



NZ TRADE GROUP MEMBERSHIP – TERMS AND CONDITIONS

INTRODUCTION

NZ Trade Group Limited (*NZTG*) operates as a diverse and inclusive nationwide membership organisation. NZTG coordinates and maintains a national network of tradespeople and business partnerships, provides an exclusive software solution, and operates as a competitive buying group for independently owned contracting businesses operating in the electrical trade in New Zealand. NZTG also offers a continuous professional development and business development framework for its members and business partners.

Businesses who become NZTG Members are promoted and recognised regionally and nationally as Members of NZTG and enjoy the exclusive benefits of membership.

This document sets out the conditions on which NZTG grants membership to each Member.

MEMBERSHIP TERMS

1. DEFINITIONS

1.1. In this document:

Agreement means the agreement between NZTG and each Member that includes these membership terms and the attached schedules.

Approved Suppliers means NZTG's approved suppliers listed in Schedule 5 (as amended by NZTG from time to time).

Commencement Date means the date NZTG approves the Member's membership in writing.

Fees means the monthly membership participation fees of \$250.00 + GST payable by the Member.

Intellectual Property means all intellectual property rights owned by NZTG including trademarks, copyright, trade secrets, company names, domain names, patents, know-how, and designs.

CPD means continuing professional development.

Software means any proprietary software provided by NZTG to its members for use in their business including Katipolt.

Katipolt means NZTG's quoting and end-to-end job management software solution.

2. COMMENCEMENT DATE AND TERM

2.1. The Agreement shall commence on the Commencement Date.

2.2. The term of the Agreement shall be for one year.

2.3. The Agreement will automatically renew at the end of each term for a further term of one year unless either party gives the other written notice of termination at least 30 days prior to the end of the current term.



3. GRANT OF MEMBERSHIP

- 3.1. Subject to the payment of the Fees and the Member's continued compliance with the Agreement, NZTG grants, and the Member accepts, from the Commencement Date a membership and a right to use NZTG's trademarks and business name in accordance with the Agreement.

4. EXCLUSIVITY

- 4.1. The Member shall not during the term of the Agreement (except with NZTG's prior written consent) join or become a member of any other association, group, cooperative, organisation or buying group which operates in a manner or undertakes activities identical or like NZTG. This clause does not apply to the organisations listed in Schedule 3.

5. PAYMENTS TO NZTG

- 5.1. In consideration of the grant of membership the Member shall pay to NZTG:
- (a) the Fees monthly by automatic payment for each month of this term or successive terms; and
 - (b) the costs of additional services provided by NZTG (such as training, events, and conferences).
- 5.2. NZTG, in consultation with members, may review the Fees annually on the 1st of April in each year to consider any increase in prices or costs incurred by NZTG. NZTG shall give members not less than 30 days' written notice of increases to the Fees.
- 5.3. The Member must make all payments without offset or deduction by way of a monthly automatic payment to NZTG's nominated bank account. Any amounts that are not paid by the due date may incur interest at the rate of 2% per month calculated daily from the due date until payment is received.

6. NZTG'S OBLIGATIONS

- 6.1. During term of the Agreement NZTG shall:
- (a) negotiate on members' behalf with Approved Suppliers for competitive market rates.
 - (b) permit the Member to use the NZTG trademarks provided to the Member.
 - (c) provide to the Member NZTG Software, support, and training.
 - (d) offer business systems, compliance methods, knowledge, and resources to the Member (when available).
 - (e) continue to develop its regional and national membership and networking base; and
 - (f) investigate and pursue business opportunities to the benefit of members.

7. MEMBER'S OBLIGATIONS

- 7.1. The Member shall during the term of the Agreement:
- (a) pay the Fees and charges for additional services provided by NZTG.
 - (b) operate its business and participate in the NZTG group in accordance with the Agreement.
 - (c) take all reasonable steps to ensure that the goodwill of NZTG is maintained and enhanced and not do anything harmful or destructive to NZTG's goodwill or reputation.



- (d) comply with the codes of conduct set out in Schedule 1, Schedule 2 and Schedule 4.
- (e) establish and maintain high standards in all matters connected with the activities of its business and comply with all reasonable requirements of NZTG in respect thereof.
- (f) consider the option of applying NZTG branded signage to their vehicle fleet, NZTG branding to their team apparel, website, email signatures or other promotional material, if the member benefits in promoting their association of NZTG externally.
- (g) not commit or allow to be committed any dishonest or fraudulent act in relation to its business.
- (h) where possible promote, market, and sell to the customers of its business, the approved products purchased from an Approved Suppliers. If the Member has pre-existing external supplier relationships for specialist materials that cannot be purchased through an Approved Supplier, the Member may continue to use those suppliers; and
- (i) undergo an annual NZTG Member Compliance Survey and Membership Review as outlined in Schedule 4 and achieve a minimum of 21 CPD Points annually.

8. APPROVED SUPPLIERS

- 8.1. The Member shall comply with the purchasing requirements specified in Schedule 5 and pay all invoices rendered by the Approved Suppliers according to their payment and credit terms.
- 8.2. NZTG may introduce, vary, substitute, or remove items from the range of Approved Suppliers at any time on notice to members.
- 8.3. On notice to members, NZTG may remove any Approved Supplier from that status provided that suitable alternative arrangements are made.
- 8.4. The Member acknowledges that NZTG may negotiate and receive commissions, incentives, fees, bonuses, discounts, rebates, payments, or any other benefits from Approved Suppliers (*Benefits*) based on the collective group buying, and that the Member is not entitled to make any claim against nor request any disclosure and/or compensation from NZTG under this clause.
- 8.5. Members may also negotiate and accept rewards and incentives on their purchases from Approved Suppliers without disclosing such benefits or accounting to NZTG.

9. INTELLECTUAL PROPERTY

- 9.1. The Member acknowledges and agrees that the services and systems of NZTG, including the Intellectual Property shall remain the sole and exclusive property of NZTG.
- 9.2. The Member shall use the Intellectual Property only in connection with the NZTG system according to directions, instructions and specifications given by NZTG.
- 9.3. The Member undertakes not to use the Intellectual Property other than pursuant to the Agreement and is solely responsible for the use, security, supervision, management, and control of the Intellectual Property and will ensure that the Intellectual Property is protected always from misuse, damage, or any form of unauthorised use.



- 9.4. Save as provided in the Agreement, the Member shall not at any time either during the term of the Agreement or after its expiration or termination use or seek registration of any trademark, trade name, labelling or packaging design, company or business name which incorporates or includes, or is substantially identical to, or deceptively or confusingly like the Intellectual Property.
- 9.5. The Member may use the trademarks for advertising campaigns and other promotional activities provided that the Member:
- (a) first obtains NZTG's prior written approval to any advertising campaigns, promotional activities, advertising media and material; and
 - (b) first submits for NZTG's written approval, samples of all material on which the trademarks are used on reasonable notice prior to publication or distribution.
- 9.6. The covenants contained in this clause 9 remain in force and effect after the expiry or termination of the Agreement and shall not be deemed waived, merged, or extinguished on such expiry or termination.

10. NZTG SOFTWARE

- 10.1. The Member acknowledges that NZTG has the right to use and sub-licence the Software. Katipolt is exclusive to members of NZTG and only users nominated by the directors of a Member may use and access Katipolt.
- 10.2. NZTG grants the Member a non-transferable licence to use the Software on the terms and subject to the conditions of the Software licence and the terms of the Agreement.
- 10.3. NZTG will provide the Member with support with advice, training, error-correction, modifications, and updates via face-to-face training, online module delivery and further phone and internet support.
- 10.4. Although Katipolt is being continuously enhanced and developed, NZTG shall not be obliged to provide new application enhancements or releases as part of the Agreement, only at its sole discretion.
- 10.5. NZTG shall not be liable under law or tort, contract or otherwise for any loss of profits or savings or any direct, special, indirect, or consequential loss or damage, however caused, arising out of or in connection with the use, performance, or non-performance of the Software.
- 10.6. In the event that any limitation or provision contained in this clause 10.5 is invalid for any reason and NZTG becomes liable for any loss or damage that would have otherwise been excluded, that liability is limited to \$500 (including GST).
- 10.7. The Member shall not provide access to the Software to any third party under any circumstances.

11. INDEMNITY

- 11.1. The Member shall protect, indemnify, defend, NZTG absolutely from and against any and all damages, claims, losses, demands, liabilities (including vicarious liability), injuries, suits, actions, judgements, costs, and expenses of any kind whatsoever (including reasonable legal fees) arising out of or in any way connected with:
- (a) the conduct of the Member's business; and



- (b) the Member's breach of the Agreement.

12. TERMINATION

12.1. The Member may terminate the Agreement by giving NZTG at least one month's written notice prior to the commencement of the new term on 1 April in each year.

12.2. NZTG may terminate the Agreement at any time if the Member:

- (a) being a company becomes insolvent or enters liquidation, has a receiver or statutory manager appointed, or is wound up; or
- (b) if a natural person becomes bankrupt, or has a receiver or receiver and manager appointed or has an official manager appointed; or
- (c) fails to perform or observe any of the provisions of the Agreement and (if the breach is capable of being remedied) fails to remedy such breach to NZTG's satisfaction within the notice period requiring remedy of it; or
- (d) fails to pay sums due under the Agreement within 30 days from the due date of payment; or
- (e) commits or allows to be committed any fraudulent or dishonest act and/or omission in relation to its business.
- (f) uses sub-standard (non-compliant) product and/or delivers sub-standard workmanship; or
- (g) breaches an Approved Supplier's credit terms.

12.3. On termination of the Agreement, all rights of the Member granted by the Agreement terminate and the Member shall not be entitled to further receive any membership benefit or any compensation (for loss of business, income, or any other loss), rebate or refund of the whole or any part of the money paid pursuant to the Agreement, and the Member shall:

- (a) immediately cease to operate its business as an NZTG Member and immediately cease to use the NZTG name, Intellectual Property and day-to-day use of the Software.
- (b) immediately pay to NZTG all outstanding money owing under the Agreement.
- (c) immediately return to NZTG or otherwise remove, destroy, or cover up as NZTG shall direct all signage, website, vehicle branding, decor and other features relating to or concerning NZTG or the Software; and
- (d) no longer have access to the Software. The Member is responsible for removing or exporting any of the Member's data that is on any Software within 30 days of termination. At the end of 30 days, the software will be switched to a 'read-only' state for a further 30 days only.

12.4. Termination of the Agreement will not affect any accrued rights or remedies of a party.

13. LIABILITY

13.1. NZTG is under no liability whatsoever to the Member in respect of any loss or damage (including, but not limited to, any loss of profits or savings or any consequential, indirect or special loss, injury or damage of any kind whatsoever) which the Member may directly or indirectly suffer or incur arising



directly or indirectly as a result of the Member's use of the Intellectual Property, the Software, or NZTG's services or systems pursuant to the Agreement.

14. DISPUTE RESOLUTION

- 14.1. NZTG or the Member shall not commence any court proceedings or arbitration relating to any dispute arising out of the Agreement (including any dispute as to the validity, breach, or termination of the Agreement or as to any claim in tort, in equity or pursuant to any statute) unless that party has first complied with the following sub clauses.
- 14.2. Any party claiming that a dispute has arisen under or in relation to the Agreement shall be required to give written notice to the other party setting out the nature and details of the matter(s) in dispute.
- 14.3. Upon the other party receiving such notice, the parties shall:
- (a) co-operate and use every effort to resolve the dispute expeditiously by negotiation; and
 - (b) if they are unable to reach a resolution of the dispute within twenty-one days of the receipt of the notice (or such further period as they may agree in writing), refer the dispute to mediation.
- 14.4. The mediation shall be conducted:
- (a) by the New Zealand Dispute Resolution Centre (NZDRC); and
 - (b) by a mediator and at a fee mutually agreed by the parties. If the parties cannot agree, the mediator shall be selected, and the mediator's fee shall be determined by the Executive Director of NZDRC. Costs of the mediator appointed shall be shared equally between the parties; and
 - (c) in confidence and without prejudice.

15. FORCE MAJEURE

- 15.1. A party shall not be liable to the other party for any delay in performance or non-performance due to a cause beyond its reasonable control. The affected party shall promptly upon the occurrence of any such cause inform the other party in writing, stating that such cause has delayed or prevented its performance and shall take reasonable steps to comply with the terms of the Agreement as fully and promptly as possible.

16. PRIVACY ACT 2020

- 16.1. The Member authorises NZTG to seek information from outside parties concerning the Member's creditworthiness and business practices.
- 16.2. The Member authorises NZTG to view its purchase account transaction information and related reports from Approved Suppliers during the Term of the Agreement.
- 16.3. NZTG may hold any such information as is necessary for the satisfactory conduct of the business relationship.
- 16.4. The Member understands and agrees that all information relating to the Agreement including third party discount rates, pricing and systems is strictly confidential and shall not be disclosed to any other person unless authorised in writing by NZTG.



17. GENERAL

- 17.1. The Agreement sets out the entire agreement and understanding between the parties in relation to the subject matter of the Agreement and merges all prior discussions between them and neither of the parties will be bound by any conditions, warranties, or representations with respect to the subject matter of the Agreement other than as expressly provided in the Agreement.
- 17.2. All notices or other communications required or permitted to be given under the Agreement are to be given at the recipient's address provided to the other party and is deemed to have been duly given:
 - (a) by email, when acknowledgement of receipt by the recipient is received by the sender.
 - (b) by letter, on the seventh day after being posted by mail, correctly addressed, and stamped; or
 - (c) by hand, on personal delivery to the recipient.
- 17.3. The Agreement may be executed in any number of counterparts, all of which taken together shall be deemed to constitute one and the same document.
- 17.4. The Member shall not assign, share, or sell its rights and benefits under the Agreement to any person without first obtaining the prior written consent of NZTG.
- 17.5. The Member must carry on its business as an independent proprietor and not as a partner, joint-venture, agent, or employee of NZTG. The Member must use appropriate signs, stationery, paper, letters, and other identifying materials so as to clearly show such independent proprietorship and must not pledge the credit of NZTG.
- 17.6. In all dealings with the public the Member may hold itself out as being "a member of NZTG". The Member must not register any business or use any trade or company name or style of NZTG or incorporate a company using or incorporating any of the trade names of NZTG without the prior written approval of NZTG or as otherwise permitted under the Agreement.
- 17.7. Failure by NZTG at any time to enforce any provision of the Agreement shall not be considered to be a waiver of such provision or affect the validity of the Agreement.
- 17.8. If any provision of the Agreement is unenforceable, that provision will be deemed modified to the extent necessary to make it enforceable or if modification is impractical, the provision will be deemed deleted without affecting the remainder of the Agreement.
- 17.9. The Agreement shall be governed by the laws of New Zealand.



ACCEPTANCE OR DIGITAL ACCEPTANCE

The Member accepts the attached Membership Terms to become a member of NZTG.

Signed by the Member

Date

Name

Position

This Member agreement can also be accepted digitally by acknowledgement at the time of application via forms sent by Monday.com. These terms are attached and can be viewed or downloaded at any time.



SCHEDULE 1: NZTG MEMBER CODE OF PROFESSIONAL CONDUCT

The Member shall:

- (a) Exercise the highest level of personal conduct when dealing with other NZTG members.
- (b) Report to NZTG, within two working days if a conflict occurs with another NZTG member business. Where necessary, NZTG will act as a mediator to help resolve the issue.
- (c) Act with honesty, integrity, and fairness in all its dealings with NZTG representatives and other members.
- (d) Keep information regarding other members and their businesses confidential.
- (e) Adhere to all the NZTG Membership Terms.
- (f) Engage in good faith with the NZTG CPD programme.

Failure to meet the standards set out above may result in the loss of use of NZTG branding, and opportunities for job and lead referrals may cease.



SCHEDULE 2: CUSTOMER CODE OF PROFESSIONAL CONDUCT

Each member of NZTG must implement the following Code of Professional Conduct when dealing with customers:

- (a) Ensure that all employees and contractors exercise the highest level of personal conduct when dealing with customers, acting with honesty, integrity, and fairness in all their dealings.
- (b) Ensure that all employees and contractors will keep confidential all customer information that they may encounter.
- (c) Always use suitably qualified and competent employees and contractors for all company work.
- (d) Have and maintain appropriate insurances for the type of work they are carrying out.
- (e) Have and maintain a health and safety policy and plan that complies with the requirements of the Health and Safety at Work Act 2015 and all subsequent amendments.
- (f) Ensure that all employees and contractors respect the rule of law and abide by all industry regulations.
- (g) Act in the best interest of the customer and do everything reasonably possible to satisfy their requirements and needs by ensuring that all employees and contractors strive for the highest standard of workmanship.
- (h) Ensure all products used are compliant and doing work to a high quality of workmanship.



SCHEDULE 3: APPROVED MEMBERSHIP ORGANISATIONS (Clause 4)

Associations excluded from Clause 4 are:

- (a) Master Electricians (ECANZ)
- (b) Master Plumbers
- (c) Registered Master Builders
- (d) Master Painters New Zealand.



SCHEDULE 4: NZTG MEMBERSHIP - CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

Members of NZTG must:

- (a) Always contract with customers on the terms of written terms of trade (a NZTG template available at no cost to members).
- (b) Maintain compliant health and safety systems and documentation (NZTG recommends HazardCo).
- (c) Have and maintain minimum insurance cover for public liability insurance for up to \$2m, and comprehensive vehicle insurances (NZTG recommends Cactus Insurance).
- (d) Use legally compliant employment agreements with all staff with up-to-date job descriptions. (NZTG recommends Tradie HR).
- (e) Maintain accurate business records using a business log containing data needed to be retained by an electrical trade business, such as staff licences, vehicle and test equipment details and results.
- (f) Ensure that staff uniforms and vehicles are identified with your company brand and optional NZTG branding.
- (g) Provide a one-year minimum workmanship warranty to customers (NZTG's terms of trade template includes this wording).
- (h) Commit to attend annual NZTG conferences and membership events when possible.
- (i) Have on file (hard or electronic copy) and make accessible to all staff the following documentation:
 - (i) AS/NZS 3017: 2007 – Electrical installations, verification guidelines
 - (ii) AS/NZS 3019:2007 – Electrical installations, periodic verification
 - (iii) AS/NZS 3760: 2010 – Safety and inspection of electrical equipment
 - (iv) AS/NZS 3760: 2010 – In-service safety inspection and testing of electrical equipment e) Electricity Act 1992
 - (v) Electricity Safety Amendment Regulations 2014
 - (vi) EWRB Supervision Procedures
 - (vii) A register of COCs and installation test result records.



SCHEDULE 5: PREFERRED SUPPLIERS

PRIMARY ELECTRICAL AND DATA MATERIAL SUPPLIERS

NORTH ISLAND: J. A. RUSSELL LIMITED

SOUTH ISLAND: J. A. RUSSELL LIMITED (TRADING AS RADCLIFFE ELECTRICAL)

SPEND REQUIREMENT

- (a) Members must have their own active trading account, demonstrate a consistent and limited risk credit history, and commit to using the above companies as the main suppliers of electrical products for either (i) the majority spend of their total electrical product purchases or (ii) a spend requirement negotiated with NZTG.
- (b) An expectation of minimum 80% of all materials of day-to-day and project/contract works via the above companies unless previously advised or negotiated with NZTG. Given the diversity of electrical work in New Zealand and specific nature of materials for industrial applications, data, ICT, networks, or specialised electrical components, NZTG understands that other suppliers may be necessary.
- (c) If for any reason, it is necessary to purchase outside of these terms due to price or supply, it is recommended that the Member notifies NZTG immediately to facilitate a solution and outcome to transition back to the preferred wholesale partner.

NZTG PREFERRED SUPPLIERS

(Via the J. A. RUSSELL LIMITED national branch network and online).

• Arrowhead Alarm Products	• Safe-T Workwear
• CDB Group (Ambius Lighting)	• Schneider Electric
• Electrical Supply Corp (ESC)	• Signify NZ (Philips & Pierlite)
• Halcyon Lighting	• SIMX (Manrose & SmartVent)
• Legrand New Zealand	• Switch Lighting
• Marley by Aliaxis	• TransNet NZ
• Nexans New Zealand	• Tycab NZ
• Prysmian Group	• Vynco Industries

BUSINESS PARTNERSHIPS

• Trade Business Training	• Office Products Depot (OPD)
• HazardCo New Zealand	• BBT Digital
• Cactus Insurance	• Creditworks
• Tradie HR	• Skills Consulting Group
• RD Petroleum	• The Events Group
• N3 Discount Group	• Construction Marketing Services (CMS)