

TERMS AND CONDITIONS OF PURCHASE

1. GENERAL

Unless the context otherwise requires:

Agreement means the agreement between the Supplier and TE for the supply of Goods by the Supplier to TE and shall be constituted in its entirety by this Purchase Order, these Terms and Conditions of Purchase together with any documents provided by TE including, the terms and/or contents of any request, solicitation, sample, drawing, specification, schedule or other document agreed to be so incorporated;

TE means Tyco Electronics NZ Limited;

GST means the tax imposed under the *Goods and Services Tax Act 1985* or, if that Act ceases to exist, means any Act of Parliament imposing or relating to the imposition or administration of a goods and services tax in New Zealand and any regulation made under such Act;

Goods means all goods and services ordered by TE pursuant to this Agreement;

Products means the Goods;

Purchase Order means the purchase order or other form of request by TE to the Supplier for the supply of the Goods; and

Supplier means the party named as Supplier on the front page of this Purchase Order.

2. AGREEMENT

The Agreement shall be formed by and upon the Supplier accepting the Purchase Order from TE and the terms of the Agreement shall apply to the exclusion of any conditions of sale appearing on any document of the Supplier.

3. DELIVERY

(a) The delivery of the Goods must be made in accordance with this Agreement and, in particular, within any time and/or method and to such place as TE may nominate. Unless otherwise agreed, TE will not accept part delivery of the Goods.

(b) TE reserves the right to cancel this Purchase Order at any time and refuse delivery of any of the Goods by return of same to the Supplier which return shall at all times be at the Supplier's own risk and expense. Signed delivery dockets shall not mean acceptance by TE of the Goods delivered but only the number of packages or cartons delivered.

(c) If the Supplier is late in delivering any of the Goods or if any materials and equipment forming part of the Goods are delivered in excess of the quantity ordered by TE then TE shall be entitled to return the Goods to the Supplier and all costs incurred by TE in returning the Goods shall be a cost to the Supplier and the purchase price shall be adjusted accordingly.

(d) Delivery shall not be regarded as having been completed until the Goods are fully installed (if applicable), tested and commissioned and TE has given its final acceptance.

4. PURCHASE PRICE

(a) The purchase price shall be inclusive of all works, services and materials reasonably necessary to ensure delivery, including any delivery, packaging, freight, insurance and installation costs and shall also be inclusive of all charges whatsoever including sales, excise, GST and other taxes, duties or imposts. The Supplier shall accept, in lieu of any applicable sales or other tax arising out of the purchase of the Goods, any statutory or other appropriate exemption issued in favour of TE and the purchase price shall be adjusted accordingly.

(b) Payment of the purchase price shall be made within 60 days after the date of receipt of the Supplier's invoice or otherwise in accordance with TE's credit arrangement with the Supplier.

(c) The Supplier acknowledges that TE is a member of a group of companies which have as their ultimate parent TE Connectivity Ltd. (**TE Group**). The Supplier agrees that TE and/or any other TE Group company is entitled to exercise a right of set off to the extent the Supplier is indebted to TE or to any TE Group company against any monies due by TE or by any TE Group company to the Supplier on this or any other account.

5. WARRANTIES

The Supplier represents and warrants to TE that the Goods:

- will be fit for their intended purpose;
- will comply with the requirements of all relevant standards in New Zealand and with any other contractual obligation of TE to a third party (as disclosed to the Supplier by TE);
- will conform with all specifications, drawings, samples or other descriptions furnished by TE to the Supplier from time to time; and
- will be of the highest quality and free from any defects in design, manufacturing, materials and workmanship.

6. TITLE AND RISK

(a) The Supplier expressly waives any and all liens of any kind or nature to which the Supplier may otherwise be entitled, whether statutory or otherwise, and the Supplier agrees to indemnify and forever hold harmless TE against any claims from any third parties against the Supplier affecting directly or indirectly the Goods.

(b) The Goods are at the Supplier's risk until delivery is completed in accordance with the Agreement.

7. INSTALLATION

Where the Goods are required to be installed by the Supplier, the Supplier shall provide all work and materials necessary to carry out such installation. All work carried out by the Supplier will be completed in a proper and workmanlike manner and the Supplier will exercise all due care.

8. DEFECTIVE GOODS AND REFUNDS

(a) All Goods ordered are subject to final inspection and approval by TE. In the event that the Goods (or any part) fail (in TE's absolute opinion) to conform to the Supplier's obligations then TE may reject the Goods. The Supplier shall refund the purchase price forthwith together with an amount to cover TE's inspection, handling, transportation and other reasonable charges or expenses.

(b) Acceptance of or payment for all or any part of the Goods shall not be deemed to be a waiver on the part of TE of its contractual, statutory or other rights in respect of the Goods.

(c) Where TE rejects the Goods which are already installed, the Supplier shall immediately upon written direction, remove the defective Goods, replace same and make good any damage to other property occasioned in such removal to the satisfaction of and at no cost to TE.

9. INSURANCE

The Supplier shall maintain in full force public liability insurance and product liability insurance in respect of the Goods for a minimum amount of \$10 million. TE may from time to time as reasonable require production of certificates of currency to ensure that the Supplier has complied and continues to comply with this clause.

10. INDEMNITY

The Supplier indemnifies TE against any loss, damage, liability or claim, whether arising under contract, at common law, in equity or under any statute, which TE suffers or incurs arising out of a breach of this Agreement by the Supplier.

11. DEFAULT

If the Supplier:

(a) is in default of any provisions of this Agreement and such default is not rectified within 7 days of receipt of notice from TE to rectify such default; or

(b) is adjudged bankrupt or if it shall make a general assignment for the benefit of its creditors; or

(c) has a receiver, liquidator, administrator or other controller of property appointed to the Supplier on account of its solvency or ability to pay its debts as they fall due,

then TE may, without prejudice to any other rights or remedies it may have hereunder, terminate this Agreement, forfeit any retention, take possession of any premises, materials, tools and appliances and finish the work by whatever means it may deem expedient. TE shall not be liable to pay the Supplier any further payments until work or services are completed. If the unpaid balance of the purchase price shall exceed the expense of finishing the work then such excess shall be paid forthwith by the Supplier and/or deducted as the case may be to the Supplier's account.

12. MAINTENANCE MANUALS

The Supplier shall provide comprehensive operating instructions, maintenance manuals, drawings, software protocol (if applicable) to enable TE to maintain the Goods.

13. INTELLECTUAL PROPERTY

(a) The Supplier warrants that it is the owner of or, where appropriate, is the registered user of, any patents, trademarks, copyright, data or trade secrets connected directly or indirectly to the Goods and the Supplier agrees to indemnify and forever hold harmless TE against any actions arising from any breach of this warranty.

(b) TE shall at all times retain title to the copyright or any other intellectual property rights in any plans, designs, sketches, drawings, blue prints, patterns, models, tools, dyes, moulds, special appliances, materials and patents and in any other document or material furnished by TE (whether furnished by TE in connection with this Agreement or produced by the Supplier for the purposes of this

Agreement) ("TE IP"). During the term of this Agreement TE IP shall be deemed to be held by the Supplier on consignment or as a bailee only and at the Supplier's sole risk.

(c) TE IP shall only be used by the Supplier in the production for TE of the Goods or the performance of related work.

(d) This Agreement shall not be construed as being an implied or an express assignment or licence of any of TE IP or the rights therein. The Supplier shall not be entitled to any lien, charge or other form of attachment whatsoever in respect of TE IP.

(e) The Supplier shall not disclose TE IP to others except where, prior to disclosure, TE so agrees in writing. TE IP shall not include matters or things is known to the general public or to the Supplier prior to the date of this Agreement and such knowledge was not the result of a breach of any other confidentiality obligation of the Supplier.

(f) The Supplier shall return all property of TE upon receipt of demand and the Supplier shall not under any circumstances whatsoever make any unauthorised copies of any information provided to the Supplier by TE, including TE IP.

14. MISCELLANEOUS

(a) The Goods are for the use of or re-sale by TE or any other TE Group company and may be incorporated in any products. In no event shall any claim for royalties or other additional compensation be made by the Supplier by reason of such use, re-sale or manufacture.

(b) The fact that TE fails to do, or delays in doing, something it is entitled to do under the Agreement, does not amount to a waiver of its right to do it.

(c) If a clause or part of a clause can be read in a way that makes it illegal, unenforceable or invalid, but can also be read in a way that makes it legal, enforceable and valid, it must be read in the latter way. If any clause or part of a clause is illegal, unenforceable or invalid, that clause or part is to be treated as removed from these Terms and Conditions of Purchase, but the rest of the Agreement is not affected.

(d) TE shall not be liable for any failure to fulfil or any delay in fulfilling any obligation arising from the Agreement if the failure or delay has been caused directly or indirectly by any act of God, war or other civil commotion, strikes, lockouts, stoppages and restraints of labour, breakdown of machinery, inability to obtain raw materials or fuel, fire or explosion, any government action or any other cause beyond the reasonable control of TE and not a consequence of TE's negligence.

(e) Any notice to be given to a party under the Agreement must be in writing and must be sent by post, facsimile or email to the address of that party shown on the Purchase Order. Notice is deemed to have been given at the time it would have been received in the normal course of post if sent by post, or if otherwise given at the time it was actually received.

(f) The Supplier shall at all times comply with the requirements of all applicable statutes, regulations or standards in the supply of the Goods pursuant to this Agreement.

(g) The Agreement is governed by and must be interpreted in accordance with the laws of New Zealand.

(h) Where there is more than one Supplier then the liability of each shall be joint and several.

(i) The rights and remedies provided in the Agreement will not affect any other rights or remedies available to TE.

(j) No variation of this Agreement will be effective unless such variation is in writing and signed by TE.

(k) This Agreement cannot be assigned, transferred or any part sub-contracted by the Supplier without the prior written consent of TE.

(l) In the event of any dispute or differences, the parties shall first attempt to resolve the same between them before proceeding to litigation or arbitration as the case may be.

(m) Unless otherwise stated, all amounts shall be in New Zealand currency.