



<: DESIGN IMPACT'S Terms & Conditions.

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1. Introduction

1.1 These Terms and Conditions of Sale apply to all Goods and Services from time to time provided by Design Impact Ltd ("Design Impact") to the purchaser of those goods ("the Buyer").

1.2 In the event that other terms and conditions are imported into any contractual documentation between Design Impact and the Buyer then, unless specifically authorised in writing by a director of Design Impact, these Terms and Conditions of Sale shall prevail.

2. Ordering

2.1 Buyers are strongly recommended to place orders in writing. Orders should clearly state the Buyer's particular requirements. Design Impact will not be responsible for errors or omissions due to oversight or to misinterpretation of the Buyer's verbal instructions.

2.2 Quotations are only for work according to original specifications. If through the Buyer's error, or omission, work has to be redone or alterations or additions to specifications are required, then Design Impact may make an additional charge. In the event that an order is cancelled or suspended by the Buyer, then Design Impact may immediately require the Buyer to pay for work done to the date of cancellation or suspension.

2.3 A quotation, unless previously withdrawn, is valid only for 30 days from the date it is given, unless otherwise specifically stated in the quotation form. Following this a new quotation will be required for any goods or services ordered.

2.4 Design Impact reserves the right not to undertake any work which in its opinion is or may be unlawful, offensive, or otherwise inappropriate.



2.5 Every endeavour will be made to supply the correct quantity ordered, but quotations are conditional upon a margin of 10% being allowed for overs or unders, these to be charged or deducted on a pro rata basis. Should Design Impact be required to match any shade or colour, then a tolerance will be allowed to such extent as shall reasonably achieve a match.

2.6 Where expedited delivery is requested by the Buyer, then an extra charge may be added to the quoted price.

3. Prices

3.1 The prices of goods or services supplied are as shown on Design Impact quotation, acceptance order, invoice, or other document. Design Impact reserves the right to charge for delivery, in addition to the amount shown in the quotation, acceptance of order, or other document. In addition design and printing costs, which may in the first instance be an estimate based on information supplied at the time of quotation, may be adjusted to reflect the full cost incurred once these aspects have been completed.

3.2 Printing, drawing and other additional charges necessarily incurred to fill an order, are in addition to the quoted price.

3.3 Because of the need to have a graphic dimensionally balanced Design Impact reserves the right to make minor alterations to the size of the graphic. Also where materials are not available for any reason Design Impact reserves the right to substitute materials of a similar specification.

3.4 Experimental work, preliminary sketches and designs and origination costs produced at the Buyer's request will constitute an order, which will be charged for, even if the job does not proceed further. Sketches and prototypes submitted on a speculative basis shall remain the property of Design Impact, and no use of them shall be made, nor shall any idea obtained from them be used by the Buyer. Upon the Buyer making appropriate payment to Design Impact property in these items shall pass to the Buyer. Charges made to the Buyer for initial setting up or origination do not give the Buyer any rights to dies, jigs, screens, patterns, films, or any other mediums containing such works. These shall at all time remain the property of Design Impact, unless otherwise specifically agreed in writing.

3.5 Goods and Services Tax and any other tax duty or impost necessarily incurred (other than Design Impact's own income tax) in the course of completing the work, shall be payable by the Buyer in



addition to the quoted price, payable upon demand.

3.6 Quoted prices are based on the cost of materials, labour, and services as at the date of the quotation. Should there be any increase in these costs, as are necessarily incurred by Design Impact in completing the order, then such increases may, at Design Impact sole discretion, be added to the quoted price, payable at the same time, and in the same manner as the balance of the quoted price.

4. Payment Terms

4.1 Design Impact's standard terms of payment are 50% deposit with order, the balance due on completion. If payment is not made on due date, then Design Impact may charge interest on the overdue amount calculated on a daily basis from the due date until actual payment. This interest charged shall be at a rate of 2% per calendar month, but calculated on a daily basis on the amount outstanding from time to time. The Buyer will in addition be liable to pay all expenses and costs (including legal costs as between solicitor and client) in relation to the recovery of any overdue amount, or of any other remedy sought by Design Impact, whether or not such action is successful. Late payment interest shall accrue after as well as before judgment. Should Design Impact's bankers dishonour a Buyer's cheque, then the Buyer agrees to pay to Design Impact, on each and every occasion, a \$25.00 administration charge.

4.2 Progress payments may be required where work is completed over an extended period of time. After work has been in hand for one month or more, a progress payment of up to 75% of the value of the work completed may be requested. Further progress payments calculated on the same basis may be required to be paid on a monthly basis, until completion of the work.

5. Risk and Title

5.1 Risk in goods will pass to the Buyer immediately upon delivery. Design Impact will not be responsible for loss or damage to goods in transit, and the Buyer is required to insure goods against loss or other risks immediately following despatch.

5.2 Where the Buyer supplies plans, specifications, goods or materials of any kind these shall be held by Design Impact at the Buyer's risk. Whilst all care will be taken by Design Impact, no responsibility is accepted for any damage to materials during such time, and Design Impact reserves the right to dispose of materials if they are not collected by the Buyer within one calendar month after the work is completed.

5.3 Notwithstanding the above title in the goods will not pass to the Buyer until payment in full by



the Buyer of all goods and services from time to time supplied by Design Impact to the Buyer. Design Impact's other rights and remedies in respect of this security interest are as specified in Clause 9.10 hereof.

6. Warranty/Indemnity

6.1 Whilst all care and attention is undertaken by Design Impact to deliver and/or install goods of the highest quality, and to ensure that all components (including graphics, inks, media, paints, images, photos and other materials) are purchased from reputable manufacturers, Design Impact does not guarantee the manufacture of such items. Where any defect or alleged defect is beyond the ability of Design Impact to control quality, Design Impact has no liability. Any defects due to faulty workmanship must be notified within 7 days after delivery. Any such defects will, at the discretion of Design Impact, be repaired or replaced free of charge.

6.2 Other than as provided in Subclause 6.1 hereof all warranties, representations or promises howsoever made, whether express, or implied by law are excluded and negated. In particular, where the Buyer acquires or holds itself out as acquiring, the goods for the purposes of a business the Consumer Guarantees Act 1993 will not apply.

6.3 Notwithstanding any other provision herein the total liability of Design Impact will at all times be limited to replacing goods or materials or workmanship which are defective to the value received by Design Impact under the relevant contract. No claim for consequential losses or damages of any kind will apply.

6.4 The Buyer will indemnify and hold harmless Design Impact against any losses, liabilities, costs or actions suffered or incurred as a consequence of any third party claiming that work undertaken by Design Impact is offensive or illegal, in breach of any intellectual property right, or other right which such third party may have.

7. Termination

7.1 If the Buyer is at any time in default of any of its obligations, covenants or agreements under these Terms and Conditions of Sale, then Design Impact may, by notice in writing to the Buyer, terminate any contract.

7.2 In such event the Buyer shall be liable to pay for the cost of any work (including preliminary work) undertaken at that time. Such cost shall be payable as a debt due immediately upon demand.



8. General

8.1 Applicable Law/Unenforceability

8.1.1 The law applying to any contract arising between Design Impact and the Buyer shall be the law of New Zealand.

8.1.2 In the event that any provision contained in these Terms and Conditions, or in any other collateral agreement or document between Design Impact and the Buyer is deemed illegal or unenforceable, then such provision shall be deemed to be excluded there from, but only to the extent required to remedy the illegality or unenforceability, and these terms and conditions, and such collateral document shall in all other respects apply in accordance with their stated terms.

8.2 Assignment

8.2.1 Design Impact is entitled at any time to assign to any other party all or any part of a debt which is owing to Design Impact.

8.2.2 Design Impact may also assign or sub-contract any part of the work which is to be performed under any contract.

8.2.3 In respect of such assignment (in either case) the assignee shall be entitled to the full rights of Design Impact previously applying.

8.3 Set-Off

8.3.1 Design Impact (or any such assignee) shall be entitled to set off against any monies which may be or may be alleged to be owing to the Buyer, the amount of any debt incurred or payable by the Buyer to Design Impact, or to such assignee.

8.4 Waiver

8.4.1 All rights, powers and entitlements of Design Impact at law in respect of any contract shall remain in full force, notwithstanding any neglect, forbearance, delay, or waiver by Design Impact in enforcing them.

8.4.2 In the event that Design Impact waives or is deemed to have waived any condition, then unless such waiver is in writing and signed by the director of Design Impact, no such waiver shall be accepted. If accepted, such waiver shall apply only to the extent that it is specifically given, and shall not be deemed to affect any other dealing or matter between the Buyer and Design Impact.



8.5 Authority to Sign

8.5.1 The person signing any quotation on behalf of the Buyer acknowledges that they have authority to bind the Buyer.

8.5.2 In the event that, due to alleged deficiency in such authority, the Buyer is not liable then the person signing will be personally liable for payment of the debt arising.

8.6 Intellectual Property Rights

8.6.1 Unless it is specifically agreed in writing to the contrary Design Impact retains all intellectual property rights, including copyright, patents, registered designs, or protection of confidential information in respect of any works undertaken by Design Impact for the Buyer.

8.6.2 The Buyer will at all times keep Design Impact advised of any infringement or potential infringement by a third party of Design Impact's intellectual property rights.

8.6.3 The Buyer will also immediately advise Design Impact of any alleged infringement by Design Impact of a third party's intellectual property rights. The Buyer will indemnify and hold harmless Design Impact against any losses, costs, actions or liabilities suffered or incurred as a consequence of such infringement or alleged infringement.

8.7 Right of Variation

8.7.1 Design Impact reserves the right at any time to vary these Terms and Conditions of Sale, by notification to its customers.

8.8 Disputes

8.8.1 In the event of any dispute arising between Design Impact and the Buyer, such dispute shall in the first instance be referred to mediation for resolution.

8.8.2 In the event that resolution by such manner is not achieved to the satisfaction of both parties within 30 days of referral to mediation, then either party may take legal action to resolve the dispute.

8.8.3 Nothing in this clause prevents Design Impact from taking legal action to enforce payment of any debt due, nor where required to seek interlocutory or injunctive relief.



8.9 Privacy Act

8.9.1 In relation to the Privacy Act 1993 the Buyer acknowledges that:

(a) Personal information collected or held by Design Impact may be held, used or disclosed for any of the following purposes: administering (whether directly or indirectly) contracts or enforcing rights under contracts, marketing goods and services from time to time, ascertaining at any time the Buyer's creditworthiness, and obtaining credit reports, character references or credit statements, enabling Design Impact to notify any credit agency of any application for credit or default on any obligation of the Buyer to Design Impact, and enabling Design Impact to provide such personal information to any credit agency. Also enabling Design Impact to communicate with the Buyer for any purpose.

(b) Such personal information (where applicable) is collected by and will be held by Design Impact whose address is specified in the quotation. The Buyer has the right under the Privacy Act to obtain access to, and request correction of, any personal information held by Design Impact.

(c) The Buyer authorises Design Impact at any time to obtain from any person or entity any information which Design Impact requires to process and/or accept any application for credit.

(d) The Buyer authorises any person to release to Design Impact for the purpose of establishing the Buyer's creditworthiness any personal information that person holds concerning the Buyer.

(e) If the Buyer fails to provide any information requested by Design Impact in respect of any application for credit, such credit may not be provided.

8.10 Personal Property Securities Act ("PPSA")

8.10.1 In respect of the security interest created by Clause 6.3 hereof:

(a) This security interest shall apply to all goods from time to time supplied by Design Impact to the Buyer.

(b) The Buyer shall not allow any goods subject to such security interest to become an accession to other goods.

(c) The Buyer waives its right to receive a copy of any verification statement following registration of the supplier's security interest.



(d) Design Impact may allocate any payment received from the Buyer against any debt owed by the Buyer, in any manner that Design Impact may decide, notwithstanding any purported allegation by the Buyer.

(e) Where any amount owed between the Buyer and Design Impact is overdue, then Design Impact may enter any premises at which it believes such goods are located, to seize those goods, and to dispose of them as Design Impact thinks fit, to apply such proceeds towards the amount then outstanding to Design Impact. The Buyer hereby irrevocably authorises Design Impact, and any of its agents or servants, to enter such premises, to locate, inspect, and/or seize such goods.

(f) At all times whilst such security interest exists, the Buyer will insure the goods for their full insurable value, noting the interests of Design Impact as unpaid vendor.

(g) If any goods have been resold, then the sale proceeds of such resale are held upon trust for Design Impact, and the Buyer will account to Design Impact with such proceeds.

(h) Design Impact will not be liable to the Buyer or any other person for the exercise of any of its rights under this clause.

(i) If Design Impact at any time does not have priority over all secured parties in relation to any goods then, pursuant to Section 107(1) of the PPSA, for the purposes of dealing with those goods the Buyer and Design Impact specifically contract out of Sections 108 and 109 of the PPSA, to the extent of replacing the words "a secured party with priority over all other secured parties", in each case, with "Design Impact".