

ATHCO LOCKSMITHS SUPPLIES LIMITED

STANDARD TERMS OF TRADE

Definitions:

In this contract, unless the context otherwise requires or it is specifically otherwise stated:

- (a) "Athco" means Athco Locksmiths Supplies Limited. However, any other entity and / or person (or their successors or assigns to the foregoing) authorised (whether previously, now, or in the future) to trade under the name Athco and Athco Locksmiths Supplies Limited (whether jointly or severally) shall be entitled to rely upon these terms as if applying to them. Athco may assign its rights under this agreement;
- (b) "Customer" means the customer of Athco;
- (c) If the Customer comprises more than one person, each of those person's liability and agreement herein is joint and several. Where the Customer is a trust, the trustees liability shall not be limited to the assets of the trust;
- (d) "Amount Owing" means the price charged by Athco for any order, the goods and/or services, and any other sums which Athco is entitled to charge under these terms;
- (e) An "Event of Default" means an event where the Customer fails to comply with these terms or any other contract with Athco; or the Customer commits an act of bankruptcy; or the Customer enters into any composition or arrangement with its creditors; or if the Customer is a company the Customer has done or does anything which would make it liable to be put into liquidation; or a resolution is or has been passed or an application is or has been made for the liquidation of the Customer; or a receiver or statutory or official manager is or has been appointed over all or any of the Customer's assets;
- (f) "Goods" includes any product, equipment, material or other item sold by Athco to the Customer;
- (g) "Services" includes any systems, know how, advice, use of software or other proprietary material or advisory functions.

1. Accounts:

If the Customer has established or establishes an account with Athco, then these terms shall apply to all and any dealings with Athco and to all and any goods or services purchased from Athco.

2. Cash sales:

If the Customer purchases the goods or services and pays by cash, cheque, direct credit, electronic funds transfer or credit card then these terms shall also apply.

3. Quotations / estimates / orders:

These terms shall apply to any quotation or estimate given by or on behalf of Athco and to any order made with Athco and shall apply to the exclusion of all and any terms put by or on behalf of the Customer to Athco as part of any order or request for goods / quotations or estimates. Unless expressly recorded in writing, any pricing of product or services by Athco shall be deemed to be an estimate only and based on information supplied by (or on behalf of) the Customer. In relation to:

- (a) A quotation, the Customer shall be solely responsible for the accuracy of any information upon which the quotation is based. Any changes to the quantities, measurements or specifications or nature of the services required subsequent to the quotation or any inaccuracies or misstatements in the information provided to Athco shall constitute variations and shall be paid for (if increased) or rebate (if decreased) at their actual unit cost irrespective of the terms of the quotation. Athco may remove any discount provided where there is a reduction in quantities actually purchased beyond 10% in value of the total quotation and invoice the Customer for the removed discount. The Customer shall be liable for the additional amount so invoiced;
- (b) An estimate, the Customer shall be solely responsible for the accuracy of any information upon which any estimate is based. Athco shall not be bound to supply the goods and / or services at the estimated price and the Customer shall be liable for the price of any goods and / or services purchased as invoiced by Athco;
- (c) An order, the Customer shall be deemed to submit any order or request for Athco to supply, on the terms herein. The supply of goods and / or services by Athco shall be deemed to be on the terms herein notwithstanding any terms submitted with any order. In addition, the Customer may not return the goods or cancel any order of any product which is not a standard in stock item of Athco;
- (d) All of the above, where it is requested to estimate quantities Athco will do so reasonably. However, the Customer shall have the obligation to provide full and accurate information and Athco shall have no liability for any errors or omissions in the estimate / quotation made arising from the Customer's breach;
- (e) All of the above, Athco may at the time of supply substitute a similar product to that ordered / estimated / quoted. It shall be the responsibility of the Purchaser to ensure that any product substituted is acceptable. If not, the Customer must before using the product advise Athco.

4. Authorisations:

It is the Customer's risk and responsibility to obtain every necessary or prudent authorisation (including licences, permits and consents) to buy, possess, use, export, import or resell any goods and / or services and to ensure that goods and / or services are purchased by an authorised person. The Customer shall provide written advice to Athco of the names of personnel authorised to place orders on the Customer's behalf and must advise in writing if any such authority is later withdrawn. The Customer shall be solely responsible for the supervision of the use of the account and absent specific written advice of authorised personnel; Athco shall have no obligation to enquire into the authority of any person placing orders on any account in the name of the Customer. Any orders made by a specifically authorised person prior to the receipt by Athco of specific written notice withdrawing authority, shall be paid for by the Customer.

5. Standards:

In relation to all goods and / or services supplied by Athco:

- (a) The Customer must ensure that:
 - i. They are used in accordance with any safety directions which are supplied with the goods or services;
 - ii. Any safety features of the goods are not interfered with, modified or disabled;
 - iii. They are used under appropriate supervision and with appropriate training;
 - iv. Any staff or agents are instructed to comply with a), b) and c) hereof; and
 - v. inform Athco if there is suspected any design or manufacturing fault that may affect the safety of the goods in a work place.
- (b) The Customer acknowledges that:
 - i. Athco does not warrant or represent the suitability of any product, service, design, person or organisation for the Customer's use;
 - ii. The Customer shall be responsible for ensuring that all and any instructions, recommended uses, applications and installations methods are followed and any cautions and/or warnings observed;
 - iii. Where any recommendation or advice has been given by or on behalf of Athco, Athco will not be responsible for the actual implementation of the recommendation or the advice or the actions or performance of any other party;
 - iv. Athco may rely on any plans, specifications, information or quality and/or standard of any manufactured product used or supplied by the Customer. Athco has no liability whatever for any loss or damage caused or contributed to by any act of the Customer or its agents or employees or arising from reliance by Athco on such material.

6. Athco's liability limited:

To the extent allowed by law, Athco has no liability (whether statutory, in contract or tort (including negligence), or howsoever) to the Customer or any of its agents or employees for any physical, direct or indirect damage, economic loss of any kind, any other loss or costs (including legal and lawyer / client costs) caused or contributed to by Athco or any of its agents or employees in respect of any goods and / or services supplied or any quotation or estimate given. To the extent allowed by law, every warranty or condition or guarantee implied by custom or law is hereby excluded. If, notwithstanding the foregoing, Athco shall be found to have any liability it is agreed that any liability will not exceed the price of the relevant goods or services purchased from Athco.

7. Customer indemnity / warranty:

The Customer:

- (a) Will indemnify Athco for any physical, direct and indirect damage, economic loss or other loss or costs or expenses (including actual legal and Lawyer / client costs and expenses) to Athco or any other person, and will fully indemnify Athco against any claim or proceedings against Athco, to the extent caused or contributed to by the Customer (or any of its agents or employees) or arising from an Event of Default in respect of any goods and / or services acquired by the Customer from Athco;
- (b) Warrants that the information provided in support of any application for a credit account is reliable and accurate. The person completing the application on behalf of the Customer also provides this warranty.

8. Sale / Price:

The Customer is buying from Athco the Goods and / or Services specified for the prices charged by Athco. However, the price shall be increased by the amount of any GST and other taxes and duties (if any), except to the extent that such taxes are expressly included in any written estimate or quotation given by Athco. The price may be increased or decreased by notice by Athco in its sole discretion by the amount of any increase or decrease in the cost of any items (including any change in currency exchange rates) affecting the cost of supply, production and / or delivery of the goods between the date of the estimate / quotation and the date of delivery. Alterations to any price will be effective from the date specified by Athco at the time of giving notice to the Customer. However, should Athco increase the total price of the goods by more than 5% then the Customer may, within 7 days of receiving notice of any price increase, by notice to Athco cancel this contract provided the goods have not been delivered.

9. Payment / credit:

The parties' agreement on payment is:

- (a) Unless otherwise agreed, the Customer must pay by cash, cheque, direct credit or electronic funds transfer in cleared funds the Amount Owing prior to the delivery of any goods;
- (b) Any deposit required by Athco will be paid immediately on the acceptance of an estimate or quotation or the making of an order and, subject to clause 17 below, is non-refundable;
- (c) Where purchases are charged to a credit account, then payment is due by the 20th day of the month following the invoice date;

- (d) Athco may at any time and from time to time with or without notice to the Customer and / or Guarantor(s), in its sole discretion, increase or decrease or suspend or revoke the amount of credit (and the credit limit) provided to the Customer. Any increase or decrease or suspension or revocation of credit or exceeding or change of any credit limit shall hereby be deemed to be consented to by the Customer and any Guarantor(s) and shall not release either the Customer or the Guarantor(s) from any liability whatsoever;
- (e) Payment of the Amount Owing and any other monies owing to Athco shall be made free of any counterclaim, set-off, deduction or other claim whatsoever;
- (f) Athco may allocate any payment made by or on behalf of the Customer to the account and / or payment of any goods as it sees fit and the Customer waives any right to receive notification of that allocation.
- (g) Athco reserves the right to charge a surcharge on all credit card payments.

10. Rights:

The sale of any goods or services shall not, unless expressly agreed in writing, give the Customer the right to use, sell, disseminate or duplicate any Athco trademark, copyright, design or any other intellectual property right.

11. Alteration of Rights:

The Customer acknowledges that Athco supplies the Customer on condition that all payments made to and received by Athco from the Customer are valid and made in the ordinary course of business.

12. Delivery:

The parties agreement on delivery is:

- (a) That in addition to the price the Customer must pay for the delivery of the goods;
- (b) All claims for errors or short delivery must be made within 14 days of delivery or supply will be deemed complete;
- (c) If Athco is organising delivery it is entitled to deliver the goods between 8.30am and 5.30pm on any day Monday to Friday (inclusive) which is not a public holiday. If the Customer or a representative is not present at the delivery site, then the goods will be deemed to be delivered on arrival at the delivery site;
- (d) Any periods or times quoted for delivery are to be regarded as estimates and while Athco will make reasonable endeavours to keep such periods or times, no guarantee is given and Athco will have no responsibility for any loss or damage resulting from delay. Delay due to circumstances outside the control of Athco shall not entitle the Customer to cancel any order or refuse to accept delivery;
- (e) The Customer shall ensure site access for deliveries;
- (f) The Customer is deemed to have inspected each good upon accepting delivery;
- (g) The goods shall be deemed to be delivered upon the goods being presented by Athco at the place agreed as the delivery site or from the time Athco gives possession of the goods to a carrier arranged by the Customer or Athco. Claims for lost or damaged stock by the carrier, is the onus of the customer.

13. Risk:

Each good is at the Customer's risk once within the Customer's possession or control which includes from the time Athco gives possession of the goods to a carrier. If any good is damaged or destroyed prior to risk passing to the Customer, Athco may promptly repair the good or cancel this contract in respect of that good without penalty or compensation to the Customer.

14. Consumers:

Where the Customer is a "Consumer" and acquires any goods, or holds itself out as acquiring goods, for the purposes of a "Business" (as those terms are defined in the Consumer Guarantees Act 1993 ("CGA")) then to the extent permissible Athco and the Customer agree that Act is hereby excluded. Otherwise, where the Customer is a Consumer this contract is to be read subject to the terms of that Act.

15. Failure to comply:

If payment in full of any amount payable by the Customer is not made when due, or the Customer breaches any of its other obligations to Athco, or an Event of Default occurs then Athco may without prejudice to and in addition to any other rights or remedies exercise all or any of the following rights:

- (a) Delay delivery of any goods or supply of any services until the matter is resolved to Athco's satisfaction;
- (b) Suspend or cancel (in whole or in part) this agreement or any other contract between them by written notice to the Customer;
- (c) Recover from the Customer the goods;
- (d) Recover from the Customer, or deduct from or set-off against any amount Athco may owe the Customer, all amounts for any damage, losses, costs or expenses (including actual legal costs and expenses) arising from the default or non-performance by the Customer including costs of recovery of the goods in c) above;
- (e) Charge, and the Customer must pay, default interest at the rate of 22% per annum (calculated on a monthly basis until the account is paid in full) and all actual legal costs and other costs and expenses incurred by or on behalf of Athco in enforcing or defending all or any of its rights;
- (f) By notice to the Customer, require that all the account, whether or not due, is paid immediately and such amounts will then become immediately due and payable.

16. Use of information under the Privacy Act 1993 and Privacy Code 2004:

The Customer and any Guarantor agree that any information about them provided at any time to Athco may be used by Athco for any purpose connected with its business including (but not limited to) direct marketing, debt collection and credit reporting or assessment. Athco is authorised to provide such information to any external agency or party for credit information and assessment purposes and that agency or party is hereby authorised to use and continue to use such information as part of their business(es) services. Athco and the external agency or party may retain and / or use such information for as long as they see fit.

17. No assignment:

The Customer may not directly or indirectly assign to any person any of its benefits or burdens in respect of this contract but Athco may.

18. Survival:

Each provision in this contract survives to the extent unfulfilled, and remains enforceable and does not merge, on performance of another provision.

19. Waiver:

No delay or failure to act is a waiver. No waiver is effective unless it is in writing. Any waiver of a breach so given is not a waiver of any other breach.

20. Force Majeure:

Athco is not liable for any failure or delay in performing an obligation in this document if it is due to a cause reasonably beyond its control. Without limiting this clause, such an event shall include the inability of Athco to supply the ordered product or service due to unavailability.

21. Entire agreement:

Athco and the Customer agree that:

- (a) These terms express the entire understanding between them and the remedies herein provided shall be the available remedies in place of the Contractual Remedies Act; and
- (b) There have been no representations made by or on behalf of Athco that are relied upon by the Customer.

22. Amendment:

Athco may from time to time amend these terms by posting to the address for service of the Customer a written set of the amended terms. The Customer and any Guarantor(s) agree that the amended terms shall be effective upon posting and are deemed accepted, by the Customer placing any order after the date of posting.

23. Athco:

The Customer is opening an account with or seeking a quotation or estimate from or purchasing goods and / or services from an entity which is entitled to trade under the name Athco. Provided the Customer is meeting its obligations to Athco and subject to proof of identity if requested, the Customer is able to acquire goods from any Athco branch and charge them to their existing account. However, no other Athco entity shall be obliged to supply any goods or services to the Customer on credit.

24. Personal Property Securities Act 1999 ("PPSA"):

- 24.1 Upon assenting to these terms and conditions in writing the Customer acknowledges and agrees that:
 - (a) these terms and conditions constitute a security agreement for the purposes of the PPSA; and
 - (b) a security interest is taken in all Goods previously supplied by Athco to the Customer (if any) and all Goods that will be supplied in the future by Athco and Customer during the continuance of the parties relationship.
- 24.2 The Customer undertakes to:
 - (a) sign any further documents and/or provide any further information, such information to be complete, accurate and up-to-date in all respects, which Athco may reasonably require to register a financing statement or financing change statement on the Personal Property Securities Register;
 - (b) indemnify, and upon demand reimburse, Athco for all expenses incurred in registering a financing statement or financing change statement on the Personal Properties Securities Register or releasing any Goods charged thereby;
 - (c) not register a financing change statement or a change demand without the prior written consent of Athco
 - (d) give Athco not less than fourteen (14) days prior written notice of any proposed change in the Customers name and/or any other change in the Customer's details (including but not limited to, change in the Customer's address, facsimile number, or business practice); and
 - (e) immediately advise Athco of any material change in its business practices of selling the Goods which would result in a change in the nature of proceeds derived from such sales.
- 24.3 Athco and the Customer agree that nothing in sections 114(1)(a), 133 and 134 of the PPSA shall apply to these Terms and Conditions.
- 24.4 The Customer waives its rights as a debtor under sections 116, 120(2), 121, 125, 126, 127, 129, 131 and 132 of the PPSA.
- 24.5 Unless otherwise agreed to in writing by Athco, the Customer waives its rights to receive verification statement in accordance with section 148 of the PPSA.

25. Website

These standard terms of trade, in conjunction with our website terms and conditions, form our complete terms and conditions. Therefore, agreement to this document is acceptance to our complete terms and conditions. Website terms and conditions are viewable at www.athco.co.nz.