

1 Application of these Terms

1.1 These Terms apply to all POs issued by us, except where there is a Contract that excludes these Terms. Where a Contract does not exclude these Terms, both the Contract and these Terms will apply to the supply of the Products, and if there is any conflict the Contract takes priority over these Terms.

2 Order acceptance

2.1 A PO is an offer by us to purchase the relevant Products at the Price, and on the terms set out in the Contract (if any) and these Terms.

2.2 You are deemed to accept the PO and these Terms on the earlier of you confirming acceptance of the PO verbally or in writing, taking steps to supply the Products, or issuing an invoice for the Products.

2.3 If not accepted within 14 days the PO will expire. We may withdraw the PO at any time before you accept it.

2.4 Other terms or pricing proposed by you, including any terms in your sales documentation (e.g. quotes, order confirmations, delivery slips or invoices), do not apply unless specifically agreed by us before you accept the PO.

3 Price

3.1 Prices must be quoted in NZD unless we agree otherwise. Prices quoted must be fixed and adjusted due to foreign exchange rate fluctuations.

3.2 We will include the Price in the PO. We will use best efforts to ensure the Price reflects any agreed pricing, but you are responsible for checking the Price in the PO, and if you accept the PO you are bound by that Price.

3.3 The Price is stated before the addition of GST (if any), but otherwise includes all import/export duties or tariffs and all costs, charges and taxes.

3.4 The Price in a PO can only be varied if you notify us of the variation before you accept the PO and we have specifically agreed to the varied Price.

4 Delivery

4.1 Unless agreed otherwise, all goods must be delivered DDP Incoterms 2020 at the place of destination stated in the PO, and services must be provided at the location stated in the PO. Where no such place or location is named in the PO, you must contact us to confirm delivery instructions.

4.2 You must ensure all goods are adequately packaged in accordance with accepted industry practice to prevent deterioration or damage whilst in transit.

4.3 You must ensure each consignment of goods is accompanied by a delivery note stating the description of goods and PO number.

4.4 You must obtain an acknowledgment of delivery from us for all Products. This does not constitute acceptance of either the quality or quantity of the Products. Acceptance of partial deliveries is at our discretion.

4.5 All Products must be delivered within the timeframe specified in the PO. You must notify us as soon as possible (and before the due date for delivery) if you become aware of any delay or likely delay. We may cancel the PO if you notify us of a delay or the Products are not delivered within the agreed time.

4.6 We are not required to pay for partial orders or consignments unless we have specifically agreed otherwise.

5 Title and risk

5.1 Title to any goods supplied to us under the PO will pass to us at the earlier of delivery or any payment by us for the goods.

5.2 Risk remains with you until completion of delivery and acceptance of the Products.

5.3 You will ensure we receive good title to all goods supplied under the PO, at the time title is intended to pass, and free from any charge or encumbrance.

6 Performance standards and quality

6.1 In providing the Products, you must:

- (a) use due diligence, care and skill, and perform in a timely, efficient and cost effective manner;

- (b) use sufficient appropriately trained, qualified, experienced and supervised personnel; and

- (c) comply with accepted industry practice, and all applicable laws, regulations, codes and standards;

- (d) comply with all reasonable policies, directions and requirements that we may notify to you from time to time; and

- (e) avoid any conduct that could reasonably be expected to damage our reputation or goodwill.

6.2 You must ensure the Products:

- (a) meet the description and requirements set out in the PO;

- (b) are fit for any purpose for which such goods would ordinarily be used, and any other purpose made known to you before you accepted the PO;

- (c) are of merchantable quality and free from any defects in labour, materials or performance;

- (d) are designed, manufactured, delivered and operate in compliance with all applicable accepted industry standards (including ISO 14001 if relevant);

- (e) are designed, manufactured, delivered and operate in compliance with any environmental and/or quality assurance system approved or required by us and made known to you before you accepted the PO;

- (f) are new and unused on delivery unless we have agreed otherwise; and

- (g) are compatible with the other goods available from you.

6.3 Where Products are manufactured by a third party, you must ensure the Products are supported by a manufacturer's warranty on industry standard terms or better, and you must ensure we have the benefit of that warranty.

6.4 You must obtain all third party consents, licences, authorisations and approvals required for you to provide the Products.

6.5 You must provide us with regular updates on the status of any services or works required under the PO.

6.6 Where any physical works are involved, you must promptly, properly and safely complete the work, minimising any disruption, and you must tidy up those areas accessed by you during the work, and promptly make good any damage or problems caused by you.

6.7 You must not allow any unauthorised activity, nuisance, discharge of any contaminant, or make excessive noise on any site where we require you to provide the Products.

6.8 You must not subcontract your obligations without our prior approval. Your subcontractors working on any site where we require the Products to be provided must meet our requirements for subcontractors. You remain liable for the performance of your obligations despite any approved subcontracting.

6.9 When on any site where we require you to provide the Products you must comply with our procedures and policies in relation to health and safety. You must have in place and comply with a health and safety management plan and provide a copy to us on request.

7 Remedies for non-compliant Products

7.1 We may have the Products inspected or tested before, on or after delivery. You must facilitate inspection or testing when required.

7.2 If, in our reasonable opinion, some or all of the Products do not meet the requirements of these Terms, we may (without limiting our other remedies):

- (a) require you to remedy the deficiency immediately at your cost, including by replacing the Products, and withhold payment for some or all of the Products until the deficiency is remedied to our reasonable satisfaction;

- (b) deduct a reasonable amount from any payment due to you to reflect the deficiency; and/or

- (c) reject some or all of the Products under the PO, in which case (without limiting our remedies) we may require you to:

- (i) reimburse us for any loss of function due to the rejected Products, not exceeding five times the total Price paid under the PO;
- (ii) remove the rejected Products at your cost, or reimburse us for the reasonable cost of removing them;
- (iii) reimburse us for the reasonable cost of installing replacement products; and/or
- (iv) refund us any amounts we have paid for the rejected Products.

7.3 For any given deficiency, we can exercise more than one of the remedies under clause 7.2, although not in a way that would result in us recovering more than our actual net loss arising from the deficiency.

7.4 Unless specified otherwise in the relevant PO or Contract, we can exercise the rights in this clause 7 at any time during the Warranty Period.

7.5 You are not liable for any failure of the Products to comply with these Terms to the extent due to reasonable wear and tear, or our misuse of the Products, or our failure to maintain Products in accordance with accepted industry practice.

8 Invoicing and payment

8.1 Subject to the other provisions of these Terms, we will pay the Price for the Products supplied to us, excluding Products rejected in accordance with these Terms. This is the only amount we are required to pay for the Products.

8.2 You may only issue an invoice to us after delivery of the Products to the standards required in clause 6, except if specifically agreed otherwise in writing.

8.3 You must provide us a valid GST invoice for the amounts due for the Products. The invoice must include a valid PO number in relation to the relevant Products, details of the relevant Products, a breakdown of all labour, materials and disbursements (where applicable), and sufficient information to enable us to validate the claim for payment.

8.4 Invoices must be emailed to accountspayable@northpower.com (preferred) or mailed to: Northpower Limited, Head Office, Private bag 9018, Whangarei Mail Centre, Whangarei 0148, clearly marked for attention of "Accounts Payable".

8.5 We are not required to pay for any Products until we have received an invoice that complies with these Terms, including having a valid PO number specified in the invoice. Subject to the other provisions of these Terms, we will pay each correct invoice by the last business day of the month following the month in which the invoice is received.

8.6 Without limiting our rights, we may (acting reasonably) withhold any disputed amount until the dispute is resolved.

8.7 We will deduct withholding tax where required by law, and payment of the net amount remaining after that deduction will be taken as payment in full.

9 Suspension and cancellation

9.1 We can suspend the purchase of the Products if you materially breach these Terms. We will lift the suspension promptly once you have remedied the breach to our reasonable satisfaction. If the suspension has not been lifted within 10 working days, the purchase of the Products is deemed cancelled.

9.2 We can cancel the purchase of the Products if you materially breach these Terms and either the breach is not reasonably capable of being remedied, or you fail to remedy it within 5 working days of us asking you to remedy it.

9.3 Either you or we can cancel the purchase of the Products at any time by giving notice to the other party, if the other party is insolvent or bankrupt, or ceases to carry on business, or enters into an arrangement with its creditors, or goes into receivership or has a receiver, trustee and/or manager appointed in respect of all or any material part of its property or business, or goes into liquidation, voluntary administration, bankruptcy, or any similar process.

10 Intellectual property

10.1 Subject to the terms of the Contract (if any), you grant us all necessary rights to use and deal with the Products in any manner and for any purposes that would ordinarily be expected for such items, and in any other manner and for any other purposes specifically made known to you before you accepted the PO. You also grant us all necessary rights for us to authorise our customers to do the same. You warrant to us that such uses of and dealings with the Products by us and/or our customers will not infringe any third party rights.

10.2 If in the course of the supply of any Products you modify or enhance any materials provided by us, any new intellectual property rights in those

modifications or enhancements will belong to us. If we request, you must transfer that new intellectual property to us or our nominee.

11 Confidentiality

11.1 You must keep confidential and secure, and not misuse, any information obtained from us or our customers, or from any inspection or evaluation of our premises, network, assets or systems or those of our customers, that would reasonably be expected to be proprietary, sensitive or confidential.

11.2 You can use and disclose that information to the extent required by law or to the extent necessary to supply of the Products and perform your obligations under the Contract (if any) and these Terms.

11.3 At our request, you must stop using our property and information, and either return it to us or destroy it if specifically requested by us.

11.4 You must not represent or publicise in any way to anyone that you are a supplier to us, or allow media releases or advertising that names us or suggests us without our prior consent.

12 General

12.1 You must ensure you have in place adequate insurance to cover standard commercial risks, your liability to us in relation to the Products, plus any loss of or damage to the Products in transit from you to us. If requested, you must promptly provide us with evidence of your compliance with this clause.

12.2 You are an independent supplier to us. No legal partnership, principal/agent or joint venture relationship between you and us is created or evidenced by a PO.

12.3 You may not assign, novate or transfer any right or obligation under a PO or these Terms, without our prior consent.

12.4 Any reference in these Terms to us giving a consent, approval, agreement or notice means a written consent, approval, agreement or notice.

12.5 These Terms may only be varied by a signed agreement in writing. For us to waive a right under these Terms, the waiver must be in writing and signed.

12.6 These Terms are governed by the laws of New Zealand. Each party submits to the non-exclusive jurisdiction of the courts of New Zealand in relation to any dispute connected with the Products or these Terms.

13 Definitions

In these Terms, unless the context requires otherwise:

Contract means the contract (if any) agreed by you and us in writing for supply of the Products, separate from the PO and these Terms.

Northpower, we, us or our means the Northpower entity named in the PO, or if not specifically named in the PO, Northpower Limited.

PO means a purchase order issued by a Northpower entity.

Price means the price stated in the PO.

Terms means these Purchase Order Terms.

Products means the goods and/or services referred to in the PO.

Warranty Period for each Product, unless the Contract states otherwise, means 12 months from delivery or, if longer, the warranty period generally available to your customers for equivalent goods or services.

You or your means the supplier referred to in the PO.