

## **GENERAL TERMS FOR SUPPLY OF GOODS AND SERVICES TO PLACEMAKERS/ MICO/ AND FORMAN**

**These General Supply Terms ("Terms") apply to Goods and/or Services purchased by the Purchaser from its Suppliers effective as at 29 June 2020 ("Effective Date").**

**If a Supplier supplies Goods and/or Services following the Effective Date, that Supplier will be deemed to have accepted these Terms, even if that Supplier has not signed these Terms or any specific terms.**

**These Terms may be updated at any time without consultation by publication on the applicable NZD Business Unit website see: [www.placemakers.co.nz](http://www.placemakers.co.nz); [www.mico.co.nz](http://www.mico.co.nz); [www.forman.co.nz](http://www.forman.co.nz).**

### **1. Goods and Services**

1.1 The Goods and/or Services to be supplied under these Terms are either set out in an attached Product and Price List or where no Product and Price List has been attached, in the Purchase Order or as otherwise supplied under these Terms.

### **2. Product Specification**

2.1 The Goods will comply with an attached agreed Product Specification or where no product specification has been attached, as otherwise represented by the Supplier.

2.2 The Supplier will immediately notify the Purchaser if it becomes aware that the Goods and/or Services may not or do not comply with the Product Specification or any other representations made by the Supplier and/or the manufacturer.

### **3. Term**

3.1 These Terms will commence from the date of the first Purchase Order being accepted and will continue unless terminated in accordance with these Terms. A Purchase Order may expire after the date of termination at the discretion of the Purchaser.

### **4. Price**

4.1 The price for the Goods is set out in an attached Product and Price List or where no Product and Price List has been attached, at the price quoted by the Supplier and agreed to by the Purchaser.

4.2 The price is free into store (FIS) and exclusive of GST but includes all other taxes or duties levied or assessed in connection with the supply of the Goods unless otherwise agreed and set out in an Additional Terms Schedule and/or any Purchase Order.

4.3 Any price increases must be notified to the Purchaser's Category Manager. Following agreement to the proposed price increase, the Supplier will input new pricing and all other requisite information into the Purchaser's template. Once the information is correctly inputted and submitted by the Supplier, the Purchaser's Category Manager will again review and upon agreement, the new price will then come into effect a clear three months later, on the first day of the month. Such price increases will not come into effect between 1 December and 31 January.

4.4 Any price reductions will be implemented on a mutually agreed date.

4.5 The Supplier is responsible for ensuring its cost prices and product related information is correct and inputted into the Purchaser's required template or as otherwise notified by the Purchaser in writing.

4.6 The Supplier and Purchaser will agree greater discounted or varied pricing for:

4.6.1 certain volumes of Goods purchased to encourage rational purchasing or to support promotions etc;

4.6.2 large projects referred to as contract pricing; and

4.6.3 national customers and/or volume builders.

4.7 Where such discounted pricing has been provided in a pricing region, the Supplier agrees to make available the same discounted pricing for all Branches and Depots in the region unless otherwise agreed in writing with the Purchaser's Category Manager.

4.8 Where the Supplier and Purchaser have agreed discounted pricing for promotions, the new pricing will be effective two weeks prior to the start of any promotion and will continue for a further two weeks after the expiry of the promotion.

4.9 Where market or competitive conditions change the Supplier will provide pricing support to the Purchaser where reasonably requested.

## **5. Purchase Orders**

5.1 The Purchaser will order Goods and/or Services by Purchase Order.

5.2 The date for delivery will be set out in the Purchase Order.

5.3 The Supplier will send written confirmation of receipt of the Purchase Order within three days of receipt.

5.4 The Purchaser may cancel or vary a Purchase Order at any time, without penalty or liability prior to delivery.

## **6. Invoicing**

6.1 The Supplier will submit separate correct individual monthly invoices to each purchasing Branch for the Goods and/or Services ordered which must include the information as follows:

- (a) Goods and/or Services accepted by the Branch, including:
  - (i) the relating Purchase Order line number;
  - (ii) a valid SKU/Code; either a Supplier SKU/Code number or the matching Purchaser's SKU/Code number;
  - (iii) the Purchaser's unit of measure (UOM);
  - (iv) the unit price;
  - (v) the volume of Goods accepted by the Branch.
- (b) Purchase Order number, clearly printed and exactly as per the Purchase Order form;
- (c) date of order and date of delivery;
- (d) Branch from which, or in respect of which, the Purchase Order was made;

- (e) place to which the Goods and/or Services were delivered;
- (f) unique (ie. not previously used) invoice number per invoice;
- (g) invoice date;
- (h) Supplier GST number;
- (i) total GST exclusive price of goods;
- (j) total GST;
- (k) GST inclusive price.

6.2 Each invoice must only relate to one Purchase Order.

6.3 The Supplier will submit invoices only for Goods and/or Services received, unless otherwise prior agreed.

6.4 If the Supplier fails to comply with cl 6.1, 6.2 or 6.3 the invoice(s) may not be paid at the Purchaser's discretion.

6.5 The Supplier will ensure its invoices are accurate and meet the invoice accuracy KPIs below:

*KPI Target:* 100% accuracy

*KPI Breach:* < 98% of invoices are accurate or  
< 98%+ of the total invoiced value is accurate

6.6 If the Supplier fails to meet the above KPIs the parties will meet to discuss necessary remedial action.

## **7. Payment**

7.1 The Purchaser will pay in accordance with the payment terms namely 50 days following the end of the month in which the invoice is received unless otherwise agreed in writing.

## **8. Purchaser Rebates**

8.1 The Supplier will pay rebates to the Purchaser in accordance with the rebate terms as attached and/or as otherwise agreed by the parties and updated from time to time.

8.2 The Purchaser may request the Supplier to send Branch, Depot and Business Unit purchasing information to the Purchaser's Category Manager within seven days after month end in the required template.

8.3 All monthly rebates will be, at the Purchaser's discretion, either deducted by the Purchaser from the monthly payment due to the Supplier or a credit raised.

8.4 All quarterly or annual rebates will be, at the Purchaser's discretion, either deducted by the Purchaser or paid by the Supplier to the Purchaser by direct credit by the 20<sup>th</sup> of the month following the end of each applicable quarter or year.

8.5 The Supplier will be responsible for ensuring the correct rebate(s) are paid in full and on time. Interest will accrue on rebates payable that remain unpaid the month(s) following the due date for payment at a rate of 1.5% per month.

## 9. Exclusivity and Minimum Quantities

9.1 The Supplier acknowledges that the Purchaser and each relevant Branch, Depot and Business Unit may purchase Goods and/or Services from other suppliers, and there is no guarantee of exclusivity or minimum quantity unless otherwise agreed by the Purchaser's Category Manager in writing.

9.2 Notwithstanding cl 9.1 the Supplier and Purchaser's Category Manager may agree that one or more ranges of product will be exclusive Goods meaning that the Supplier must not supply either directly or indirectly (including through any other Related Company) any exclusive Goods in the agreed geographic area and/or distribution channel and for the period agreed for exclusivity to apply.

## 10. Availability and Continuity of Supply

10.1 The Supplier must have adequate resource and ability to ensure the continued supply of the Goods and/or Services.

10.2 The Supplier must give notice to the Purchaser immediately if the Supplier is unable to supply the Goods and/or Services either in the quantity ordered or by the expected delivery date.

10.3 In the event of the Supplier not being able to supply the Goods and/or Services either in the quantity ordered or by the expected delivery date the order must remain on the Supplier's system as a back order until:

10.3.1 the Supplier confirms that the Goods and/or Services are no longer available; or

10.3.2 the relevant Branch advises that the back order should be cancelled.

10.4 Any delivery documents for a part fulfilled order need to advise the Branch that the balance of the order is on back order and specify when that back order will be delivered.

10.5 Goods may only be substituted when the ordered item of Goods cannot be supplied and only if:

10.5.1 prior written approval is given by the Branch; and

10.5.2 an updated Purchase Order is issued by the Branch with the replacement Goods listed and updated pricing provided.

10.6 Freight will be at the Supplier's cost for all back orders, multiple deliveries or substituted Goods orders.

10.7 The Purchaser will notify the Supplier of Red Dot or Mico Service Promise Goods and/or core range Goods to be supplied and the Supplier agrees to supply these Goods in accordance with the Purchase Order and these Terms.

10.8 The Supplier will notify the Purchaser's Category Manager in writing as soon as possible of any suspected inability to supply Red Dot or Mico Service Promise Goods and/or core range Goods for more than three days.

10.9 If the Supplier fails to supply one or more orders of Red Dot and/or Mico Service Promise Goods for three or more consecutive days then the Purchaser may claim reimbursement of \$200 (excl GST) per day for the non-delivered Goods. Reimbursement may be claimed either by way of invoice or deduction at the Purchaser's discretion.

10.10 In addition to cl 10.9 the Supplier will indemnify the Purchaser for all direct costs, losses and expenses incurred by the Purchaser for failure to supply any ordered Goods and/or Services including but not limited to where the Purchaser has had to source equivalent goods and/or services from any other person.

10.11 The Supplier must give the Purchaser a minimum of three months prior written notice of the removal of any Goods and/or Services from the Supplier's product range. If such notice is not provided, the Purchaser reserves the right to return existing stock to the Supplier for a full credit refund.

10.12 The Supplier will notify the Purchaser two months in advance of its Christmas holiday period shut down dates. The parties will work together to ensure the Purchaser has sufficient stock to cover the shut-down period.

10.13 If the Supplier is replacing an incumbent supplier it will purchase the incumbent supplier's stock of Goods at the invoiced price to the Purchaser of those Goods unless otherwise agreed by the Purchaser's Category Manager.

## 11. Delivery

11.1 The Supplier will deliver the correct quantity of the Goods FIS to the delivery location and by the requested delivery date as specified in the Purchase Order unless otherwise prior agreed in writing.

11.2 If the Supplier fails to deliver Goods in accordance with cl 11.1 the Purchaser may refuse to accept delivery of the Goods and the Supplier will need to agree an alternative delivery time at its cost.

11.3 The Supplier will ensure all Goods are properly packed in such manner as to reach the Purchaser in good condition under usual conditions of transport and will take into account sustainability concerns to reduce waste.

11.4 The Supplier will deliver Goods in full on time and in specification (DIFOTIS) and where applicable will meet the DIFOTIS KPI's set out below:

**DIFOT(IS):** Supplier delivery performance will be measured on relevant DIFOT or DIFOTIS measurement. Delivery In Full On Time (In Specification). Purchaser's current delivery standards ("**Standards**") are:

KPI	Target	Breach
In Full	100%	<95%
On Time	100%	<95%
In Specification	100%	<100%

"**In Full**" is a measure of the quantity ordered versus what was received at an order level. It is calculated at an item/line level to determine whether an order was received in full.

"**On Time**" is measured from the requested date of the order and the agreed lead time of the items/lines on the order, measured against the delivery/receipt date of the order.

"**In Specification**" is whether the Goods received meet the Product Specification or type/model/colour/condition etc of Goods ordered in the Purchase Order.

11.5 If the Supplier fails to meet or maintain the delivery Standards set out for In Full or On Time on more than 3 occasions in 3 months the parties will meet to discuss remedial action necessary; the Purchaser may cancel the relevant Purchase Order without consequence or payment.

11.6 If the Supplier fails to meet or maintain the specification Standards of Goods Supplied in Specification the parties will meet to discuss remedial action necessary and the Purchaser may cancel any or all Purchase Orders

and in the instance of a material breach of the Product Specification the Purchaser may terminate supply under these Terms without consequence or payment.

11.7 All Goods delivered must:

11.7.1 be free from damage and defects; and

11.7.2 be supplied in the correct quantity; and

11.7.3 be accompanied by a numbered packing slip which notes the Branch number and the SKU/Code number against all items and will be listed in the same sequence as the Purchase Order; and

11.7.4 contain one Purchase Order number per packing slip; and

11.7.5 have a Purchase Order number on the exterior of all cartons or other packages so as to be easily seen, in respect of all Goods delivered; and

11.7.6 when a number of cartons are delivered under the same packing slip, they will be identified by 1 of 3, 2 of 3 etc. The number of inners must be detailed on the packing slip; and

11.7.7 where possible include on each item of Goods delivered a GS1 verified barcode displayed on or affixed to each item of Goods in accordance with all GS1 Standards.

11.8 No pallet charges are accepted. No disposable pallets are accepted. The Supplier is responsible for the collection of pallets at its cost.

## **12. Risk and Ownership**

12.1 Risk and legal and beneficial ownership in the Goods supplied will pass to the Purchaser upon delivery.

## **13. Goods Returns**

13.1 All Goods returned by the Purchaser will be accompanied by a credit request detailing the Goods being returned and the reason for their return.

13.2 Restocking fees are not permitted unless agreed by the parties in writing.

13.3 Any defective Goods or Goods damaged on receipt will be returned at the Supplier's cost (including freight and other costs). The Supplier accepts that claims may be made for defects at any time within a reasonable period of the Purchaser becoming aware of such defects (whether by way of its customer or end consumer complaint or otherwise).

13.4 For the avoidance of doubt, any signature by the Purchaser or its agent of receipt of Goods is not acceptance of the Goods being non- defective or not damaged.

13.5 Any excess Goods, Goods delivered but not ordered or delivered after the expected date for delivery may be returned at the Supplier's cost (including freight charges).

13.6 All Goods must have a minimum 12 months shelf life at time of delivery to the Purchaser or its customer, whichever is later, including where applicable having a minimum 12 month period until any "best before" or "expiry" date of the Goods. Any Goods that breach this provision may be returned at the Supplier's cost (including freight and other costs).

13.7 The Supplier will immediately notify the Purchaser in writing of any matter which may lead to the voluntary or mandatory recall of the Goods. The Purchaser may, exercising reasonable discretion, recall any Goods on either a formal or informal basis.

13.8 In the event of a decision to recall any Goods (either by the Supplier or by the Purchaser), the Supplier will reimburse the Purchaser for all Goods returned in saleable condition plus any related costs of the recall including freight charges.

13.9 The Purchaser will be entitled on a regular basis to return to the Supplier slow moving or stock surplus to requirements for a full credit after notification to the Supplier.

13.10 Goods written off by a Supplier and left to a Branch or Business Unit to dispose of will be at the Supplier's cost should a charge be incurred for disposal.

13.11 The Supplier will remove any trademarks, trade names owned by or identifying the Purchaser or any of its Related Companies from any rejected Goods prior to disposal.

13.12 Any replacement Goods must be new, unused and free from defects and must carry the same warranties as the original Goods purchased, such warranties to apply from the date of delivery of the replacement Goods to the Purchaser's customer or end consumer.

#### **14. Goods Information, Substitution and Right of Inspection**

14.1 The Supplier must provide the Purchaser with product information (including but not limited to specification, description, use (including limitations of use) performance, installation, maintenance, quality assurance, testing, certification, compliance with NZ or international standards) as requested by the Purchaser from time to time.

14.2 All product information provided must meet the minimum requirements prescribed by law.

14.3 The Supplier will ensure that all product related information is kept updated, accurate and complete including all hard copy and online information.

14.4 The Supplier will also make available any and all test results and inspection reports relating to the Goods and/or Services supplied (whether internal or independent) to the Purchaser on request.

14.5 The Supplier will not substitute any Goods without the prior written approval of the Purchaser.

14.6 The Purchaser may inspect any manufacturing processing or storage site used by the Supplier to supply the Goods and/or any of the Supplier's quality assurance, quality control or technical audit and compliance information on request.

#### **15. Review**

15.1 The Purchaser may from time to time request a meeting to discuss the following or as otherwise required:

15.1.1 the parties' respective performance including but not limited to: sales growth opportunities, feedback from the Branches and/or Business Units on the Supplier's performance, feedback from the Supplier on the Branches and/or Business Unit's performance;

15.1.2 range and pricing review to ensure the rate of change of both the product range and pricing of Goods and/or Services is controlled and manageable.

15.2 No new pricing of Goods and/or Services will be accepted by the Purchaser without the prior written consent of the Purchaser's Category Manager and as otherwise set out in these Terms.

15.3 No supply of new Goods and/or Services will be accepted by the Purchaser without the prior written consent of the Purchaser's Category Manager and as otherwise set out in these Terms.

## **16. Support and Training**

16.1 The Supplier will provide training (including in Branches where reasonably requested) and training material and will continue to update the Purchaser's training material and to develop new material.

16.2 All training must be fully compliant with all laws.

16.3 The Supplier must provide a mechanism to supply a technical/ product support service to all Branches, Business Units and their customers during the Purchaser's trading hours (7am – 5pm) for a minimum of 5 Working Days per week.

## **17. Marketing Activity**

17.1 All samples of Goods and display stock will be supplied and replenished by the Supplier free of charge unless otherwise agreed by the Purchaser's Category Manager.

17.2 The Supplier's display stands, point of sale material and specific promotions may only be provided directly to a Branch with the prior written approval of the Purchaser's Category Manager.

17.3 In addition to any rebates due, the Supplier agrees that any Goods purchased (including promotional or discounted Goods) for new or refurbished Branches or Depots will receive a special "one-off" rebate of 15% off the total invoice value for the period 2 months prior and 1 week following the opening of the new or refurbished Branch or Depot.

## **18. Insurance**

18.1 The Supplier must have in force public and product liability insurance cover of at least \$10 million with a reputable insurer. Such insurance will be on an occurrence basis.

18.2 Prior to entering into these Terms the Supplier must provide a copy of the certificate of insurance proving the currency of the insurance required.

## **19. Environment, Health and Safety**

19.1 In respect of each of the Goods and Services supplied, the Supplier must:

19.1.1 ensure the Goods are without risk to the environment, health and safety of any person who will install, use, maintain or repair the Goods, or who may at any time be in the vicinity of and exposed to the Goods;

19.1.2 carry out analysis and testing to verify the safety of the Goods and Services being supplied;

19.1.3 provide the Purchaser and its customer with relevant information regarding the purpose for which the Goods were manufactured, the results of any testing or examination, and any conditions necessary to ensure that the Goods and/or Services are without risk to health and safety;



19.1.4 comply and ensure its workers comply with the relevant environmental health and safety laws in place at the time and if the Supplier enters the Purchaser's, Business Unit's, Branch's or Depot's premises or any Purchaser part-controlled site it must also comply with any Purchaser and/or Business Unit's health and safety policies and directions as given by the Purchaser from time to time;

19.1.5 hold and keep current all applicable permits and other licenses required for the transport and storage of dangerous and hazardous Goods; and

19.1.5 notify the Purchaser of any Notifiable Event, as that term is defined by the Health and Safety at Work Act 2015, that the Supplier becomes aware of arising from or directly or indirectly in relation to or affected by, the supply of the Goods and/or Services. The Supplier must also provide the Purchaser with all notices and correspondence received from Worksafe or any other regulator concerning the Supplier's compliance with environment health and safety laws within five days of receipt of such notices or correspondence.

19.2 the Purchaser is committed to the environment and sustainable business practice and the Supplier will work to develop and improve its environmental and sustainability practices.

## **20. Warranties**

20.1 With respect to each of the Goods and any Services, in so far as they are applicable, supplied to the Purchaser the Supplier warrants that:

20.1.1 the Goods will be new, merchantable, of good quality, free from defects and fit for the purpose made known by the Purchaser to the Supplier (expressly or by implication) or, where no purpose is made known, for the purposes for which the Goods are represented by the Supplier or for which such or similar products are normally used;

20.1.2 the manufacture, processing and supply of the Goods is in accordance with all applicable law;

20.1.3 the Goods will meet the Product Specifications;

20.1.4 all representations (whether verbal or written) made by the Supplier in relation to the Goods and/or Services are true and accurate;

20.1.5 the Goods and/or Services will comply with all legislative and regulatory requirements and will comply with all applicable standards (NZ or equivalent international standards), codes (including without limitation the NZ Building Code) and best practice guidelines and the Supplier will provide supporting documentation of continued compliance with such requirements;

20.1.6 the Goods are without risk to the health and safety of any person who will install, use, maintain or repair the Goods, or who may at any time be in the vicinity of and exposed to the Goods;

20.1.7 the Goods will not be subject to any mortgage, charge, lien encumbrance or other security interest;

20.1.8 repairs and spare parts for the Goods are available for a reasonable period of time and in reasonable quantities;

20.1.9 any replacement Goods will carry the same warranties as the original Goods and such warranties will come into effect at the date of delivery of the replacement Goods to the Purchaser's customer or end consumer;

20.1.10 any foreseeable damage and loss (including without limitation, full remediation costs) caused by defective Goods and/or Services will be paid for by the Supplier;

20.1.11 any Intellectual Property rights or other proprietary rights of any other person will not be infringed by such supply or the use of the Goods and/or Services or associated marketing and other material associated with the Goods and/or Services by the Purchaser;

20.1.12 it will obtain all usual and customary trade warranties from the manufacturers and suppliers in relation to the Goods and/or Services and that it will ensure such warranties are provided to the Purchaser and that the Purchaser's end customer will have the benefit of these warranties;

20.1.13 it will provide to the Purchaser details of such warranties, including duration and conditions. Such warranties are to commence from the date of sale to the Purchaser's customer (not from the date of manufacture or date of supply to the Purchaser);

20.1.14 it holds all consents, approvals, permits, certification and licences necessary for the manufacture (if applicable), storage and/or supply of the Goods and/or Services and will provide a copy of such on request by the Purchaser;

20.1.15 where Services are provided, it will exercise the skill, care and diligence to be expected from an experienced and competent service provider performing the Services and will conform with best practice;

20.1.16 the execution of these Terms and the performance of its obligations under these Terms will not breach or conflict with any applicable law or regulation or agreement, mortgage or other security interest to which the Supplier is a party or to which any of its processing or storage sites (or any equipment or personal property in any such site) is subject; and

20.1.17 its financial condition is stable and sufficient to enable it to perform its obligations under these Terms.

20.1.18 it complies with the principles set out in the United Nations Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and agrees it will comply with the Fletcher Building Supplier Code of Conduct included and attached to these Terms.

20.2 In respect of any warranty claims the Supplier will ensure effective management of all claims including quick and efficient resolution to ensure the strong reputational value of the Purchaser.

20.3 The Supplier will meet the warranty claims KPIs set out below:

*KPI Target:* Supplier to resolve all (100%) warranty claims in line with this Agreement

*KPI Breach:* Product complaints not resolved in strict accordance with this Agreement

20.4 If the Supplier fails to meet the above KPIs the parties will meet to discuss necessary remedial action.

## **21. Liability and Indemnity**

21.1 The Supplier agrees to indemnify the Purchaser (to the extent permitted by law) against all loss (including direct loss, loss of profits and indirect loss) whether by way of penalties, liquidated damages, costs (including costs on a solicitor client basis) or expenses, suffered or incurred by the Purchaser in connection with any claim, demand, action or proceeding made against the Purchaser arising as a direct or indirect result of any

NEW ZEALAND DISTRIBUTION



act or omission by the Supplier or its Workers in breach of any warranty or obligation under these Terms or any legislation, regulation, bylaw, code or standard or any other act or omission, negligence or recklessness of the Supplier or its Workers. This indemnity includes (without limitation) liability incurred under the Consumer Guarantees Act, Fair Trading Act and Building Act (or equivalent laws) where any Goods and/or Services supplied by the Purchaser (whether directly or indirectly) to a consumer fail to comply with the guarantees or obligations in those Acts. For the avoidance of doubt this indemnity includes (without limitation) full remediation costs, product recall costs, compliance costs and all other costs and expenses resulting from any defect or failure of the Goods or Services supplied.

21.2 Each amount payable by the Supplier to the Purchaser under this indemnity is a debt due and payable on demand.

## **22. Insolvency**

22.1 If the Supplier suffers an insolvency event such as the appointment of a receiver, manager, liquidator, statutory manager, administrator or is unable to substantially carry on its business or is unable to pay its debts as they fall due such an insolvency event will have the effect of automatically terminating every Purchase Order in existence at the time of termination without the Purchaser incurring any liability, unless otherwise agreed in writing by the Purchaser.

## **23. Force Majeure**

23.1 Where either the Supplier or Purchaser is unable to carry out its obligations either wholly or in part by reason of a Force Majeure Event and that party:

23.1.1 gives the other party immediate notice of the nature, expected duration and obligation affected; and

23.1.2 uses all reasonable endeavours to mitigate the effects on that party's obligations;

23.1.3 perform that party's obligations under these Terms despite the Force Majeure event, then that obligation is suspended so far as it is affected by the Force Majeure Event during its continuance.

23.2 If the Force Majeure event continues for more than an aggregate of 20 days in any 12 month period then the party not affected by the Force Majeure event may terminate any Purchase Order(s) on written notice.

## **24. Intellectual Property**

24.1 Each party acknowledges that all Intellectual Property Rights owned by either the Purchaser and/or the Supplier prior to supply under these Terms will remain the property of that party.

24.2 The Supplier acknowledges that any intellectual property developed with the Purchaser (Developed Intellectual Property) and all rights title and interest to such materials will belong solely and exclusively to the Purchaser.

## **25. Confidentiality**

25.1 Each party agrees to keep confidential any information which is confidential or commercially sensitive to the other party (other than information that is already in the public domain or is required to be disclosed at law). This obligation survives termination of supply under these Terms.

25.2 Notwithstanding clause 25.1 the Purchaser may disclose any Supplier related information or confidential information provided to it to one or more of its Related Companies at its discretion.

## 26. General

**26.1 Set Off:** The Purchaser may set off any sums due to the Supplier (or any of its Related Companies) against any overpayment by the Purchaser, costs, expenses or other losses (whether direct or indirect) incurred by the Purchaser (or any of its Related Companies) as a result of any breach of these Terms and any losses sustained as a result, against any Supplier indemnification of the Purchaser under these Terms. The Purchaser may also set off against any sums owing by the Supplier (or any of its Related Companies) to the Purchaser in its (or any of its Related Companies) capacity as a customer of the Purchaser.

**26.2 Precedence:** The parties agree that these Terms take precedence over any existing terms or subsequent terms that the Supplier provides either directly or indirectly to the Purchaser or any of its Branches. For the avoidance of doubt the conduct by any Purchaser (including one or more Branches of the Purchaser) will not constitute acceptance by NZD of any Supplier terms. If the Supplier is also an installer of goods and services under the NZD Installation Services Agreement and where there is any inconsistency between these Terms and the NZD Installation Services Agreement, the NZD Installation Services Agreement will prevail unless otherwise determined by the Purchaser at its sole discretion.

**26.3 PPSA:** The Supplier acknowledges that nothing in these Terms creates a security interest as defined by the Personal Property Securities Act 1999.

**26.4 No Assignment or Subcontracting:** The Supplier may not assign or subcontract any of its rights of obligations under these Terms except with the prior written consent of the Purchaser.

**26.5 Change of Control:** Any change in the effective management or control of the Supplier or any parent company of the Supplier, through whatever means will be deemed to be an assignment of these Terms requiring the prior written consent of the Purchaser.

**26.6 Variations:** These Terms may be amended and updated from time to time by the Purchaser without prior consultation with the Supplier by posting on the Purchaser company website. The amendments will be deemed to take effect at the time of publication. Acceptance by the Supplier will be deemed by the initial or continued supply of Goods and/or Services following such website notification.

**26.7 Privity of Contract:** The provisions of these Terms are declared to be a contract enforceable against the Supplier for the benefit of every person who is or was at any time a Business Unit, Branch, Depot or Related Company of the Purchaser and the terms of Subpart 1 (Contractual Privity) of Part 2 of the Contract and Commercial Law Act 2017. The Supplier acknowledges that each Business Unit, Branch, Depot or Related Company may enforce these Terms directly against the Supplier, or through the Purchaser. The Supplier further acknowledges that if a Business Unit, Branch, Depot or Related Company suffers loss as a result of the Supplier's breach actions or omissions under these Terms, which such entity would be entitled to claim if it was a party to these Terms, the Purchaser will be entitled to claim such loss from the Supplier on behalf of the Business Unit, Branch, Depot or Related Company without such entity having to prove loss.

**26.8 Jurisdiction:** These Terms constitute a legal agreement which will be governed by and construed in accordance with the laws of New Zealand and the parties submit to the exclusive jurisdiction of the Courts of New Zealand.

## 27. Notices

**27.1** Every notice or other communication under this Agreement is to be in writing and is to be made by email, personal delivery or by post to the other party's address as nominated.

**27.2** No communication is to be effective until received. A communication will be deemed to be received by the addressee:

27.2.1 in the case of an email, on the Working Day on which it is sent or if sent on a non- Working Day, on the next Working Day after the date of sending.

27.2.2 in the case of a letter on the third Working Day after it has been sent.

## 28. Definitions

**Terms** means these General Supply Terms, Schedules and any Additional Terms or as otherwise notified by the Purchaser, Business Unit, Branch or Depot in accordance with these Terms;

**Branch** means any store trading under the PlaceMakers, Mico, Snappy or Forman brands;

**Business Unit** means any directly or indirectly wholly owned business unit of Fletcher Building Limited in New Zealand together with all PlaceMakers branches (whether wholly or partially owned) together with any other business units notified by the Purchaser and agreed to by the Supplier to be supplied Goods and/or Services in accordance with these Terms;

**Force Majeure Event** means an act of God, fire, flood, storm, revolution, acts of terrorism or war, riot or civil commotion, (but excluding strikes and industrial disputes of the affected party or worker of that party and any failures of power or other utilities);

**Goods** means products or items purchased from the Supplier under these Terms;

**Intellectual Property** includes but is not limited to each party's trademarks, designs, patents, copyright, technology, business methods and know how;

**Purchase Order** means the purchase order in the form agreed and utilised by the Purchaser for ordering Goods and/or Services and accepted by the Supplier;

**Purchaser** means the Fletcher Building Limited Related Company purchasing Goods and/or Services under this Agreement either directly or on behalf of a Business Unit;

**Related Company** has the meaning ascribed to it in section 2(3) of the Companies Act 1993;

**Services** means services (if any) purchased from the Supplier and used, provided or sold by the Purchaser, Business Unit, Branch or Depot;

**SKU/Code** means in respect of an item of Goods, a stock keeping unit representing a particular combination of a price level and grade, condition, size or length specification;

**Supplier** means the company, organisation or person supplying Goods and/or Services under these Terms to the Purchaser;

**Terms** means these General Supply Terms, Schedules and any Additional Terms or as otherwise notified by the Purchaser, Business Unit, Branch or Depot in accordance with these Terms;

**Worker** means any person who carries out work for the Supplier in any capacity, including work as an employee, contractor or subcontractor, an employee of a contractor or subcontractor;

**Working Day** means any day other than a Saturday or Sunday on which registered banks are open for business in New Zealand.

The purpose of this Supplier Code of Conduct ("**Supplier Code**") is to enable Fletcher Building Limited and its subsidiaries ("**Fletcher Building**") to purchase from suppliers who meet its expectations and requirements.

Fletcher Building requires that all its suppliers ("**Suppliers**") have, hold and can demonstrate, the attributes required by this Supplier Code at all times. Suppliers must also ensure that their workers, contractors and consultants have, hold and can continually demonstrate compliance with this Supplier Code.

Fletcher Building may vary this Supplier Code from time to time, the latest version of which shall be made available to you at [www.fbu.com](http://www.fbu.com).

## **1 ATTRIBUTES**

### **1.1 Applicable Laws**

You conduct yourself in such a way to satisfy all applicable laws, act fairly, professionally and in an ethical manner. You also have adequate policies and procedures in place to monitor (and report upon request) the Attributes specified in this Supplier Code.

### **1.2 Labour and Human Rights**

You comply with fundamental human and labour rights, such that you:

- pay workers in a timely manner and provide fair pay and working conditions;
- do not use wage deductions as a disciplinary measure;
- ensure that your workers receive at least the prevailing industry wage or relevant award;
- pay or cover any commissions or other fees in connection with employment of migrant workers and do not charge or recover these fees from workers;
- do not retain original identification documents of your workers or prospective workers;
- require your labour hire providers to comply with the expectations set out in this Supplier Code;
- do not use forced or compulsory labour, servitude, or be involved in any process or practice involving (directly or indirectly) trafficking in persons, debt bondage, forced marriage, prison labour or child labour, both within your operations or supply chain;
- do not engage in or support discrimination in hiring and employment practices, including on grounds of race (including colour, descent, nationality or ethnic origin), religion, religious belief or activity, sexual orientation, gender, gender identity and expression or intersex status, pregnancy or potential pregnancy, marital/domestic status, family responsibilities or parental status, breastfeeding, physical features, political beliefs, industrial activity, union membership, irrelevant criminal record, age or disability (except where you are able to demonstrate an entitlement to do so by law);
- do not use violence, threats of violence or other forms of physical coercion, harassment or intimidation of any form; and
- promote equality of opportunity and treatment for all to help eliminate all unlawful discrimination throughout your activities and undertakings.

### **1.3 Anti-Bribery and Corruption**

You maintain business integrity at all times, such that you:

- adopt a zero-tolerance approach to bribery and corruption and conduct business with honesty and integrity, including the prohibition of facilitation payments; and
- have an effective set of policies and procedures which are at least at the standard set out in Fletcher Building's Anti-Bribery and Corruption Policy.

## **1.4 Reporting**

You demonstrate transparency in the way you work, such that workers, contractors, suppliers and stakeholders are able to report suspected instances of unlawful, fraudulent or other unethical conduct without fear of intimidation or reprisal and are protected from victimisation.

## **1.5 Health and Safety**

You demonstrate ongoing commitment to the health, safety and wellbeing, such that you:

- maintain a safe working environment for your workers, contractors, suppliers and consultants and anyone else affected by your operations (including Fletcher Building personnel or other suppliers); and
- ensure that your workers, contractors, suppliers and consultants understand and follow health and safety policies, standards and procedures that apply to your operations at all times.

## **1.6 Environment**

You demonstrate ongoing commitment to protect the environment by reducing the environmental impacts associated with the performance of your contract with Fletcher Building, such that you:

- have processes in place to assess and reduce the environmental impacts of those activities;
- focus on the reduction of waste, energy and fuel use, and water consumption where practical;
- promote the efficient use of sustainable materials; and
- pursue greenhouse gas reduction initiatives and can report your greenhouse gas emissions of those activities upon request.

## **1.7 Supply Chain**

You proactively review or audit and work with your supply chain to ensure your personnel and business partners comply with the expectations of this Supplier Code and are capable of demonstrating their compliance, upon request by Fletcher Building.

## **2 FAILURE TO HOLD THE ATTRIBUTES**

Failure to be able to warrant that you have, hold or can demonstrate the attributes described in this Supplier Code may result in Fletcher Building terminating its relationship or agreement with you.

Fletcher Building reserves the right to undertake due diligence and/or risk assessments to verify your compliance with this Supplier Code and it expects Suppliers to cooperate and provide supporting evidence as it may reasonably require to monitor and review their compliance.