

1. DEFINITIONS

In the Contract unless the context otherwise requires:

“**Bailment Agreement**” means any bailment agreement between Fantech and the Supplier;

“**Business Day**” means a day that is not a Saturday, Sunday or a public holiday in New Zealand;

“**Contract**” means any agreement between Fantech and the Supplier for the supply of Goods and/or Services evidenced by the Purchase Order, any Special Conditions, these Terms and Conditions, and all other documents which are either attached to the Purchase Order or incorporated by reference;

“**Date for Delivery**” is the date stated in the relevant Purchase Order (or such other date as may be specified by Fantech for delivery of the Goods by the Supplier);

“**Delivery Point**” is the location or address for delivery of Goods set out in the relevant Purchase Order or other written notice issued by Fantech;

“**Fantech**” means Fantech (NZ) Limited, its agents or employees;

“**Goods**” means the goods or any of them described and quantified in the relevant Purchase Order, or other written notice issued by Fantech;

“**GST**” has the meaning given to it in by the GST Act;

“**GST Act**” means the Goods and Services Tax Act 1985;

“**Purchase Order**” means the document provided, from time to time, by Fantech to the Supplier setting out the requirements for each order for the supply of the Goods and/or Services;

“**Purchase Price**” means the sum ascertained by multiplying the unit price for the appropriate category of Goods and/or services by the number of units where applicable delivered and accepted under the Contract and includes GST and all other taxes and delivery charges (unless otherwise stated);

“**Responsible Officer**” shall mean the person appointed by Fantech for the purpose of discharging Fantech duties under the Contract. Notice of such appointment shall be given to the Supplier in writing if requested;

“**Services**” means the services or any of them described and quantified in the relevant Purchase Order or other written notice issued by Fantech;

“**Special Conditions**” means any special conditions of the Contract agreed between the parties and attached to the Purchase Order;

“**Specification**” means the description of the Goods and/or Services as provided to the Supplier;

“**Supplier**” means the supplier of the Goods and/or Services as designated on the Purchase Order. Where appropriate, references to the Supplier shall be construed to mean the Supplier, its servants and agents, including sub-contractors employed by the Supplier as well as any servants and agents of any sub-contractors;

“**Tax Invoice**” has the same meaning as in the GST Act;

“**Terms and Conditions**” means these Terms and Conditions for Purchase of Goods and Services;

2. APPLICATION

(a) These Terms and Conditions and any Special Conditions, apply to all Goods and/or Services supplied to Fantech pursuant to a Contract.

(b) The Supplier agrees that its written acceptance or provision of Goods and/or commencement of Services under the Purchase Order shall constitute acceptance of these Terms and Conditions. All terms and conditions proposed by the Supplier, which are different from or in addition to any Contract terms, are of no binding effect on Fantech and shall not become a part of the Contract.

(c) Any quotation or proposal provided by the Supplier and accepted by Fantech is accepted on these Terms and Conditions and any Purchase Order will be upon and subject to these Terms and Conditions.

(d) Except as may be otherwise agreed by Fantech in writing, these Terms and Conditions supersede and exclude all discussions, representations and arrangements between the parties relating to the supply of the Goods and/or Services or any part thereof.

(e) If there is any inconsistency or variance between the Contract and any quotation or tender proposal in respect of the Goods and/or Services, the Contract will prevail. In the event of any inconsistency in the documents comprising the Contract, the order of precedence shall be (i) the Purchase Order (and any Special Conditions) (ii) documents attached to the Purchase Order (iii) these Terms and Conditions.

(f) In the event one or more clauses of the Contract is held by a court of law to be legally invalid or unenforceable the remainder of the clauses shall in no way be affected.

3. TITLE AND RISK

Title to the Goods and/or Services transfers to Fantech upon delivery. The risk of any loss or damage to the Goods and/or Services, and all insurance responsibility for theft, damage or otherwise, remains with the Supplier until acceptance by Fantech.

4. ACCEPTANCE OR REJECTION

Fantech may test the Goods and/or Services to determine whether they comply with the Specification and if the Goods and/or Services do not conform to the Specification Fantech may reject them within 30 days of delivery or discovery of non-conformity, whichever is the later, by written notice to the Supplier giving reasons for such rejection.

The Contract shall operate as a standing offer by Fantech to the Supplier to supply and deliver Goods and/or Services for the Purchase Price in accordance with Purchase Orders made by Fantech in accordance with the Contract.

Nothing in these Terms and Conditions or the Contract obliges Fantech to purchase Goods or Services from the Supplier, or obliges Fantech to purchase any Goods or Services exclusively from the Supplier. The Purchase Price is fixed unless otherwise stated.

5. DELIVERY

a) DELIVERY DOCUMENTATION

All deliveries must be accompanied by a delivery docket clearly identifying the quantity of Goods supplied and/or Services performed and referencing the Purchase Order number provided to the Supplier. No supplier is to deliver Goods and/or perform a Service without a valid Purchase Order whether via email or hardcopy, from Fantech. Verbal Purchase Order numbers are not acceptable and do not constitute a request to supply Goods or perform Services.

b) DELIVERY POINT

The Supplier shall deliver the Goods to the Delivery Point “Free in Store” by the Date for Delivery or by such other date as is agreed between Fantech and the Supplier. Delivery is not complete until an appropriate representative of Fantech inspects, and acknowledges the delivery by the signing of the Supplier’s delivery documentation.

c) CHEMICALS

If the Goods include any chemicals, the Supplier shall include with every delivery a material safety data sheet in respect of those chemicals.

d) PLANT & EQUIPMENT

If the Goods include any plant or equipment, the Supplier shall:

(I) ensure that hazard identification, risk assessment and control measures have been carried out before the Goods leave the control of the Supplier;

(II) provide Fantech with all relevant health and safety information about the Goods that is available from the Supplier or the manufacturer or the importer of the Goods;

(III) provide Fantech with all relevant information relating to the safe use of the Goods, including in respect of any used Goods, any records kept by any previous owner of the Goods;

(IV) provide Fantech with any other information required under applicable New Zealand health and safety legislation as amended from time to time.

e) NOTICE OF DELIVERY

If requested by the Responsible Officer, the Supplier shall give reasonable notice of the expected Date of Delivery, and must immediately notify Fantech as soon as it becomes likely that it will not be able to make delivery of the Goods on the expected Date for Delivery.

The Supplier indemnifies Fantech against any loss and damage (including consequential loss) suffered or incurred by Fantech, either directly or indirectly, caused by the Supplier’s delay or failure to deliver the Goods or Services by the Date for Delivery.

f) UNLOADING

Where the Goods can be manually unloaded at the Delivery Point in accordance with applicable legislation or occupational health and safety codes, the Purchase Price for the Goods shall include the cost of unloading the Goods and the unloading shall be the responsibility of the Supplier. Where the Goods cannot be so unloaded arrangements must be

made for unloading by Fantech. The Parties may exclude or vary this clause by appropriate provisions in the Purchase Order or Specification.

g) TIME

Time is of the essence in the delivery of Goods and Services under this Contract.

6. INVOICING AND PAYMENT

The Supplier shall give to Fantech an invoice for the Purchase Price for all Goods and/or Services delivered and accepted. Fantech shall pay an amount correctly invoiced in accordance with this Clause.

The invoice shall comply with the requirements of the GST Act (as a Tax Invoice).

No amount claimed in any invoice shall be paid by Fantech unless the invoice is certified for payment by the Responsible Officer(s). The Responsible Officer(s) shall not certify an invoice for payment unless satisfied that it is correctly calculated with respect to the Goods delivered and accepted and to the Services satisfactorily provided.

Subject to certification by the Responsible Officer(s) Fantech shall pay to the Supplier the invoiced amount within the agreed period being at least 30 days from the end of the month the invoice date was produced.

Payment of an invoice must be taken only as payment on account and is not evidence or an admission that the Goods have been supplied or accepted, that the Services have been provided in accordance with the Specification, evidence of the value of Goods supplied or Services provided, that the Goods and Services invoiced were satisfactorily supplied or performed or expenses properly incurred, or an admission of liability or acceptance or approval of the Supplier's performance.

7. RIGHT TO SET OFF

Fantech may set off against any sum owing to the Supplier any amount owing by the Supplier to Fantech.

8. PURCHASE PRICE AND RATES

The Purchase Price is inclusive of all expenses of the Supplier, insurance, duties, imposts and taxes which shall be paid by the Supplier and are inclusive of GST.

9. ASSIGNMENT

The Supplier shall not without the prior written approval of Fantech sub-contract or assign any rights or obligations under this Contract. A change in control or in the beneficial ownership of the Supplier will be deemed to be an assignment. Fantech has absolute discretion to withhold its consent or approval or may impose such terms and conditions as it considers appropriate.

The Supplier shall remain fully responsible for supplying the Goods and Services in accordance with the Contract even if the Supplier has sub-contracted or assigned the performance of any part of this Contract.

10. FANTECH NAME AND LOGO

The Supplier shall not use the Fantech name and/or logo on, or in, any signage, correspondence, literature or advertising material whether published in writing or on Supplier internet webpages or websites without written approval from Fantech.

11. QUALITY ASSURANCE

Upon request by Fantech the Supplier must provide Fantech and its employees, agents and servants access to the Supplier's premises to undertake quality audits and quality surveillance as per Fantech's quality system and/or production processes related to the Goods and/or Services.

The Supplier is required to notify Fantech of any changes to its Quality System relating to the Goods and/or Services provided to Fantech.

The Supplier further agrees to undertake Quality Assessments from time to time as required by Fantech.

12. COMPLIANCE WITH LAWS

The Contract shall be governed by and interpreted in accordance with the laws of New Zealand and the parties shall submit to such exclusive jurisdiction.

13. CONFIDENTIALITY, SECURITY AND PRIVACY

a) CONFIDENTIALITY

(I) The Supplier acknowledges that it may be given access to certain information which is confidential to Fantech (**Confidential Information**), which includes without limitation documentation, data, technical and

commercial information and information relating to the general business operations of Fantech and its customers.

(II) The Supplier shall not divulge or release any of the Confidential Information pertaining to Fantech or the performance of the Contract, nor make any statement to any third party including the media on behalf of Fantech or in relation to the provision of the Goods and Services without the express prior written consent of Fantech or as required to perform its obligations under a contract.

(III) The Supplier further agrees to keep confidential, take reasonable steps to ensure that it's employees, officers, agents or servants of the Supplier maintain proper and secure custody of nor use or reproduce in any form any Confidential Information without the written consent of Fantech or as required by law.

(IV) The Supplier will be liable for any breach of the Contract by its employees, agents or contractors, if any.

b) PRIVACY

The Supplier acknowledges that Fantech is committed to complying with the Privacy Act 1993 (**Privacy Act**) and the Information Privacy Principles contained in the Privacy Act as amended (irrespective of whether or not they are legally binding on the Supplier). Fantech will only use personal information for the purpose for which it is provided, including for the purpose of providing the Supplier information about goods and services the Company thinks might be of interest to the Supplier. The Supplier has the right to access the personal information that the Company holds about the Supplier and to request correction of any incorrect personal information. The Supplier also agrees to comply with any directions regarding privacy given to the Supplier by Fantech, and to indemnify Fantech on demand from and against any liability incurred by Fantech as a result of the Supplier's breach of the Privacy Act.

14. SUPPLIER'S REPRESENTATIVE

The Supplier shall ensure that at all times there is a responsible person who shall act as the Supplier's representative and be available at all reasonable times for consultation on behalf of the Supplier in connection with any matter arising under the Contract.

15. SUPPLIER'S WARRANTIES

The Supplier hereby warrants that –

a) the Supplier has the right to provide the Goods and/or Services to Fantech;

b) the Goods –

(I) (except as otherwise provided in the Specification) are new when delivered to Fantech;

(II) are fit for the purpose stated in the Specification or elsewhere in the Contract, or if no purpose is stated, the purpose for which the Goods would ordinarily be used;

(III) conform to the description, model number and the sample (if any) provided by the Supplier;

(IV) conform with the requirements of the Specification and are free from defects (including defects in installation);

(V) are of good merchantable quality and conform to any legally applicable standards;

(VI) where the Contract so provides, have been manufactured, constructed or assembled in the place disclosed by the Supplier as the place of manufacture, construction or assembly of the Goods;

c) all Services supplied shall conform to the requirements of the Specification and shall be provided with all due skill, care and diligence expected of the Supplier;

d) all representations made by the Supplier in or in connection with the Supplier's Tender were and remain accurate;

e) if any part of the Goods supplied or Services performed are found to be defective and not in compliance with this Contract within the duration of this Contract (including any specified defect liability period) and the Supplier on the request of Fantech fails to remedy any such defect or default to the satisfaction of Fantech, such defect or default may be remedied by Fantech at the cost of the Supplier; and

f) the Goods and/or Services are free from any mortgage, lien or encumbrance whatsoever whereby Fantech could or might be liable to be dispossessed of the same.

16. DISPUTES RESOLUTION

If at any time any dispute or difference shall arise as to the true meaning of any part of these conditions, or as to the manner of carrying out the

Contract, or as to the quality of the Goods or Services to be supplied under its, or as to any matter or changes or account between Fantech and the Supplier, or as to any other matter connected with the Contract, such dispute or difference shall be referred to and settled by the following procedures.

a) NOTIFICATION PROCEDURE

Fantech or the Supplier may give to the other party notice of the dispute or difference by written notice. Such notice:

(I) shall not be unreasonably given; and

(II) shall signify that it is a notice under this clause; and

(III) shall give sufficient details of the dispute or difference as to enable the party receiving the notice to ascertain the nature of the alleged dispute or difference.

b) MEDIATION PROCEDURE

If any dispute in relation to the Contract arises between the parties, only Fantech may by notice to the Supplier (a **Dispute Notice**) refer the dispute to a Dispute Panel for resolution. The Dispute Notice must specify in reasonable detail the nature of the dispute.

The Dispute Panel in respect of a dispute shall consist of:

(I) a representative nominated by the Supplier; and

(II) a representative nominated by Fantech.

If the dispute is referred to the Dispute Panel, the Dispute Panel shall meet to resolve the dispute within five Business Days of service of a Dispute Notice and a decision of the Dispute Panel shall be final and binding on the parties.

If the Dispute Panel does not resolve the dispute within ten Business Days of service of the Dispute Notice either party may refer the dispute for expert determination in accordance with clause 16(c).

c) EXPERT DETERMINATION

If a dispute is referred for expert determination, the Dispute Panel shall appoint as an expert in relation to that dispute a qualified person considered appropriate by the Dispute Panel. If the members of the Dispute Panel are unable to agree on the appointment of an expert, either member of the Dispute Panel may request the President of the New Zealand Law Society from time to time to appoint an expert to determine the dispute. The expert shall fix and inform the parties of a time for presentation to the expert by the parties of their respective positions. Unless the parties otherwise agree, the presentation must be no later than 5 Business Days after the expert's appointment. The expert must make a determination or finding in respect of the dispute within ten Business Days after the presentation. Any determination of a dispute by the Expert shall include a determination as to the award of costs. Any determination made by the expert shall be final and binding on all parties. The expert shall act as an expert and not an arbitrator.

d) PERFORMANCE TO CONTINUE

If it be reasonably possible, performance by the Supplier under the Contract shall continue during mediation, expert determination, arbitration or legal proceedings, and all payments due or payable by Fantech may be withheld on account of the execution of this clause.

17. EMPLOYMENT POLICY

The Supplier shall not breach any New Zealand legislation affecting employees or sub-contracted workers, or engage in unethical work practices, or engage employees or sub-contracted workers upon terms and conditions which do not meet industry standards generally applicable in New Zealand.

18. HEALTH AND SAFETY

The Supplier shall provide and maintain so far as is reasonably practicable a working environment that is safe and without risks to the health of employees (workers) including any independent subcontractors and their employees engaged for the purposes of the Contract. The Supplier shall in the execution of the work, comply with all requirements under the New Zealand Health and Safety in Employment Act 1992 and health and safety regulations (including any amending or replacement legislation), standards, compliance codes and codes of practice.

19. INSURANCES AND INDEMNITY

a) EVIDENCE OF INSURANCE

If required by Fantech, the Supplier must:

a) maintain adequate insurance policies including, and without limitation, public liability, professional indemnity, transportation/freight liability and product damage insurance;

b) Provide Fantech, a copy of each policy and/or certificates of currency establishing that the insurances required by the Contract have been taken out;

c) Provide Fantech a certificate of currency of each policy once every year or at any other time Fantech reasonably requires.

If, after being requested in writing by Fantech to do so, the Supplier fails to produce evidence of compliance with insurance obligations which is to the satisfaction and approval of Fantech, Fantech may withhold any amounts owing to the Supplier under a Contract until satisfactory evidence of compliance is produced, or elect to terminate this Contract.

b) INDEMNITY

The Supplier shall defend against, indemnify and hold Fantech harmless from all claims, liabilities, judgments, settlements, law suits, damages, expenses and other direct costs of whatever nature that are incurred by Fantech (including without limitation all legal costs and expenses) as a result of the Supplier's (including its officers', employees' and agents') failure to perform its obligations under the Contract, or as a result of any act, omission, negligence or criminal misconduct of the Supplier or its respective officers, employees or agents.

c) INSURANCE

The Supplier warrants that it has or shall effect appropriate insurance policies required by the Contract. The insurance policies required by the Contract shall be at the expense of the Supplier who is responsible for the payment of all premiums, stamp duties, taxes, levies, excesses and deductibles. The Supplier shall not commit any act or omission which may result in any insurance policy required by the Contract becoming void or voidable or which may result in the insurer refusing liability under the policy.

d) TRANSIT AND STORAGE INSURANCE

The Supplier shall effect appropriate insurance in respect of Goods (including components) required in the performance of the Contract in storage or in transit to the delivery point for which the Supplier is responsible.

20. INTELLECTUAL PROPERTY

The Supplier warrants that it is entitled to use and to authorise Fantech to use any intellectual property, which may be used by the Supplier or Fantech in connection with the provision of Goods and Services under a Contract. The Supplier indemnifies and shall at all times keep Fantech, its directors, officers, employees, servants and agents indemnified against any action, claim, suit or demand, including a claim, suit or demand for or liability to pay compensation or damages and costs or expenses arising out of or in respect of any breach of any third party's intellectual property rights relating to the provision of Goods and Services.

The Supplier grants to Fantech a non-exclusive licence to use the Supplier's Intellectual Property in relation to any Goods and Services supplied and shall execute an agreement giving effect to this sub-clause if requested by Fantech.

21. DRAWINGS, DIES AND TOOLING

All dyes, tools, drawings, patterns, materials, specifications and other of Fantech's property, intellectual property and Confidential Information provided by Fantech to the Supplier in connection with the Contract:

(a) are provided on the terms and conditions set out in Fantech's Bailment Agreement, as amended, and the Supplier agrees to comply with the Bailment Agreement in all respects;

(b) remain the property of Fantech (except the Supplier is responsible for making good any damage done to them while they are in the possession of the Supplier);

(c) must be used only for the purpose of fulfilling the Contract;

(d) must not be passed to or divulged to any third party except with the express written consent of Fantech;

(e) must not be reproduced in full or part except to the extent necessary and incidental to complete a Purchase Order; and

(f) must be returned, together with any reproductions, to Fantech within 5 Business Days immediately after being requested, whether verbally or in writing.

The Supplier acknowledges any dyes or tools provided to the Supplier are on bailment with no value or consideration given by the Supplier, however, if it is determined that the Contract is or contains a security

interest for the purposes of the Personal Property Securities Act 1999 or similar legislation, then the provisions of clause 7 of the Bailment Agreement will apply. Fantech reserves the right to register its interest in the dyes and tools and the Supplier grants Fantech the right to register any such interest.

For the purpose of recovery of Fantech's dyes and tools, the Supplier grants Fantech's directors, officers, employees, servants or agents the right to enter any premises where the dyes and tools are stored or where they are reasonably thought to be stored and repossess the same. This right is irrevocable and the Supplier agrees that the employees, servants or agents of Fantech so entering are not trespassing. The Supplier irrevocably agrees that it will not seek to invoke any legislation to warn such persons to leave the Supplier's premises, nor will the Supplier procure any other person to take such actions. The Supplier indemnifies Fantech, its directors, officers, employees, servants and agents from and against all costs, claims, demands or actions by any party arising from such action.

22. DEFAULT AND TERMINATION

(a) If the Supplier:

- (i) fails to perform or observe any of its obligations under the Contract; or
- (ii) fails to provide the Goods and Services in a competent and timely manner; or
- (iii) is or becomes insolvent, an administrator, liquidator, receiver or manager or any other insolvency practitioner is appointed to the Supplier, or any other analogous event occurs,

Fantech may send the Supplier a notice specifying the default (**Default Notice**) and stating Fantech's intention to terminate the Contract if the Supplier fails to remedy the default specified in the Default Notice. The default Notice may not be unreasonably given and must specify that it is a notice under this clause.

(b) If after receipt of a Default Notice the Supplier fails within the specified time to:

- (i) remedy the default to Fantech's satisfaction;
- (ii) provide adequate assurance and outline the remedial measures to be taken by the Supplier to remedy the default; or
- (iii) implement remedial measures proposed under (ii),

Fantech may (without prejudice to any other rights or remedies of Fantech under the Contract or otherwise), exercise one or both of the following powers:

(iv) provide written notice with immediate effect that Fantech will wholly or partly suspend payment under the Contract until the default has been remedied (**Payment Suspension Notice**); or

(v) provide written notice with immediate effect that the Contract is Terminated (**Termination Notice**).

(c) In addition to any other rights Fantech may have, Fantech may at any time and in its sole and absolute discretion by providing written notice, terminate the Contract in whole or in part with immediate effect (or upon such notice period that Fantech considers appropriate), and in such case, Fantech shall pay the Supplier for the value of Goods supplied or Services performed up to the date of the termination and may pay the actuals costs incurred on account by the Supplier for Goods and/or Services to be performed in the future. The Supplier must submit to Fantech all documentation to substantiate any reimbursement claim made under this clause. For the avoidance of doubt, the Supplier is not entitled to claim any indirect or consequential costs, or amounts for loss of or foregone profit.

(d) The Supplier must on receipt of a Termination Notice (whether under clause 20 (b) or (c)):

- (i) do all things possible to reduce any cost or expense consequent on termination;
- (ii) do only that work as is specified in the Termination Notice;
- (iii) comply in all respects with any directions contained in the Termination Notice;
- (iv) take any other action relating to the termination or the Contract which Fantech may reasonably require including without limitation, reporting on the status of works in progress and providing documentation in support thereof; and
- (v) return all property of Fantech or other parties which have been provided to the Supplier to enable supply of Goods or performance of Services.

(e) Except as provided in this clause, Fantech shall not be liable to the Supplier for claims by the Supplier or the Supplier's subcontractors, for loss of anticipated profit, unabsorbed overhead, interest, development costs, facilities or equipment costs or administrative costs from termination of the Contract.

(f) Fantech or its agents shall have the right to audit and examine all books, records, facilities, work, material, inventories, and other items relating to any termination claim by the Supplier.

(g) Upon such termination of the Contract the Supplier shall be liable for any loss which Fantech may sustain as a consequence of the Termination of the Contract pursuant to this clause. Fantech reserves the right to sue the Supplier for damages for breach of any provision of the Contract.

23. SURVIVING OBLIGATIONS

The obligations of the Contractor under 5, 12, 13, 14, 15, 17 (a), 17(b) shall be of a continuing nature and shall survive the termination or expiration of this Contract.

24. VARIATION AND WAIVER

(a) Fantech may by written notice (**Variation Notice**) direct the Supplier to alter, amend, omit, add to or otherwise vary any aspect of the Goods to be supplied or Services to be performed. The Supplier will comply with the Variation Notice and be bound by the same conditions as though the contents of the Variation Notice and any variation thereby made were included in the Contract.

(b) The difference in cost, if any, occasioned by variations pursuant to a Variation Notice will be added to or deducted from the Purchase Price, as the case may require.

(c) As soon as reasonably practicable following receipt of a Variation Notice, the Supplier must provide Fantech with a quote estimating the cost of the variation (**Variation Quote**). In so far as they are applicable, the rates (or price breakdown if no relevant rates exist) contained in the Purchase Order will be used by the Supplier to calculate the cost of the variation but otherwise the Variation Quote must be the lowest reasonable cost consistent with sound work practices.

(d) As soon as reasonably practicable following receipt of a Variation Quote, Fantech must confirm in writing whether or not it accepts the Variation Quote and set out any qualifications to or conditions of its acceptance.

(e) Commencement of any work in connection with a variation before Fantech responds in writing to the Variation Quote is at the Supplier's risk.

(f) The Supplier shall not vary the supply or specification of any Goods to be supplied or Services performed without the prior written consent of Fantech.

(g) No part of any Contract shall be, waived, discharged or released either at law or in equity except with the prior consent of Fantech in each instance.

(h) Fantech's failure to enforce any of the terms of these Conditions or any Contract shall not be construed as a waiver of any of Fantech's rights.

25. WARRANTY PERIOD

(a) Without limiting any other warranty implied by statute or generally at law, if a defect (fair wear and tear excepted) appears in the Goods within a warranty period noted on the Purchase Order the Supplier shall promptly remedy such defect by either repairing or replacing defective Goods without cost to Fantech.

(b) The Supplier shall, where the Purchase Order so provides obtain for Fantech the benefit of any manufacturer's warranty.

26. FORCE MAJEURE

(a) Any delay or failure of either party to perform its obligations shall be excused if, and to the extent that, it is caused by an event or occurrence beyond the reasonable control of the party and without its fault or negligence including, without limitation, act of God, act of any government authority, fire, flood, storm, explosion, riot, natural disaster, war, terrorism, sabotage, labour disputes (including lockouts, strikes and slowdowns) or court order provided that written notice of such delay shall be given by the affected party to the other party within 5 Business Days. During the period of such delay or failure to perform by the Supplier, Fantech may at its option purchase Goods and/or Services from other sources without liability to the Supplier. If the delay is deemed unreasonable by Fantech and/or will affect the operations of Fantech then Fantech may immediately terminate the Contract without liability.