IKO Asia Pacific Limited
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St Johns, Auckland 1072
PO Box 18-071, Glen Innes 1743

TERMS OF SALE

The price shall be increased by the amount of any G.S.T. and other taxes and duties which may be applicable, except to the extent that such taxes are expressly included in any quotation given by the Seller. The price may be increased or decreased 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 this contract and the date of delivery. An extra charge may be made where additional work results from lack of precision in the Buyer's specifications or the Buyer alters the specifications after the date of this contract. The Buyer is bound to pay the price from the time that an order is placed with the Seller, with there being no obligation on the Seller to inquire as to the authority of any person placing an order on behalf of the Buyer. No order may be cancelled without the Seller's prior approval, and then only upon such terms as the Seller may specify. Alterations to any price list shall be effective from the date specified by the Seller at the time of giving notice to the Buyer.

Payment

Unless otherwise agreed in writing, the terms of payment are payment in full (including, without limitation, all G.S.T. and other value added tax) in cleared funds no later than the 20th day of the month following delivery of the Goods (including where Goods are delivered by instalments). You will pay to Us all G.S.T. or other value added tax payable on the Goods supplied. If You fail to make any payment to Us by the due date, You will be liable to pay to Us default interest thereon at a rate (the "default rate") equal to the higher of (a) 3% per annum above the Reserve Bank's 90-day bank bill rate; and (b) the highest prescribed rate of interest chargeable in

accordance with section 87(3) of the Judicature Act 1908. The default rate will accrue and be calculated on a daily basis on all monies outstanding from the date that payment is due until the date payment is received in

full by Us. We may refuse to deliver Goods if there are any outstanding moneys or other obligations owing to Us or any Related Company by You or You have breached any of these terms and conditions. You will make all payments due to Us, whether in respect of the price of the Goods or otherwise,
in full without deductions of any nature (whether by way of set off, counterclaim or other equitable or lawful claim or otherwise). We may at any time require You to pay for Goods by bank cheque or post-dated cheque. Any payment received by Us (or any amount withheld by Us under these terms) may be applied in reduction of any amount owing to Us or any Related Company, as determined by Us. We may deduct or withhold any amount (whether by way of set off, counterclaim or other equitable or lawful claim or otherwise) from any money owing by Us or any Related Company to You on any account whatsoever.

Delivery

Unless otherwise agreed in writing, delivery shall be made at the Seller's premises and shall take place at the time when the goods are made available for despatch at the Seller's premises. If the Seller subsequently arranges transportation, storage or insurance of the goods:

- the Seller does this as the Buyer's agent;
- the Buyer must pay the Seller all the costs of this service; and
- the Buyer shall indemnify the Seller for any liability incurred by the Seller in providing this service.

The Seller may deliver the goods by instalments, and each instalment shall be treated as a separate contract under the terms of this contract. If the Seller fails to deliver or makes defective delivery of part of the goods, this does not entitle the Buyer to cancel the contract. Any time stated for delivery is an estimate only. The

Seller is not liable for any delay in delivery. If the Buyer refuses to accept delivery of any of the goods the Seller may charge the Buyer for any additional costs incurred as a result, including storage and transportation costs.

Risk and Ownership

Ownership of the Goods supplied by Us will remain with Us and will not pass to You until all amounts owing by You to Us or any Related Company in respect of the Goods or otherwise have been paid for in full and all Your other obligations to Us or any Related Company in respect of the Goods or otherwise have been met. Until ownership of the Goods passes to You.

You agree as follows:

a) You hold the Goods on trust for Us as Our bailee.

b) You will store the Goods at Your cost so that they can be readily identified as belonging to Us.

c) You must keep full and complete records of the Goods and make such records available to Us upon Our reasonable request.

d) You give Us the right to inspect the Goods or any part of them at all reasonable times.

e) You must not do or allow to be done anything that might contribute to a deterioration in the value of the Goods or otherwise adversely affect Our rights or interest in the Goods under these terms and conditions.

f) You must return the Goods if requested to do so by Us following non-payment of any amount owing by You to Us or any Related Company or non-fulfilment of any of Your other obligations to Us or any Related Company, without limiting any other right We or they may have.

If the Goods have not been paid for in full by the due payment date or are at risk (as defined in PPSA), We or Our agent(s) may (in addition to Our other rights but subject to the Credit (Repossession) Act 1997) enter Your premises (or other premises to which You have access and where the Goods are stored or where We

reasonably believe the Goods are stored) at any time, without notice, and search for and recover the Goods and may resell the Goods or retain the Goods for Our own benefit or the benefit of any Related Company, without incurring any liability to You or any person claiming through You. You may not revoke the permission granted in this subclause.

Where You provide material to Us to be processed, then We will have a general and particular lien in respect of those goods for all sums due at any time from You to Us or any Related Company. We may sell or dispose of such goods at Your expense and without liability to You and may apply the proceeds in or towards such sums.

Notwithstanding that ownership of any Goods may remain with Us, all risk in respect thereof will pass to You upon delivery. You will insure (and keep insured) the Goods for full replacement value against all risks of loss or damage in Your and Our name for Our respective interests. We may, at any time, request a copy of the policy of insurance and You will promptly provide the same to Us.

Guarantees

Where the Consumer Guarantees Act 1993 applies to this contract:

- if the goods are acquired by the Buyer for business purposes, the Buyer agrees that the Consumer Guarantees Act 1993 does not apply; and

- if the goods are not acquired by the Buyer for business purposes, the Seller reserves

- the right to repair or replace any goods which fail to comply with any guarantee contained in the Consumer Guarantees Act 1993.

Where the Buyer supplies the goods in trade to a person acquiring them for business purposes, it must be a term of the Buyer's contract with that person that the Consumer Guarantees Act 1993 does not apply in respect of the goods. The Buyer acknowledges that the Seller does not provide any Express Guarantees (as defined in the Consumer Guarantees Act 1993) other than those expressly confirmed by the Seller in writing. Where the Buyer supplies the goods to any other person in the course of trading, the Buyer must not give or make any undertaking, assertion or representation in relation to the goods without the Seller's prior approval in writing. The Buyer agrees to indemnify the Seller against any liability or cost incurred by the Seller under the Consumer Guarantees Act 1993 as a result of any breach by the Buyer of the obligations contained in this contract.

The following terms apply wherever the Consumer Guarantees Act 1993 does not apply to this contract, or where the following terms are not inconsistent with the Consumer Guarantees Act 1993:

Defective goods and services or goods and services which do not comply with the contract shall at the Seller's discretion be repaired or replaced, or the price refunded.

Any right which the Buyer may have to reject non-conforming or defective goods shall only be effective if the Buyer notifies the Seller in writing within thirty days following delivery and the Seller is given the opportunity to inspect the goods.

No goods shall be returned unless the Seller has agreed in advance.

The Seller may, at its discretion, delay the repair or replacement of, or the refund of the price of, any goods for so long as the Buyer is in default in relation to the Amount Owing.

The Seller accepts no liability for any Claim by the Buyer or any other person, including without limitation any Claim relating to or arising from: any conditions, warranties, descriptions, representations, conditions as to fitness or suitability for any purpose, tolerance to any conditions, merchantability or otherwise, whether express or implied by law, trade custom or otherwise; or
any representations, warranties, conditions or agreement made by any agent or representative, which are not expressly confirmed by the Seller in writing, and the Buyer agrees to indemnify the Seller against any such Claim.

In any event, the Seller's liability under any Claim shall not exceed the price of the goods.

Nothing in these terms is intended to have the effect of contracting out of the provisions of the Consumer Guarantees Act 1993 except to the extent permitted by that Act, and these terms are to be modified to the extent necessary to give effect to that intention.

Packaging
The Seller may charge a deposit in respect of any pallets, containers or cartons ("packaging") used in the delivery or packaging of the goods and in such circumstances the packaging remains the property of the Seller and the Seller shall refund such deposit only after the return of the packaging (at the cost of the Buyer) in good order and condition within a reasonable time of receipt by the Buyer.