

## CommElec Group LTD – Terms & Conditions of Trade

1. **Definitions**
  - 1.1 "Contractor" shall mean CommElec Group its successors and assigns or any person acting on behalf of and with the authority of CommElec Group.
  - 1.2 "Client" shall mean the Client (or any person acting on behalf of and with the authority of the Client) as described on any quotation, work authorisation or other form as provided by the Contractor to the Client.
  - 1.3 "Guarantor" means that person (or persons), or entity, who agrees to be liable for the debts of the Client on a principal debtor basis.
  - 1.4 "Goods" shall mean Goods supplied by the Contractor to the Client (and where the context so permits shall include any supply of Services as hereinafter defined) and are as described on the invoices, quotation, work authorisation or any other forms as provided by the Contractor to the Client.
  - 1.5 "Services" shall mean all Services supplied by the Contractor to the Client and includes any advice or recommendations (and where the context so permits shall include any supply of Goods as defined above).
  - 1.6 "Price" shall mean the price payable for the Goods as agreed between the Contractor and the Client in accordance with clause 4 of this contract.
2. **Construction Contracts Amendment Act 2015**
  - 2.1 Nothing in this agreement is intended to have the effect of contracting out of any applicable provisions of the CCA or the OCR in New Zealand, except to the extent permitted by those Acts where applicable.
3. **Acceptance**
  - 3.1 Any instructions received by the Contractor from the Client for the supply of Goods and/or the Client's acceptance of Goods supplied by the Contractor shall constitute acceptance of the terms and conditions contained herein.
  - 3.2 Where more than one Client has entered into this agreement, the Clients shall be jointly and severally liable for all payments of the Price.
  - 3.3 Upon acceptance of these terms and conditions by the Client the terms and conditions are binding and can only be amended with the written consent of the Contractor.
  - 3.4 The Client shall give the Contractor not less than fourteen (14) days prior written notice of any proposed change of ownership of the Client or any change in the Client's name and/or any other change in the Client's details (including but not limited to, changes in the Client's address, facsimile number, or business practice). The Client shall be liable for any loss incurred by the Contractor as a result of the Client's failure to comply with this clause.
  - 3.5 Goods are supplied by the Contractor only on the terms and conditions of trade herein to the exclusion of anything to the contrary in the terms of the Client's order notwithstanding that any such order is placed on terms that purport to override these terms and conditions of trade.
4. **Price And Payment**
  - 4.1 At the Contractor's sole discretion, the Price shall be either:
    - (a) as indicated on invoices provided by the Contractor to the Client in respect of Goods supplied; or
    - (b) the Contractor's quoted Price (subject to clause 4.2) which shall be binding upon the Contractor provided that the Client shall accept the Contractor's quotation in writing within thirty (30) days.
  - 4.2 The Contractor reserves the right to change the Price in the event of a variation to the Contractor's quotation.
  - 4.3 At the Contractor's sole discretion, a deposit may be required.
  - 4.4 The Contractor may submit a detailed payment claim at intervals not less than one (1) month for work performed up to the end of each month. The value of work so performed shall include the reasonable value of authorised variations and the value of materials delivered to the site but not yet installed.
  - 4.5 At the Contractor's sole discretion:
    - (a) payment shall be due on delivery of the Goods; or
    - (b) payment shall be due before delivery of the Goods.
  - 4.6 Time for payment for the Goods shall be of the essence and will be stated on the invoice or any other forms. If no time is stated then payment shall be due seven (7) days following the date of the invoice.
  - 4.7 Payment will be made by cash, or by cheque, or by bank cheque, or by direct credit, or by any other method as agreed to between the Client and the Contractor.
  - 4.8 GST and other taxes and duties that may be applicable shall be added to the Price except when they are expressly included in the Price.
  - 4.9 Penalties for late payments are as follows
    - 1% penalty on the day after payment due date
    - 1% penalty every 7 days for remaining payment including penalty unpaid - \$55 Administration charged to any account overdue after 7 days
5. **Delivery Of Goods**
  - 5.1 At the Contractor's sole discretion delivery of the Goods shall take place when:
    - (a) the Client takes possession of the Goods at the Contractor's address; or
    - (b) the Client takes possession of the Goods at the Client's nominated address (in the event that the Goods are delivered by the Contractor or the Contractor's nominated carrier); or
    - (c) the Client's nominated carrier takes possession of the Goods in which event the carrier shall be deemed to be the Client's agent.
  - 5.2 At the Contractor's sole discretion the costs of delivery are:
    - (a) included in the Price; or
    - (b) in addition to the Price; or
    - (c) for the Client's account.
  - 5.3 The Client shall make all arrangements necessary to take delivery of the Goods whenever they are tendered for delivery. In the event that the Client is unable to take delivery of the Goods as arranged then the Contractor shall be entitled to charge a reasonable fee for redelivery.
  - 5.4 Delivery of the Goods to a third party nominated by the Client is deemed to be delivery to the Client for the purposes of this agreement.
  - 5.5 The Contractor may deliver the Goods by separate instalments. Each separate instalment shall be invoiced and paid in accordance with the provisions in these terms and conditions.
  - 5.6 The Client shall take delivery of the Goods tendered notwithstanding that the quantity so ordered shall be either greater or lesser than the quantity purchased provided that:
    - (a) such discrepancy in quantity shall not exceed five percent (5%); and
    - (b) the Price shall be adjusted pro rata to the discrepancy.
  - 5.7 The failure of the Contractor to deliver shall not entitle either party to treat this contract as repudiated.
  - 5.8 The Contractor shall not be liable for any loss or damage whatsoever due to failure by the Contractor to deliver the Goods (or any of them) promptly or at all, where due to circumstances beyond the control of the Contractor.
6. **Risk**
  - 6.1 If the Contractor retains ownership of the Goods nonetheless, all risk for the Goods passes:
    - (a) to the Client on delivery by the Contractor or the Contractor's agent; or
    - (b) in the event the Goods are collected by the Client from the Contractor's supplier, then all risk in the Goods passes immediately to the Client.
  - 6.2 If any of the Goods are damaged or destroyed following delivery but prior to ownership passing to the Client, the Contractor is entitled to receive all insurance proceeds payable for the Goods. The production of these terms and conditions by the Contractor is sufficient evidence of the Contractor's rights to receive the insurance proceeds without the need for any person dealing with the Contractor to make further enquiries.
7. **Underground Locations**
  - 7.1 Prior to the Contractor commencing any work the Client must advise the Contractor of the precise location of all underground services on the site and clearly mark the same. The underground mains & services the Client must identify include, but are not limited to, electrical services, gas services, sewer services, pumping services, sewer connections, sewer sludge mains, water mains, irrigation pipes, Telstra cables, fibre optic cables, oil pumping mains, and any other services that may be on site.
  - 7.2 Whilst the Contractor will take care to avoid damage to any underground services the Client agrees to indemnify the Contractor in respect of all and any liability claims, loss, damage, costs and fines as a result of damage to services not precisely located and notified as per clause 7.1.
8. **Title**
  - 8.1 The Contractor and the Client agree that ownership of the Goods shall not pass until:
    - (a) the Client has paid the Contractor all amounts owing for the particular Goods; and
    - (b) the Client has met all other obligations due by the Client to the Contractor in respect of all contracts between the Contractor and the Client.
  - 8.2 Receipt by the Contractor of any form of payment other than cash shall not be deemed to be payment until that form of payment has been honoured, cleared or recognised and until then the Contractor's ownership or rights in respect of the Goods shall continue.
  - 8.3 It is further agreed that:
9. **Defects**
  - 9.1 The Client shall inspect the Goods on delivery and shall within seven (7) days of delivery (time being of the essence) notify the Contractor of any alleged defect, shortage in quantity, damage or failure to comply with the description or quote. The Client shall afford the Contractor an opportunity to inspect the Goods within a reasonable time following delivery if the Client believes the Goods are defective in any way. If the Client shall fail to comply with these provisions the Goods shall be presumed to be free from any defect or damage. For defective Goods, which the Contractor has agreed in writing that the Client is entitled to reject, the Contractor's liability is limited to either the Contractor's discretion replacing the Goods or repairing the Goods except where the Client has acquired the Goods as a consumer within the meaning of the Fair Trading Act 1986 (121) (NZ) or the Fair Trading Acts of the relevant territories of New Zealand, and is therefore also entitled to, at the consumer's discretion either a refund of the purchase price of the Goods, or repair of the Goods, or replacement of the Goods.
10. **Returns**
  - 10.1 Returns will only be accepted provided that:
    - (a) the Client has complied with the provisions of clause 9.1; and
    - (b) the Contractor has agreed in writing to accept the return of the Goods; and
    - (c) the Goods are returned at the Client's cost within seven (7) days of the delivery date; and
    - (d) the Contractor (at the Contractor's discretion) may not be liable for Goods which have not been stored or used in a proper manner; and
    - (e) the Goods are returned in the condition in which they were delivered and with all packaging material, brochures and instruction material in as new condition as is reasonably possible in the circumstances.
  - 10.2 The Contractor may (in its discretion) accept the return of Goods for credit but this may incur a handling fee of twenty-five percent (25%) of the value of the returned Goods plus any freight.
11. **Warranty**
  - 11.1 Subject to the conditions of warranty set out in clause 11.2 the Contractor warrants that if any defect in any workmanship of the Contractor becomes apparent and is reported to the Contractor within twelve (12) months of the date of delivery (time being of the essence) then the Contractor will either (at the Contractor's sole discretion) replace or remedy the workmanship.
  - 11.2 The conditions applicable to the warranty given by clause 11.1 are:
    - (a) the warranty shall not cover any defect or damage which may be caused or partly caused by or arise through:
      - (i) failure on the part of the Client to properly maintain any Goods; or
      - (ii) failure on the part of the Client to follow any instructions or guidelines provided by the Contractor; or
      - (iii) any use of any Goods otherwise than for any application specified on a quote or order form; or
      - (iv) the continued use of any Goods after any defect becomes apparent or would have become apparent to a reasonably prudent operator or user; or
      - (v) fair wear and tear, any accident or act of God.
    - (b) the warranty shall cease and the Contractor shall thereafter in no circumstances be liable under the terms of the warranty if the workmanship is repaired, altered or overhauled without the Contractor's consent.
    - (c) in respect of all claims the Contractor shall not be liable to compensate the Client for any delay in either replacing or remedying the workmanship or in properly assessing the Client's claim.
  - 11.3 For Goods not manufactured by the Contractor, the warranty shall be the current warranty provided by the manufacturer of the Goods. The Contractor shall not be bound by nor be responsible for any term, condition, representation or warranty other than that which is given by the manufacturer of the Goods.
  - 11.4 The conditions applicable to the warranty given on Goods supplied by the Contractor are contained on the "Warranty Card" that will be supplied with the Goods.
  - 11.5 In the case of second hand Goods, the Client acknowledges that he has had full opportunity to inspect the same and that he accepts the same with all faults and that no warranty is given by the Contractor as to the quality or suitability for any purpose and any implied warranty, statutory or otherwise, is expressly excluded. The Contractor shall not be responsible for any loss or damage to the Goods, or caused by the Goods, or any part thereof however arising.
12. **Intellectual Property**
  - 12.1 Where the Contractor has designed, drawn or written Goods for the Client, then the copyright in those designs and drawings and documents shall remain vested in the Contractor, and shall only be used by the Client at the Contractor's discretion.
  - 12.2 The Client warrants that all designs or instructions to the Contractor will not cause the Contractor to infringe any patent, registered design or trademark in the execution of the Client's order and the Client agrees to indemnify the Contractor against any action taken by a third party against the Contractor in respect of any such infringement.
13. **Default & Consequences of Default**
  - 13.1 Interest on overdue invoices shall accrue daily from the date when payment becomes due, until the date of payment, at a rate of two and one half percent (2.5%) per calendar month (and at the Contractor's sole discretion such interest shall compound monthly at such a rate) after as well as before any judgment.
  - 13.2 In the event that the Client's payment is dishonoured for any reason the Client shall be liable for any dishonour fees incurred by the Contractor.
  - 13.3 If the Client defaults in payment of any invoice when due, the Client shall indemnify the Contractor from and against all costs and disbursements incurred by the Contractor in pursuing the debt including legal costs on a solicitor and own client basis and the Contractor's collection agency costs. Without prejudice to any other remedies the Contractor may have, if at any time the Client is in breach of any obligation (including those relating to payment), the Contractor may suspend or terminate the supply of Goods to the Client and any of its other obligations under the terms and conditions. The Contractor will not be liable to the Client for any loss or damage the Client suffers because the Contractor has exercised its rights under this clause.
  - 13.5 If any account remains overdue after thirty (30) days then an amount of the greater of twenty dollars (\$20.00) or ten percent (10%) of the amount overdue (up to a maximum of two hundred dollars (\$200.00)) shall be levied for administration fees which sum shall become immediately due and payable.
  - 13.6 Without prejudice to the Contractor's other remedies at law the Contractor shall be entitled to cancel all or any part of any order of the Client which
14. **Security And Charge**
  - 14.1 Despite anything to the contrary contained herein or any other rights which the Contractor may have howsoever:
    - (a) where the Client and/or the Guarantor (if any) is the owner of land, realty or any other asset capable of being charged, both the Client and/or the Guarantor agree to mortgage and/or charge all of their joint and/or several interest in the said land, realty or any other asset to the Contractor or the Contractor's nominee to secure all amounts and other monetary obligations payable under these terms and conditions. The Client and/or the Guarantor acknowledge and agree that the Contractor (or the Contractor's nominee) shall be entitled to lodge where appropriate a caveat, which caveat shall be withdrawn once all payments and other monetary obligations payable hereunder have been met.
    - (b) should the Contractor elect to proceed in any manner in accordance with this clause and/or its sub-clauses, the Client and/or Guarantor shall indemnify the Contractor from and against all the Contractor's costs and disbursements including legal costs on a solicitor and own client basis.
    - (c) the Client and/or the Guarantor (if any) agree to irrevocably nominate constitute and appoint the Contractor or the Contractor's nominee as the Client's and/or Guarantor's true and lawful attorney to perform all necessary acts to give effect to the provisions of this clause 14.1.
15. **Cancellation**
  - 15.1 The Contractor may cancel any contract to which these terms and conditions apply or cancel delivery of Goods at any time before the Goods are delivered by giving written notice to the Client. On giving such notice the Contractor shall repay to the Client any sums paid in respect of the Price. The Contractor shall not be liable for any loss or damage whatsoever arising from such cancellation.
  - 15.2 In the event that the Client cancels delivery of Goods the Client shall be liable for any loss incurred by the Contractor (including, but not limited to, any loss of profits) up to the time of cancellation.
16. **Privacy Act 1993 (NZ)**
  - 16.1 The Client and/or the Guarantor/s agree for the Contractor to obtain from a credit reporting agency a credit report containing personal credit information about the Client and Guarantor/s in relation to credit provided by the Contractor.
  - 16.2 The Client and/or the Guarantor/s agree that the Contractor may exchange information about the Client and the Guarantor/s with those credit providers either named as trade referees by the Client or named in a consumer credit report issued by a credit reporting agency for the following purposes:
    - (a) to assess an application by Client; and/or
    - (b) to notify other credit providers of a default by the Client; and/or
    - (c) to exchange information with other credit providers as to the status of this credit account, where the Client is in default with other credit providers; and/or
    - (d) to assess the credit worthiness of Client and/or Guarantor/s.
  - 16.3 The Client consents to the Contractor being given a consumer credit report to collect overdue payment on commercial credit (Section 21) Construction Contracts Regulation 2003.
  - 16.4 The Client agrees that personal credit information provided may be used and retained by the Contractor for the following purposes and for other purposes as shall be agreed between the Client and Contractor or required by law from time to time:
    - (a) provision of Goods; and/or
    - (b) marketing of Goods by the Contractor, its agents or distributors in relation to the Goods; and/or
    - (c) analysing, verifying and/or checking the Client's credit, payment and/or status in relation to provision of Goods; and/or
    - (d) processing of any payment instructions, direct debit facilities and/or credit facilities requested by Client; and/or
    - (e) enabling the daily operation of Client's account and/or the collection of amounts outstanding in the Client's account in relation to the Goods.
  - 16.5 The Contractor may give information about the Client to a credit reporting agency for the following purposes:
    - (a) to obtain a consumer credit report about the Client; and/or
    - (b) allow the credit reporting agency to create or maintain a credit information file containing information about the Client.
17. **Unpaid Seller's Rights**
  - 17.1 Where the Client has left any item with the Contractor for repair, modification, exchange or for the Contractor to perform any other Service in relation to the item and the Contractor has not received or been tendered the whole of the Price, or the payment has been dishonoured, the Contractor shall have:
    - (a) a lien on the item;
    - (b) the right to retain the item for the Price while the Contractor is in possession of the item;
    - (c) a right to sell the item.
  - 17.2 The lien of the Contractor shall continue despite the commencement of proceedings, or judgment for the Price having been obtained.
18. **Building and Construction Industry Security of Payment Act 2004**
  - 18.1 At the Contractor's sole discretion, if there are any disputes or claims for unpaid Goods and/or Services then the provisions of the Building and Construction Industry Security of Payment Act 2004 may apply.
  - 18.2 Nothing in this agreement is intended to have the effect of contracting out of any applicable provisions of the Building and Construction Industry Payments Act 2004 of Queensland, except to the extent permitted by the Act where applicable.
19. **General**
  - 19.1 If any provision of these terms and conditions shall be invalid, void, illegal or unenforceable the validity, existence, legality and enforceability of the remaining provisions shall not be affected, prejudiced or impaired.
  - 19.2 These terms and conditions and any contract to which they apply shall be governed by the laws of New Zealand and are subject to the jurisdiction of the courts of New Zealand.
  - 19.3 The Contractor shall be under no liability whatsoever to the Client for any indirect and/or consequential loss and/or expense (including loss of profit) suffered by the Client arising out of a breach by the Contractor of these terms and conditions.
  - 19.4 In the event of any breach of this contract by the Contractor the remedies of the Client shall be limited to damages which under no circumstances shall exceed the Price of the Goods.
  - 19.5 The Client shall not be entitled to set off against, or deduct from the Price, any sums owed or claimed to be owed to the Client by the Contractor nor to withhold payment of any invoice because part of that invoice is in dispute.
  - 19.6 The Contractor may license or sub-contract all or any part of its rights and obligations without the Client's consent.
  - 19.7 The Client agrees that the Contractor may review these terms and conditions at any time. If, following any such review, there is to be any change to these terms and conditions, then that change will take effect from the date on which the Contractor notifies the Client of such change.
  - 19.8 Neither party shall be liable for any default due to any act of God, war, terrorism, strike, lock-out, industrial action, fire, flood, storm or other event beyond the reasonable control of either party.
  - 19.9 The failure by the Contractor to enforce any provision of these terms and conditions shall not be treated as a waiver of that provision, nor shall it affect the Contractor's right to subsequently enforce that provision.