (iv) goods not delivered as required under these standard terms and conditions of supply ("Conditions of Supply").
- (b) PPCS may reject Defective Goods in whole or in part if it has notified the Supplier of the reason(s) for rejection.
- (c) If PPCS rejects Defective Goods:
 - (i) PPCS will return the Defective Goods to the Supplier at the Supplier's cost; and
 - (ii) PPCS is not required to pay the Price, and the Supplier must refund any payments made by PPCS for the Defective Goods.

5 Title and Risk:

- (a) Title in the goods (or any replacement goods) passes to PPCS on payment of the Price.
- (b) Risk of loss or damage to the goods passes to PPCS on delivery if the goods are delivered in accordance with clause 3 otherwise risk passes on payment of the Price.
- (c) Clauses 5(a) and 5(b) do not apply to rejected Defective Goods (in which case title and risk is deemed never to have passed to PPCS).

6 Warranties by Supplier:

- (a) The Supplier warrants that:
 - (i) the Supplier has the right to sell the goods to PPCS on these Conditions of Supply;
 - (ii) PPCS will have undisturbed possession of the goods supplied to PPCS; and
 - (iii) the goods are free from any encumbrance at the time title in the goods passes to PPCS.
- (b) The Supplier warrants that the goods:
 - (i) are free from material defects;
 - (ii) are unused on delivery;

- (iii) are reasonably fit for their purpose (including any particular purpose made known to the Supplier by PPCS before title in the goods passes to PPCS);
 - (iv) comply with any description or sample given or demonstrated to PPCS;
 - (v) perform the facilities and functions set out in the Supplier's specifications; and
 - (vi) do not infringe any patent, trade mark or other intellectual property right of a third party.
- (c) The Supplier must, to the extent possible, pass to PPCS the benefit of any warranty received by the Supplier from any other person relating to the goods.

7 **Liability and Indemnity:**

- (a) No limit or exclusion of the Supplier's liability will be effective, whether express, implied or by virtue of statute.
- (b) The Supplier indemnifies PPCS from and against all costs, claims, damages, losses, liabilities and expenses (including legal expenses on a solicitor and client basis), arising directly or indirectly from:
 - (i) any one or more of the warranties in clause 6 ceasing to be true; and
 - (ii) the negligence, wilful act or omission of, or breach of these Conditions of Supply by, the Supplier or the Supplier's employees, agents, subcontractors or advisers.

8 **Set Off and Deductions:**

- (a) PPCS may deduct from any amount it owes to the Supplier (including any amount owed as payment for goods) an amount equal to any payment made to the Supplier in excess of what was owed to the Supplier at that time.
- (b) PPCS must notify the Supplier of any deduction PPCS claims under this clause.
- (c) The exercise of PPCS' rights under this clause does not limit or affect any other remedies available to PPCS.

9. **Conflict:**

In the event of any conflict between these Conditions of Supply and the Supplier's terms and conditions of supply, these Conditions of Supply will prevail.

10. **Non Waiver:**

No failure or delay on the part of either party in exercising any right under these Conditions of Supply shall operate as a waiver of, or impair, any such rights.

11. **Notices:**

- (a) Each notice or other communication is to be made in writing by facsimile, personal delivery, electronic mail or by post to the addressee designated for that purpose by the other party.
- (b) No communication shall be effective until received. Communication to the other party will be deemed to be received:
 - (i) in the case of a letter, on the third business day after posting; and
 - (ii) in the case of a facsimile or electronic mail, on the business day on which it is despatched or, if despatched after 5 pm (in the place of receipt) on the next business day after despatch; and
 - (iii) in the case of personal delivery, when delivered.

12. **Governing Law:**

These Conditions of Supply shall be construed in accordance with the laws of New Zealand. The New Zealand Courts will have exclusive jurisdiction in respect of these Conditions of Supply.

13. **Amendments:**

No amendment to these Conditions of Supply will be effective unless it is in writing and signed by the parties.