

CONDITIONS OF PURCHASE (GOODS AND SERVICES) DOMESTIC AND INTERNATIONAL

1. DEFINITIONS

For the purposes of these Conditions of Purchase:

Agreement means the Order together with these Conditions of Purchase;

Delivery Point means the place specified as the delivery point in an Order;

Domestic means that the Seller is located within New Zealand;

Goods means the goods specified in an Order that are to be supplied by the Seller to Vector on the terms set out in this Agreement;

GST means goods and services tax payable under the GST Act or any similar tax under any replacement legislation;

GST Act means the Goods and Services Tax Act 1985 (as amended);

Inland Revenue means the New Zealand Inland Revenue Department;

ITA means the New Zealand Income Tax Act 2007;

NRCT means Non-Resident Contractors' Tax levied under the ITA;

International means that the Seller is located outside New Zealand;

Order means a purchase order issued by Vector to the Seller;

Personal Property Securities Register means the electronic register maintained by the New Zealand Companies Offices (on behalf of the New Zealand Ministry of Economic Development) and which allows security interests in personal property to be registered and searched in accordance with the New Zealand Personal Property Securities Act 1999;

Seller means the person to whom the Order is addressed or any subcontractor, independent contractor or other class of person appointed by that person;

Services means the services referred to in an Order that are to be supplied by the Seller to Vector on the terms set out in this Agreement;

Supply Correction Information means supply correction information as defined in section 19E of the GST Act;

Taxable Supply Information means taxable supply information as defined in section 19E of the GST Act; and

Vector means Vector Limited or any of its wholly-owned subsidiaries.

2. GENERAL

Any Goods and/or Services purchased by Vector from the Seller will be purchased on the terms set out in this Agreement only. This Agreement constitutes the entire agreement of the parties in respect of the matters covered by it and supersedes all previous agreements in respect of those matters, including the Seller's terms (if any).

3. PRICE AND TAX

(a) The purchase price of the Goods and/or Services will be the price specified in the Order or, where no price is specified, the price current when the Goods and/or Services are ordered.

(b) The purchase price of the Goods and/or Services will be:

(i) for Domestic Sellers, inclusive of all taxes and duties of any kind that either party is required to pay in respect of the sale of the Goods or the provision of the Services other than GST;

(ii) for International Sellers, in New Zealand dollars, unless specified otherwise in the Order and inclusive of all taxes and duties of any kind other than those Vector is responsible for paying under clause 3(c).

(c) Responsibility for freight and insurance as between the Seller and Vector;

(i) for Domestic sellers, will be as specified in the Order or, where responsibility is not specified, the Seller will pay for freight and insurance and the DDP (delivered Duty Paid) rule shall apply.

(ii) for International sellers, all trade shall be governed by INCOTERMS® 2020. Where no Incoterm rule is specified on the Order, the DDP (Delivered Duty Paid) rule shall apply.

(d) Following Vector's acceptance of the Goods or Services, the Seller must send Vector a valid invoice that records the price of the Goods and/or Services separately from the value of any GST payable on those Goods and/or Services and includes Taxable Supply Information as required under the GST Act in relation to the supply. Where any amendment is made to the amount payable for the Goods and/or Services after the invoice has been issued, the Seller must issue Supply Correction Information as required under the GST Act to Vector.

(e) The Seller alone shall be responsible for paying all income tax and other taxes and levies of any nature imposed upon the Seller in respect of the supply of the Goods and/or Services to Vector, whether in New Zealand or elsewhere, and for making arrangements with Inland Revenue or the equivalent taxation authorities elsewhere in respect of such payments. Vector will not make any adjustment or reimbursement in respect of any additional amounts which the Seller may pay to or on behalf of its personnel to compensate for any increases in income tax or other taxes and levies of whatsoever nature which they may incur or suffer by reason of either operating, or supplying the Goods and/or Services to Vector in New Zealand.

(f) Where the Seller is a non-resident contractor for the purposes of the ITA, the Seller acknowledges that payments made by Vector in respect of any Service provided by that Seller (and/or its employees who are in New Zealand at the time the Service is performed) to Vector are subject to NRCT and Vector is required to deduct the total amount of NRCT from payments to the Seller unless:

(i) the Seller provides Vector with a Certificate of Exemption issued by Inland Revenue specifying that NRCT is not to be deducted from payments to the Seller in respect of their contract activity in New Zealand; or

(ii) The Seller provides Vector with the following declaration:

"The Seller has full relief from tax under a double tax agreement and the Seller and/or its employees will not be present in New Zealand for more than 92 days in any 12 month period in which the Seller performs work for Vector. For the avoidance of doubt such presence in New Zealand includes any work performed for entities other than Vector."

If the Seller does not meet the requirements of either (i) or (ii), Vector will deduct any NRCT that Vector is required to deduct from the purchase price paid to the Seller and Vector will not be required to increase the purchase price payable to the Seller by the amount of any such deduction of NRCT.

If the Seller provides a statement as specified at (b)(ii), and the statement becomes invalid, the Seller will immediately advise Vector and remit to Vector the total amount of any NRCT paid by Vector.

- (g) Any amount withheld or deducted by Vector from any payment due to the Seller and paid to the Inland Revenue pursuant to Vector's reasonable understanding of its duty under the ITA, or the Tax Administration Act 1994 (or related statutes or replacements) or regulations made thereunder shall for the purposes of this Agreement be deemed to have been paid by Vector to the Seller and the payment thereof to the Commissioner of Inland Revenue shall be treated as a complete discharge of Vector's liability to the Seller in respect of the amount so paid.
- (h) The parties agree that the purchase price of any Goods purchased by Vector from the Seller pursuant to this Agreement is the lowest price that the parties would have agreed upon on the basis of payment in full on the date of this Agreement and on that basis no income or expenditure arises in respect of the sale and purchase of the Goods under the rules relating to financial arrangements in the ITA.

4. PAYMENTS

- (a) Unless otherwise agreed in writing between the parties, Vector is to pay for the Goods and/or Services in accordance with any terms set out in the relevant Order or, if no such terms are set out, on the 20th day of the month following the date of the invoice for the Goods and/or Services submitted by the Seller in accordance with clause 3(d), unless there is a dispute regarding the invoice.
- (b) Unless otherwise agreed in writing between the parties, Vector will direct credit the payment for the Goods and Services into the Seller's bank account. Vector will notify the Seller of that payment by remittance advice to the Seller on or before the day of the payment.
- (c) Payment shall not prejudice Vector's right to reject any Goods and/or Services for breach of warranty or to obtain a refund for such Goods and/or Services.
- (d) Vector will not be liable to pay for any goods delivered in excess of the amounts specified in any Order.

5. SUPPLY OF GOODS

- (a) The Goods are to be delivered by the Seller to the Delivery Point.
- (b) Where a delivery date is specified in the Order, the Seller indemnifies Vector against any direct loss or damage suffered by Vector if the Seller does not deliver the Goods to the Delivery Point by the specified delivery date and, without prejudice to Vector's other rights, Vector may cancel the Order if the Goods remain undelivered within the time period notified by Vector to the Seller for delivery.
- (c) All Goods must be marked, packed and otherwise protected, at the Seller's expense, for transit to the Delivery Point, in such manner as will prevent any damage to or deterioration of the Goods under normal transport and storage conditions having regard to the nature of the Goods. Delivery of the Goods will be deemed to have occurred when:
 - (i) the Goods have been unloaded at the Delivery Point; and
 - (ii) Vector has inspected the Goods and confirmed that they are free from damage.
- (d) The Seller must provide detailed delivery documents with every delivery of Goods which must contain, at a minimum, Vector's order number and order item number, the date, the Seller's details, the quantity of Goods dispatched and an item description.
- (e) Without prejudice to Vector's other rights, if the Seller delivers a different quantity of Goods to that specified in the Order, Vector may accept all of the Goods or accept any lesser quantity and reject the rest of the Goods.
- (f) The Seller will be liable for all direct costs and losses that Vector incurs as a result of the delivery of the

wrong quantity of the Goods or the wrong goods.

- (g) If Vector cancels the Order or rejects any Goods in accordance with this Agreement, Vector may, at the risk and expense of the Seller, return the whole or any part of the Goods to the Seller and, at Vector's discretion, require the Seller:
 - (i) to replace or repair the defective Goods at no additional cost; or
 - (ii) refund in full any money paid to the Seller for Goods that have been returned.

6. SUPPLY OF SERVICES

- (a) Where the Order specifies a date on which the Services must be provided the Seller indemnifies Vector against any direct loss or damage suffered if the Seller does not provide the Services on the specified date.
- (b) If the Seller fails to provide all or part of the Services in accordance with this Agreement, Vector may obtain replacement services (to replace all or part of the Services) from a third party at the Seller's cost.

7. OWNERSHIP AND RISK

- (a) Except as otherwise provided in this Agreement, ownership of and risk in the Goods will pass to Vector once the Goods are delivered to, and accepted by, Vector. Acceptance as to ownership of the Goods does not defeat the Seller's warranties contained in clause 9, or Vector's rights of return under clause 9, or act as a waiver of any of Vector's other rights.
- (b) Notwithstanding clause 7(a), the Seller bears the risk of loss or damage to Goods until ownership of those Goods passes to Vector in accordance with clause 7(a) or the terms of the Order.

8. INSPECTION

Vector or its representative has the right at all reasonable times to inspect the Goods (whether in the course of manufacture or not) and/or Services, whether at the Seller's place of business or otherwise. Notwithstanding such inspection or Vector's acceptance of delivery, all Goods and, where applicable, Services are subject to Vector's inspection and acceptance at its own premises following delivery or completion. If the Goods are to be installed or incorporated into any plant, machinery or any other part of Vector's premises, such inspection and acceptance may be carried out after installation or incorporation under operating conditions.

9. WARRANTIES

- (a) The Seller warrants that the Goods:
 - (i) will, on delivery to Vector, be free from any liens, charges, encumbrances and security interests and no financing statement is or will be registered or maintained in respect of the Goods in the Personal Property Securities Register;
 - (ii) will, for a period of 12 months after the supply of such Goods, remain fit for the purposes made known by Vector (expressly or by implication) or, if purposes are not made known, will be fit for all the purposes for which goods of the type in question are commonly supplied or for which the Seller represents that they are or will be fit;
 - (iii) are of merchantable quality and are free from defects in design, material and workmanship **provided that** where the Goods have been manufactured in accordance with any drawings, specifications or instructions provided by Vector, the Seller warrants only that the Goods conform to such drawings, specifications or instructions, are of

- sound material and workmanship, and are free from any defects; and ;
- (vi) correspond with the sample, demonstration model or description where the sale is by sample, demonstration model or description, as the case may be.

Where the Goods have been manufactured by a third party the Seller warrants that Vector will receive the full benefit of all warranties given by that third party manufacturer in respect of those Goods.

- (b) The Seller warrants that the Services:
- (i) will be provided in a timely manner in compliance with this Agreement;
- (ii) will be performed with due care, skill and diligence by competent and qualified persons; and
- (iii) will, for a period of 12 months after the supply of such Services, be fit for the purposes made known by Vector to the Seller (expressly or by implication) or, if no purposes are made known, for all the purposes for which Services of the type in question are commonly acquired or for which the Seller represents they are or will be fit.
- (c) To the extent permitted by law the above warranties are in lieu of and to the exclusion of any express or implied conditions or warranties, statutory or otherwise, relating to the quality and description of the Goods and the Services.
- (d) The Seller warrants that it has obtained all licences, authorisations and other formalities necessary for the manufacture and/or sale (and for International Sellers the export) of the Goods and/or the provision of the Services.
- (e) Without prejudice to Vector's other rights , if the Seller breaches any of the warranties in this clause 9 and/or the warranty in clause 12(a), Vector may:
- (i) in the case of Goods:
- (A) reject all of the Goods or any of them and obtain from the Seller, at Vector's option, a refund of the purchase price paid in respect of the rejected Goods or replacement Goods; or
- (B) accept the Goods or any of them and obtain from the Seller damages in compensation for any reduction in value of the Goods below the purchase price paid or payable for the Goods; or
- (ii) in the case of Services, require the Seller to stop providing the Services and obtain replacement services from a third party at the Seller's cost.
- (f) Ownership of any Goods rejected under clause 9(e)(i)(A) shall remain with (or return to) the Seller and those Goods will continue to be at the Seller's sole risk.

10. INDEMNITY AND INSURANCE

- (a) The Seller indemnifies Vector for all claims, costs, demands, expenses, liabilities, damages or losses of any nature, arising out of or in connection with the Seller's failure to comply with this Agreement, provided that (A) the Seller's liability under this clause 10(a) shall be limited to the greater of (i) \$NZ1 million (plus GST, if any) or (ii) three times the aggregate purchase price (plus GST, if any) paid or payable for the Goods and/or Services, for any one event or for any series of related events and (B) the Seller shall not be liable for indirect or consequential losses.
- (b) The Seller shall hold, and keep current until such time as Vector has accepted the Goods or the Seller has provided the Services to the satisfaction of Vector (as the case may be), \$NZ1 million public liability insurance and, if Vector requires, \$NZ1 million professional indemnity insurance in relation to the Goods and/or Services. At Vector's request, the

Seller must provide Vector with copies of certificates containing details of the required policies.

- (c) Without prejudice to any other remedies available to Vector, if the Seller provides any Services or constructs, inspects or delivers any Goods to Vector at the Delivery Point or one of Vector's other premises, the Seller will, at its own expense, indemnify, hold harmless and defend Vector and its officers, agents, contractors and employees for any loss, liability or demand, or the payment of any sum of money that may occur as a result of any damage to any physical property arising from the Seller's construction, inspection or delivery of the Goods and/or the provision of the Services.
- (d) Vector will take reasonable steps to mitigate any claims, costs, demands, expenses, liabilities, damages or losses it suffers or incurs.

11. HEALTH, SAFETY AND ENVIRONMENT

If it provides Goods and/or Services at Vector's premises, the Seller must ensure that:

- (a) its employees, contractors and agents are competent in health, safety and environmental matters and that they at all times identify and exercise all necessary precautions for the health and safety of all persons and the protection of the environment;
- (b) it complies with all applicable New Zealand legislation including (without limitation) the Resource Management Act 1991 and the Health and Safety at Work Act 2015;
- (c) it complies with all of Vector's safety requirements and procedures, including Vector's Contractor HSE Handbook available at www.vector.co.nz/suppliers;
- (d) it performs appropriate health, safety and environment risk assessments and implements any necessary preventative controls prior to providing the Goods and/or Services;
- (e) it immediately reports to Vector all incidents involving injury or potential injury to any person or the environment or damage to property;
- (f) Vector's premises are left secure, clean, orderly and fit for use; and
- (g) all Vector's property, including (without limitation) all security swipe cards, keys, books, records and papers, is returned to Vector once the Seller has provided those Goods and/or Services.

12. INTELLECTUAL PROPERTY RIGHTS

- (a) The Seller warrants that the sale or use of the Goods and/or the supply of the Services will not infringe any patent, design, trade mark, copyright or other intellectual property right of a third party or result in Vector becoming liable for the payment of any royalties or other fees.
- (b) Any intellectual property created by the Seller in the course of providing the Services will be owned by Vector.
- (c) The Seller will, at its own expense, indemnify, hold harmless and defend Vector and its officers, agents, contractors and employees for any loss, damage, expense, liability, claim or demand for actual or alleged infringement of any patent, design, trade mark, copyright or other intellectual property right of a third party, arising from Vector's purchase, use or sale of the Goods or supply of the Services, in accordance with the terms of this Agreement.
- (d) All plans, drawings, specifications and other technical or engineering data relating to the Goods and/or Services supplied by or on behalf of Vector to the Seller, and any copies or patterns made from those documents, remain Vector's exclusive property and the Seller will only use

them for the purposes of the Order and will return them to Vector on demand.

- (e) Clauses 12(a) and (c) do not apply where the Goods are manufactured to Vector's detailed design.

13. CANCELLATION

- (a) Unless previously withdrawn by Vector, an Order is open for acceptance by the Seller for the period stated in the Order or, when no such period is stated, for a period of five business days from the date of the Order. If the Seller does not respond within such time, the Order is deemed to be accepted.
- (b) Either Party may cancel an Order, with immediate effect, by notice to the other party, if that other party:
- fails to perform any of its obligations under this Agreement and the failure has not been remedied within three business days of receipt of a notice by the Seller requiring the failure to be remedied;
 - has appointed a receiver, receiver and manager, liquidator, statutory manager, passes a resolution for winding up, or assigns its estate or any substantial part of it for the benefit of its creditors; or
 - is unable to pay its debts in the ordinary course of business or is insolvent.
- (c) Vector may at any time, by notice in writing to the Seller, cancel the Order in respect of any undelivered Goods or uncompleted Services. If the Order covers:
- standard stock goods or standard services, Vector must pay for Goods delivered, or Services provided, prior to the date of cancellation; and
 - Goods or Services manufactured or provided, or to be manufactured or provided, to Vector's specifications or specifications prepared by the Seller for Vector, then, on receipt of the cancellation notice, the Seller must immediately stop all performance under the Order except as Vector otherwise directs.
- (d) Notwithstanding clause 13(c), where the Seller is not in default of its obligations under this Agreement, Vector must, on cancellation under clause 13(c), pay to the Seller:
- all reasonable costs directly incurred by the Seller in connection with the Order up to and including the date of cancellation; and
 - such other reasonable costs, including cancellation charges under any subcontract, as the Seller may establish to the satisfaction of Vector,
- provided however that (A) the Seller must use reasonable endeavours to mitigate its costs and losses (including by finding another buyer for standard stock goods or services) and must demonstrate to the satisfaction of Vector such endeavours and (B) the total cancellation payment plus any previous payment made by Vector to the Seller for the Goods and/or the Services, as the case may be, must not exceed the total price stipulated in the Order. On such payment, the ownership of all Goods and uncompleted work shall pass to Vector.
- (e) The expiry or termination of this Agreement is without prejudice to the rights and obligations of the parties accrued up to and including the date of expiry or termination.

14. LEGAL COMPLIANCE

- (a) The Seller must comply with all applicable laws, rules, regulations, bylaws, standards and codes of practice in providing the Goods and Services.
- (b) Where the Seller's employees and/or representatives are accessing any Vector information, data or systems, the Seller will comply with Vector's Cybersecurity Policy available at www.vector.co.nz/suppliers. The Cybersecurity Policy is incorporated into this Agreement by reference,

which means it forms part of the terms of this Agreement.

- (c) The Seller acknowledges, and agrees to take all reasonable steps to comply with, Vector's Supplier Code of Conduct available at www.vector.co.nz/suppliers.
- (d) Where Vector provides the Seller with any personal information, the Seller must, without limiting its obligations under clause 14(a):
- only use that personal information for the purposes of providing the Goods and Services;
 - keep that information secure;
 - not transfer that personal information outside of New Zealand without Vector's prior written consent; and
 - without limiting its obligations in (i) – (iii), comply with the obligations the Privacy Act 2020 imposes on the Seller with respect to that personal information.
- (e) Vector may collect, use and disclose any personal information provided by the Seller to Vector in accordance with its privacy policy, as amended from time to time, and which is available at www.vector.co.nz/privacy-policy and Vector will comply with its obligations under the Privacy Act 2020 with respect to any such personal information.

15. WAIVER

- (a) No waiver by a party of its rights under this Agreement is effective unless it is in writing signed by that party.
- (b) A waiver by a party pursuant to this clause 15 will not prejudice its rights in respect of any subsequent breach of the Agreement by the other party.
- (c) No failure by a party to exercise, and no delay in exercising, a right under this Agreement will operate as a waiver of that right, nor will a single or partial exercise of a right preclude another or further exercise of that right or the exercise of another right.

16. SEVERABILITY

If any provision of this Agreement is held invalid, unenforceable or illegal for any reason, this Agreement remains otherwise in full force apart from such provision that will be deemed deleted.

17. AMENDMENT

No amendment to this Agreement is effective unless it is in writing signed by both parties.

18. ASSIGNMENT AND SUBCONTRACTING

The Seller must not assign this Agreement or subcontract any of its obligations under this Agreement without Vector's prior written consent.

19. RELATIONSHIP OF THE PARTIES

The relationship of the parties is one of independent contractors. Nothing in this Agreement is or will be taken as constituting the relationship of employer/employee, partners or joint-venturers between the parties.

20. INCONSISTENCY

To the extent of any inconsistency between these Conditions of Purchase and the Order, the order of precedence is Conditions of Purchase, then the Order.

21. DISPUTES

- (a) The parties agree that any dispute of whatever nature arising between Vector and the Seller is to be notified in writing by the disputing party to the other (**Dispute Notice**). On receipt of a Dispute Notice, each party is to use its best endeavours to

resolve the dispute by discussion, meeting and/or other informal means.

- (b) If the dispute is not resolved by discussion, meeting and/or other informal means within 10 business days of the date of the Dispute Notice, then the parties may agree to submit the dispute to arbitration pursuant to the Arbitration Act 1996 (excluding Clauses 4 and 5 of the Second Schedule), or, failing agreement, either party may pursue resolution of the dispute through legal proceedings before the New Zealand courts.
- (c) This clause 21 does not affect either party's right to seek urgent interlocutory relief.

22. CONFIDENTIALITY

- (a) All confidential or proprietary information of one party disclosed to or acquired by the other party under or in connection with this Agreement will be Confidential Information of and proprietary to the party disclosing that information (Confidential Information).
- (b) The receiving party will hold the Confidential Information in strictest confidence and in trust for the sole and exclusive benefit of the disclosing party and shall not use the Confidential Information except to the extent required to perform its obligations under this Agreement. The receiving party shall effect and maintain adequate security measures to safeguard the storage and use of the Confidential Information.

23. RIGHTS AND RESPONSIBILITIES THAT CONTINUE

The provisions of clause 10 and clause 22 will continue to bind the parties notwithstanding the expiry or termination of this Agreement or that either party may have ceased to be a party to this Agreement.

24. APPLICABLE LAW

This Agreement is governed by, and is to be construed in accordance with, New Zealand law.

25. REFERENCES

In this Agreement, a reference to any legislation or to any statutory provision includes: (a) any statutory amendment, modification or re-enactment of; (b) any statutory provision substituted for; and (c) all ordinances, by-laws, regulations, rules, by-laws, codes and statutory instruments (however described) issued under, that legislation or statutory provision (as the case may be).

26. EXCLUSION OF UNITED NATIONS CONVENTION

The parties agree that the United Nations Convention on Contracts for the International Sale of Goods does not apply to this Agreement or to the supply of Goods under this Agreement.