



## ZIMMER BIOMET NEW ZEALAND COMPANY TERMS OF SALE

### 1. DEFINITIONS

- 1.1 **Consignment Goods** means Goods that are supplied to the Customer on a consignment basis for which an invoice is not issued by the Vendor until the Consignment Goods are withdrawn for use by the Customer (subject to the terms of any other agreement entered into between the Vendor and the Customer for Consignment Goods).
- 1.2 **Customer** means a person, company or institution who has purchased and/or been supplied with Goods under these Terms of Sale.
- 1.3 **Goods** mean the products and ancillary services supplied or to be supplied by the Vendor to the Customer as indicated overleaf.
- 1.4 **Vendor** means Zimmer New Zealand Ltd of 210 Khyber Pass Road, Grafton, Auckland, New Zealand, 1149.

### 2. CONTRACT

- 2.1 These Terms of Sale will prevail in the event of any conflict or inconsistency between these Terms of Sale and a Customer's order or terms of purchase (subject to any agreement to the contrary).
- 2.2 Acceptance of delivery of Goods by a Customer will constitute acceptance of these Terms of Sale by the Customer.

### 3. DESCRIPTION AND PURPOSE

- 3.1 Suitability for Purpose  
Unless the Vendor has been specifically advised in writing, it has no knowledge of the purpose for which the Customer proposes to use any Goods supplied by the Vendor to the Customer, and the Customer relies on its own skill and judgement and has satisfied itself as to the condition, quality, suitability and fitness of the Goods for the purpose for which the Customer proposes to use them.

### 4. DELIVERY

- 4.1 Time  
The Vendor will use reasonable endeavours to meet any delivery date quoted for the Goods but such date is an estimate only and not binding on the Vendor.
- 4.2 Delivery Ex Works  
Unless stated otherwise in writing, delivery is deemed to have occurred at the Vendor's nominated premises on transfer of the Goods to the Customer or its agent or carrier. If the Customer fails or refuses to accept delivery of the Goods, the Goods will be deemed delivered 14 days after the Vendor notifies the Customer that the Goods are available for collection at the nominated premises. Without prejudice to any other remedies or rights which it may have, the Vendor may charge storage and transportation costs and expenses relating to the Goods in the event of failure or refusal by the Customer to accept delivery.
- 4.3 Instalments  
The Vendor reserves the right to deliver the Goods in instalments and each instalment will be deemed to be a separate contract subject to the same terms and conditions as the original contract.
- 4.4 Shortages in Delivery or Other Non-Conformance  
Any claim for shortages or other non-conformance relating to a delivery of Goods shall be notified in writing to the Vendor by the earlier of (i) the date of withdrawal for use by the Customer; or (ii) within ten days of delivery; otherwise Goods will be deemed accepted by the Customer.

### 5. RISK AND TITLE

- 5.1 Risk  
Risk in Goods shall remain with the Vendor only until the first in time of (i) the passing of property in the Goods to the Customer; or (ii) the delivery of the Goods by the Vendor to the Customer or to a carrier at the contractual point of delivery; or (iii) the expiry of 14 days from the date of notification by the Vendor to the Customer that the Goods are ready for delivery; and thereafter risk of damage, loss or deterioration of the goods from any cause whatsoever will pass to the Customer notwithstanding that transport of the Goods may be directed by the Vendor and/or that transport insurance may be taken out by the Vendor on the Customer's behalf.
- 5.2 Title
- (i) Title to the Goods remains with the Vendor until such time as the Customer has paid for the Goods in full or, in the case of Consignment Goods, until the Consignment Goods are withdrawn and used by the Customer.
  - (ii) For Consignment Goods, until Consignment Goods are withdrawn for use by the Customer, the Customer shall store the Consignment Goods in a way that clearly manifests the Vendor's title and will keep separate records of any sales of the Consignment Goods or withdrawal of the Consignment Goods from Customer's inventory and further will not sell or part with possession of the Consignment Goods prior to withdrawal for use except with the consent of the Vendor.
  - (iii) Payment in relation to any Goods shall become due immediately upon the Customer committing an act of bankruptcy or insolvency, or if an administrator or receiver of the Customer is appointed in relation to the Customer or its assets.

### 6. PRICES AND CONTRACT PRICE ADJUSTMENT

- 6.1 Price Basis  
Prices quoted by the Vendor are those applicable at the date of quotation and may be varied without notice. All prices, unless otherwise stated, are ex works at Vendor's nominated premises and all costs incurred by the Vendor thereafter shall be at the expense of the Customer.
- 6.2 Goods and Services Tax and other Excluded Charges  
Unless otherwise stated in writing the goods and services tax, sales tax or any other tax or levy imposed on any of the sale, manufacture, handling, distribution, import or use of the Goods, or calculated by the selling price of the Goods, or otherwise howsoever included in or added to the price of Goods, shall in all cases be charged to the Customer as an additional charge over and above the price quoted for the Goods.

### 7. PAYMENT

- 7.1 Payment Due  
Except for Consignment Goods and unless otherwise agreed, all Goods are supplied on a cash on delivery basis. The extension of credit shall be at the Vendor's absolute discretion. Where credit is extended, payment for all Goods including GST and other applicable charges shall be due 30 days from the date of the invoice unless otherwise agreed in writing.
- 7.2 Consignment Goods  
Within 48 hours of withdrawal for use of any Consignment Goods, the Customer must both notify Zimmer Biomet of such withdrawal and issue a purchase order for the subject Consignment Goods. Withdrawal for use will be deemed to constitute a purchase of the Consignment Goods by Customer in accordance with this Agreement. On receipt of notice and a purchase order, the Vendor will issue its invoice to Customer on the same payment terms as set out in clause 7.1 above.
- 7.3 Delay or Default in Payment  
Should the Customer fail to make payment of any amount due to the Vendor, then the Vendor will be entitled to charge interest on the overdue amount at such rate as would be charged to the Vendor by its bankers for overdraft accommodation and calculated from the due date of payment to the actual date of full and final payment. Any payment subsequently made by the Customer to the Vendor shall be credited first against any interest so accrued.

### 8. RETURN OF GOODS

- 8.1 Goods may only be returned by the Customer with the written consent of the Vendor. The Customer is then required to:-
- (i) ensure that the Goods are free from defects or damage and are clean and of saleable quality;
  - (ii) return the Goods to the Vendor within 30 days of delivery to the Customer; and
  - (iii) arrange and bear the costs of return of the Goods to the Vendor's nominated premises.

### 9. SECURITY INTEREST UNDER PERSONAL PROPERTY SECURITIES ACT 1999 (PPSA)

- 9.1 The Customer will provide information, execute documents and do such acts as are necessary, in Vendor's opinion, to ensure the registration and enforceability of any security interest held by the Vendor in this agreement or any Goods supplied to the Customer under it, under the PPSA (or any amendments to it). The Customer irrevocably appoints the Vendor as its attorney to do anything which the Customer agrees to do under this clause and ratifies anything done by the Vendor accordingly. Customer waives its rights to receive any notice required by any provision of the PPSA (including a verification statement) and both Vendor and Customer agree to contract out of the PPSA to the extent that they are able to do so in relation to the obligations and rights set out in sections 114, 116, 120, 121, 125, 126, 127, 129 and 131 of the PPSA.

### 10. LIMITATION OF LIABILITY

- 10.1 To the extent permitted by law, the liability of the Vendor for any loss, damage, claim or expense arising from or in connection with the Goods will be limited to, and fully discharged by, at Vendor's sole discretion, the replacement of the Goods, or the supply of equivalent Goods, or the repair of the Goods. The Vendor will not be liable for proximate, incidental or consequential damages in any circumstances.
- 10.2 The Customer will indemnify the Vendor in relation to any claim, loss, damage or expense caused or contributed to by the negligence or contractual breach of the Vendor, in relation to this Agreement or any of the Goods sold to, or passing into the possession or control of, the Customer under this Agreement.

### 11. FORCE MAJEURE

- 11.1 The Vendor shall not be liable to the Customer for failure to meet any contractual obligation owed to the Customer to the extent that such failure is caused by or arises from:
- (i) strikes, lockouts or other industrial disputes, shortage of labour or materials, delay in manufacturing by the Vendor, its associates or suppliers, riot, civil commotion, fire, flood, drought, loss or delay at sea or otherwise, breakdowns or war; or
  - (ii) any other cause whether arising from natural causes, human agency or anything beyond the reasonable control of the Vendor.
- In such an event, the Vendor may elect to either cancel this contract or extend the time for performance, and the Customer will not be relieved of any obligation to accept or pay for Goods by reason of any delay in their delivery or despatch.

### 12. NOTICES

For the purpose of service of any document or notice in connection with this contract it shall be sufficient for either party to forward such document or notice by registered post to the registered address of the other party or the address nominated in the Vendor's invoices rendered to the Customer, such notice deemed to be received two days after the date of posting.

### 13. GENERAL

- 13.1 The Vendor may cancel this contract, refuse to supply any further Goods or stop Goods in transit if the Customer makes any default under this contract or any other contract with the Vendor, becomes bankrupt, has a receiver or administrator appointed for any of its assets, goes into liquidation, makes an arrangement with its creditors or has a statutory manager appointed in respect of it.
- 13.2 All the original rights, powers, exemptions and remedies of the Vendor shall remain in full force notwithstanding any neglect, forbearance or delay in the enforcement.
- 13.3 All contracts and all claims or actions under this contract will be determined in accordance with the law of New Zealand and each party irrevocably submits to the non-exclusive jurisdiction of the Courts of New Zealand.