

TERMS AND CONDITIONS OF TRADE

1. Ownership of the property or goods shall not pass to the Customer until Bayteck Systems Ltd ("Bayteck") receives payment in full.
2. All amounts are in New Zealand dollars unless otherwise stated and claimed under the NZ Construction Contracts Act.
3. Return of goods can only be accepted if prior approval has been obtained from Bayteck and the invoice number must be quoted.
4. Unless otherwise agreed in writing by Bayteck, payment of the invoice is due immediately following receipt of the invoice relating to the goods or service. If a credit application has been received from the customer and a credit account approved by Bayteck, then payment is due by the 20th day of the month following the date of invoice relating to the goods or service.
5. Interest at the rate of 2.5% per month may be charged on all overdue accounts unless prior arrangements have been made. The interest will be calculated on a daily basis from the date payment was due until the date payment is received by Bayteck.
6. The Customer understands and agrees that in the event of default in payment of the account, the Customer will become liable for any and all costs of collection that are incurred by Bayteck, both prior to and post legal action. Costs of collection may include but are not specifically limited to collection agency costs, repossession costs, court costs, solicitors' fees and search costs.
7. Credit facilities will be withdrawn if terms and conditions are not strictly adhered to.
8. Upon asserting to these terms and conditions in writing the Customer acknowledges and agrees that:
 - 8.1 (a) These terms and conditions constitute a security agreement for the purposes of the
Personal Property Securities Act 1999 ("PPSA"); and
 - (b) A security interest is taken in all goods previously supplied by Bayteck to the Customer (if any) and all goods that will be supplied in the future by Bayteck to the Customer.
- 8.2 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 Bayteck may reasonably require to register a financing statement or financing change statement on the Personal Property Securities Register;
 - (b) Indemnify, and upon demand, reimburse, Bayteck for all expenses incurred in registering a financing statement or financing change statement on the Personal Property Securities Register or releasing goods charged thereby;
 - (c) Not register a financing change statement or a change demand without the prior written consent of Bayteck; and
 - (d) Immediately advise Bayteck of any material change in its business practices of selling the goods which would result in a change of proceeds derived from such sales.

- 8.3 Bayteck and the Customer agree that nothing in sections 114(1)(a), 133 and 134 of the PPSA shall apply to these terms and conditions.
- 8.4 The Customer waives its rights as a debtor under sections 116, 120(2), 121, 125, 126, 127, 129, 131 and 132 of the PPSA.
- 8.5 Unless otherwise agreed to in writing by Bayteck, the Customer waives its rights to receive a verification statement in accordance with section 148 of the PPSA.
- 8.6 The Customer shall unconditionally ratify any actions taken against Bayteck under clauses 8.1-8.6.
9. Liability under Warranty: Bayteck's liability under this warranty or any other warranty whether express or implied in law or fact shall be limited to the repair or replacement of defective material and workmanship and in no event shall Bayteck be liable for consequential or indirect damages.
10. Bayteck may use and integrate the work of third parties in the performance of the Services.
11. Bayteck shall not be responsible for the performance of a third party where Bayteck has been instructed by the Customer to use the third party.
12. All intellectual property which arises out of or in the course of provision of the Services, shall be the exclusive property of Bayteck, unless otherwise agreed.
13. The Customer warrants that all designs or instructions to Bayteck will not cause Bayteck to infringe any patent, registered design or trademark in the execution of the Customer's order and the Customer agrees to indemnify Bayteck against any action taken by a third party against Bayteck in respect of any such infringement.
14. Bayteck shall not be liable to the Customer whatsoever for any defect loss damage or delay caused by strike, lockout, damage to or breakdown of plant, government interference, war, or act of war, storm, tempest, fire, flood, riot, explosion, earthquake, force majeure or any other cause beyond the control of Bayteck, that impacts on the service, supply or performance of the contract.
15. This Contract shall be governed by the laws of New Zealand and shall be subject to the exclusive jurisdiction of the High Court of New Zealand at Auckland.