

General Purchasing Terms And Conditions

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For further information:

Koninklijke Coöperatieve Bloemenveiling FloraHolland U.A.

Aalsmeer Location, Legmeerdijk 313

P.O. Box 1000 1430 BA Aalsmeer

T 0297-397000 Chamber of Commerce No.:

34284016 www.royalfloraholland.com

In 2016, this document only the design including the words 'FloraHolland' changed to that of "Royal FloraHolland"

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Article 1 Definitions

The following terms and expressions will be defined in these general purchasing terms and conditions as follows:

- Royal FloraHolland: Koninklijke Coöperatieve Bloemenveiling FloraHolland U.A., to be referred to further as 'Royal FloraHolland';
- Supplier: Royal FloraHolland's contracting partner;
- Parties: Royal FloraHolland and Supplier;
- Delivery: putting one or more goods in the possession of, or bringing one or more goods under the control of Royal FloraHolland and any installation/assembly of these goods;
- Agreement: the arrangements, as recorded in writing, between Royal FloraHolland and Supplier concerning the performance of services and/or the supply of goods;
- Personnel: the individuals working for Supplier and/or third parties hired by Supplier;
- Prices: gross price of a product or the gross tariffs to be considered for invoicing, i.e. the all-in price excluding VAT;
- DDP: Delivered Duty Paid (according to the latest applicable Incoterms: the official ICC rules for the interpretation of commercial terms).

Article 2 Applicability

1. These general purchasing terms and conditions apply to all requests, proposals and agreements relating to the supply of
2. goods, as well as to the performance of services. As soon as the general purchasing terms and conditions have been
3. applied once, they will also apply to new agreements between the parties, without any further statement of application,
4. unless they are expressly excluded at that time. Any deviation from these general purchasing terms and conditions may
5. only be agreed in writing.
6. If these general purchasing terms and conditions are amended in due course, but the substance thereof remains generally
7. unaltered, the newly amended general purchasing terms and conditions will then apply instead of these general purchasing
8. terms and conditions.
9. The general terms and conditions of delivery and/or sale of Supplier or any trade association will not apply, unless
10. Royal FloraHolland expressly agrees to specific terms and conditions.
11. If one or more provisions of these general purchasing terms and conditions prove to be invalid or are declared void, the
12. agreement and its applicable terms and conditions will otherwise remain in force unaltered. In that case, a provision or
13. provisions will come into force instead of the invalid provisions, which will approximate those in terms of content, purpose
14. and effect as closely as possible without being invalid.
15. If and insofar as Royal FloraHolland declares supplementary and/or other general terms and conditions applicable to a specific
16. request, order or agreement, those supplementary and/or other general terms and conditions will take precedence over
17. these general purchasing terms and conditions, notwithstanding the application of these general purchasing terms and
18. conditions to aspects that are not governed in the agreement or in the supplementary and/or other general terms and
19. conditions.
20. Obligations between the parties that are intended by nature to continue even after the termination of the order/agreement
21. will remain applicable after termination.

Article 3 Formation, Content and Amendment of the Agreement

1. Royal FloraHolland is only bound by orders, agreements and amendments thereof that are placed/provided/confirmed/entered into by employees authorised for that purpose, insofar as the relevant employee acts in the normal course of his/her duties and observes the rules under or pursuant to these general purchasing terms and conditions and/or the Royal FloraHolland Auction Regulations. Supplier hereby waives any right under Article 70 of Book 3 of the Dutch Civil Code.

2. Even after the agreement is concluded, Supplier is obliged at Royal FloraHolland's request to implement all amendments required by Royal FloraHolland. The amendments to be implemented at Royal FloraHolland's request will be the subject of price and other talks and written confirmation.
3. Supplier has the same obligations towards Royal FloraHolland, with regard to the portion of the services it must perform, as Royal FloraHolland has towards its client with regard to the services. This all applies insofar as it has not been deviated from in the agreement with Supplier or these general purchasing terms and conditions.

Article 4 Proposal Costs

Supplier will never be reimbursed for costs that it incurs for going through a proposal process.

Article 5 Outsourcing of Work

1. Supplier may not, without our express and written consent, outsource the work or part thereof, or make use of the available work force or hired workers. Reasonable conditions may be attached to this consent.
2. Notwithstanding Royal FloraHolland's other rights (including its right to full compensation), Supplier shall forfeit an immediately due and payable penalty of 5% of the agreed amount if it breaches this prohibition.
3. In urgent cases and, moreover, if it must be reasonably accepted after consultation with Supplier that Supplier will not perform, not punctually perform or duly perform its obligations under the agreement, Royal FloraHolland will be entitled to request Supplier to outsource the performance of the agreement at its own expense and risk, in whole or in part, to a third party to be designated by Royal FloraHolland.
4. If and insofar as work is outsourced, in whole or in part, Supplier will remain completely liable towards Royal FloraHolland for the result. Supplier shall ensure that the third parties it hires are familiar with and bound by all rules of conduct and other rules agreed between Royal FloraHolland and Supplier. Supplier shall indemnify Royal FloraHolland for all claims relating to the delivery and/or performance of the work.

Article 6 Price

1. Unless otherwise agreed in writing, the price stated in the agreement is fixed, excludes VAT, applies to goods to be delivered DDP to Royal FloraHolland, at an address to be designated by Royal FloraHolland, and includes all other costs (wrapping, exchange rate risk, packaging, etc).
2. Alterations in prices, salaries, costs, social security contributions, taxes and other cost-increasing factors will not constitute grounds for price changes. Supplier is bound towards Royal FloraHolland to maintain the prices and offers it has made in price lists, circulars, advertisements, order confirmations, proposals, etc.
3. Price changes and proposals for price changes must be made known at least 2 (two) months in advance.
4. Price changes and/or additional costs on account of extra deliveries may only be charged if Royal FloraHolland accepted these beforehand in writing. Price reductions that occur after the conclusion of the agreement will be applied instead of the agreed price.
5. Delivery at a lower price, within a particular division of Royal FloraHolland, will apply to Royal FloraHolland as a whole.

Article 7 Delivery Time

1. The delivery time stated and agreed as such in the agreement or the fixed delivery schedule will bind Supplier.
2. The delivery times stated and agreed as such in the agreement or the fixed delivery schedules are strict deadlines. Supplier will be in default, without any further notice, if delivery is not made on time. Article 26.2 may then be declared applicable.
3. Supplier must notify Royal FloraHolland immediately if there is any threat of delivery not being made on time. This does not affect any consequences of such delay under the agreement or in accordance with statutory provisions.

Article 8 Delivery

1. Delivery will take place at the auction site, at the agreed time and in accordance with the applicable Incoterms, DDP (Delivered Duty Paid), unless expressly agreed otherwise in writing.
2. The "Incoterms" in force and published on 1 July 2008, as issued by the International Chamber of Commerce in Paris, or a later version, at Royal FloraHolland's discretion, will apply to the interpretation of the delivery terms and conditions.
3. Delivery will take place by means of the handover/installation of the goods in return for the simultaneous signature of the accompanying document belonging to the goods and/or as statutorily prescribed by an employee designated by Royal FloraHolland for this purpose. The accompanying document must at least state the following: supplier's name and address, order number, net weight, land of origin, invoice value of the delivery, supplier's VAT number, method of transport and delivery address. Approval and acceptance at the time of handover only relates to the quantity and external appearance of the delivered goods. If the goods are packed and bundled on delivery, approval and acceptance only relates to the external condition of the packaging.

4. Any certificates, credentials, packing lists, instruction manuals, spare part lists, maintenance instructions and similar documents belong to the delivery and must be handed over simultaneously or beforehand.
5. Delivery is only deemed to have been accepted by Royal FloraHolland when it is approved in writing. Royal FloraHolland will be entitled to reject the delivered goods until one month after the date of delivery. Royal FloraHolland must immediately notify Supplier in writing of any rejection. Notwithstanding the provisions of Article 11, Supplier shall remove the rejected goods on demand, failing which the rejected goods may be returned at Supplier's expense and risk.
6. Supplier is obliged:
 - a. to indicate the content of the consignment on the outside of the packaging;
 - b. to clearly state Royal FloraHolland's order number on the packaging and packing slip; and
 - c. to provide a packing slip in duplicate with each consignment.
7. Risk in the goods will pass to Royal FloraHolland once the approval of the goods has taken place.

Article 9 Packaging

1. The goods must be properly packed and marked and, in the case of normal transport, reach the place of destination in good condition. Supplier is liable for damage caused by inadequate packaging.
2. Royal FloraHolland will be entitled to return the transport and other packaging material at Supplier's expense at all times.
3. Supplier is responsible for the waste processing and/or removal of transport and other packaging material. If packaging material is processed or removed at Supplier's request, this will take place at its expense and risk.
4. Supplier must act in the spirit of the Dutch Packaging Decree.

Article 10 Risk and Ownership

1. Risk in the goods to be delivered by Supplier will pass to Royal FloraHolland on delivery, notwithstanding Royal FloraHolland's right to reject the goods.
2. If Royal FloraHolland hires goods or materials from Supplier, the risk relating to those goods and materials will vest in the lessor at all times. The lessor will be responsible for the premium of the insurance which it takes out to avert this risk.
3. Ownership of the goods will pass to Royal FloraHolland on delivery. Supplier warrants that Royal FloraHolland's rights will be unencumbered and indemnifies Royal FloraHolland in this regard.
4. If the order includes or partially includes installation, assembly, commissioning or other work to be performed by Supplier, this will take place entirely at its risk and expense, even if the work in question is performed on its behalf by third parties, after Royal FloraHolland has given its express consent in this regard. Delivery of the order will only take place once the installation, assembly or associated work by Supplier has been tested, handed over and then expressly accepted by Royal FloraHolland. Royal FloraHolland will be entitled to lay down test protocols, which Supplier must observe.

Article 11 Maintenance

1. In all cases, Supplier shall maintain the delivered goods free of charge for a period of six months after delivery. If further maintenance is agreed, preventive maintenance will take place on a date and time to be determined in agreement with Royal FloraHolland. Corrective maintenance will take place within 24 hours of a breakdown being reported, unless this falls on a public holiday or day of rest as recognised within the Netherlands. Supplier must be contactable from 8 a.m. to 5 p.m. on Mondays to Fridays for the purpose of reporting breakdowns. Supplier shall provide the telephone numbers for this purpose in writing beforehand and also give notice of any change thereof in writing. The parties may agree on different periods in writing.
2. If Supplier cannot be reached at the provided numbers and/or has not remedied the breakdown within 24 hours of commencement of the repairs, Royal FloraHolland will be entitled, without any further notice of default, to instruct a third party to remedy the problem and to recover the invoice of this third party from Supplier. In this case, Royal FloraHolland's rights (including under the warranty) will remain fully in force.

Article 12 Testing

1. Royal FloraHolland will be entitled to test goods or have them tested by a third party at all times during production, processing and storage, as well as after delivery. Goods delivered by Supplier may only be regarded as accepted after express approval, although approval does not release Supplier from any obligation, and specifically not from its liability for due performance. Article 23 of Book 7 of the Dutch Civil Code is not applicable.
2. Testing, inspection and/or trials by Royal FloraHolland or its designated persons or bodies may take place before, during or after delivery.
3. For this purpose, Supplier shall provide access to the places where the goods are produced or stored, cooperate in the required testing, inspections and trials and provide the necessary documents and information at its expense.

4. If a test as referred to in this article cannot take place at the proposed time because of Supplier's acts or omissions, or if the test has to be repeated for the same reason, Supplier will be liable for the costs incurred by Royal FloraHolland as a result.
5. Supplier shall notify Royal FloraHolland in good time as to when the testing, inspection and/or trials can take place.
6. Supplier is entitled to attend the testing, inspection and/or trials.
7. Royal FloraHolland shall notify Supplier in writing if goods are completely or partially rejected during the testing, inspection and/or trials.
8. If goods are rejected (up to 30 days after delivery), ownership and risk of the rejected goods will pass to Supplier from the date of the notice referred to in the previous sub-article.
9. If the goods prove not to comply with the provisions of sub-article 1 of this article, notwithstanding the results of any test, inspection and/or trial, Supplier shall repair or replace the goods on demand, at Royal FloraHolland's discretion, unless Royal FloraHolland elects to terminate the agreement.
10. If the test, inspection and/or trials are performed by an independent body that is accepted by both parties, the results of the test, inspection and/or trial will be binding on the parties. The same applies for repeated tests, inspections or trials.
11. If delivered goods are rejected, Supplier shall attend to the repair or replacement thereof within five working days. If Supplier does not comply with this obligation within the period stipulated in this article, Royal FloraHolland will be entitled to purchase the necessary goods from a third party, take measures itself or have measures taken by a third party at Supplier's expense and risk.
12. If Supplier does not collect the rejected goods within 30 days, Royal FloraHolland will be entitled to return the goods to Supplier at its expense.

Article 13 Invoicing and Payment

1. Payment of invoices will take place within 45 days of receipt of the invoice, approval of the goods and any installation/assembly thereof.
2. Payment by Royal FloraHolland for the delivered and approved goods does not release Supplier from any warranty and/or liability arising from the agreement.
3. In the case of payment in instalments, Supplier shall, on demand, furnish an unconditional and irrevocable bank guarantee from a banking institution that is acceptable to Royal FloraHolland in order to secure the performance of its obligations.
4. Royal FloraHolland will be entitled to suspend payment if it discovers a defect in the goods and any installation/assembly thereof or if deadlines are exceeded.
5. Royal FloraHolland is entitled to set off that which it owes under the agreement against claims that it has against Supplier, as well against a company belonging to the same group as Supplier.
6. Invoicing must in each case take place within four weeks of delivery or partial delivery and relate to the immediately preceding period of no more than four weeks. The time sheets provided and signed for agreement by Royal FloraHolland must be attached as a supporting document to the invoice.
7. Payment by Royal FloraHolland takes place subject to the reservation of all rights.
8. Specific invoicing and payment conditions stipulated in the order must be observed.

Article 14 Order Number and Invoicing

1. Supplier is obliged to state the order number and/or any other current reference to the order/agreement concerned on all correspondence relating to that order/agreement.
2. All of Supplier's invoices must comply with the requirements laid down under or pursuant to the Dutch Turnover Tax Act.
The invoice must in each case be dated and numbered and state the following information in a clear and well-organised manner:
 - the purchasing contract/order number;
 - the parties' VAT numbers;
 - a description of the work and place of performance;
 - the period and services performed;
 - the amount of salaries/wages included in the invoice amount;
 - Supplier's name, address and domicile;
 - a statement as to whether the VAT liability transfer rule applies; no VAT may be stated if it does apply;
 - which part of the invoiced amount must be paid into the 'G account' (guarantee account) or at Royal FloraHolland's discretion directly to the Tax Collector.

Article 15 Warranty

1. Supplier warrants that the goods it delivers will be reliable, of good quality, useful and have all the properties as required under the agreement and further warrants the careful performance of the work to be carried out. Warranties for the purpose of these general purchasing terms and conditions are obligations for which Supplier is accountable. Supplier always bears the risk for any shortcomings in relation to these obligations and the limitations of liability referred to in these terms and conditions only benefit Supplier.
2. Subject to the provisions of sub-article 1, Royal FloraHolland will be entitled to claim immediate repair or replacement at Supplier's expense and risk if any defect arises during the warranty period. If Supplier cannot comply, Royal FloraHolland may either replace or repair the goods itself, have third parties replace or repair the goods, at Supplier's expense, or demand an immediate refund of the relevant payment. This will not affect any other rights as laid down in these general purchasing terms and conditions.
3. The duration of the warranty period is 24 (twenty-four) months, unless the parties agree otherwise. The warranty period commences when Royal FloraHolland accepts the delivery or, in the case of ICT products, when Royal FloraHolland actually starts using those products or, in the case of products to be installed, when Royal FloraHolland actually brings those products into production, always notwithstanding the applicability of any other more far-reaching statutory rights with regard to conformity and/or warranties. The warranty period will always be extended by the period during which the goods subject to the guarantee or delivered work could not be used as a result of the defect referred to in sub-article 2.
4. The warranty terms and conditions and duration of the warranty also apply to replacement goods or parts. In that case, the warranty period, as referred to in sub-article 3, commences again from the moment of replacement.
5. Supplier is fully informed about the functioning of the goods to be maintained and warrants to be knowledgeable in that respect. Supplier warrants that replacement parts will be new, in working order and free from any factory or other production faults. If Supplier has to use second-hand parts due to specific circumstances, it must notify Royal FloraHolland thereof beforehand in writing. The goods/services provided must be in accordance with the agreed requirements, schedule of requirements, itemised lists, conditions, specifications, drawings, samples, etc. In addition, the delivered item must comply with all regulations laid down by the Dutch government, semi-government agencies and the European Union. Supplier warrants that the goods/services provided will comply with the expected requirements in each case for 24 months after delivery, except where there is a latent defect. Supplier further warrants that it is able to maintain the goods to be maintained under this agreement for 10 years, in principle, unless expressly indicated otherwise prior to the commencement of the agreement. Supplier warrants with regard to those components that have an expected useful life of less than 10 years, that it will be able to maintain those components according to their expected useful life.

Article 16 Intellectual and Industrial Property Rights

1. Materials supplied by Royal FloraHolland, including models and drawings, will remain its property at all times. These items must be returned immediately to Royal FloraHolland after use, failing which Royal FloraHolland may withhold payment until it receives these items. Supplier shall respect the rights vesting in these items. Supplier is entitled to use information provided by Royal FloraHolland, but may only do so in connection with the agreement.
2. Supplier undertakes not to supply the results of services that are commissioned by Royal FloraHolland, and which can be labelled as customised services, to third parties in any form, or to provide third parties with information in this regard, unless Royal FloraHolland has given its express consent for this in writing. Royal FloraHolland is entitled to attach conditions to the granting of this consent. Insofar as necessary, Supplier shall, if required, transfer the intellectual property rights to this work to Royal FloraHolland without charge.
3. The information associated with the delivery of goods, including drawings, diagrams, designs, calculations, material specifications, documentation, etc may be used freely by Royal FloraHolland after payment of the relevant accounts. If Supplier has developed computer programs and/or program applications specially, Supplier and Royal FloraHolland shall enter into a separate user agreement which will set out the rights and obligations of the parties, without prejudice to the provisions of these general purchasing terms and conditions.
4. The unlimited right of use, copyright and other intellectual property rights to any specially conceived advertising and other corporate statements will pass to Royal FloraHolland after payment of the relevant accounts, unless the parties expressly agree otherwise.
5. All products, packaging, components, data carriers, data, associated industrial and intellectual property rights etc delivered by Supplier to Royal FloraHolland will become Royal FloraHolland's property, unless expressly agreed otherwise.
6. Supplier warrants Royal FloraHolland's free and undisturbed use of the delivered goods. Supplier shall indemnify Royal FloraHolland against third-party claims that concern intellectual property rights – such as patent rights, design rights, trademark rights, trade name rights and copyright – relating to Supplier's delivery of goods.

Article 17 Use of Royal FloraHolland's Intellectual Property Rights

Other than with Royal FloraHolland's express consent, Supplier may not in any way make use of Royal FloraHolland's name, house style and/or other intellectual property rights.

Article 18 Applicability of Vicarious Tax Liability Legislation / Tax Remittances

1. The following shall apply if and insofar as Supplier provides personnel to Royal FloraHolland and/or contracting takes place within the meaning of the Dutch Collection of State Taxes Act, 1990 and/or the Dutch Social Security (Coordination) Act and/or similar legislation:
Supplier is obliged:
 - a. to possess and always provide access to and/or a copy on demand to Royal FloraHolland of:
 - the valid registration details at the Dutch Tax and Customs Administration, such as the statutory payroll tax number and certificate of good payment record, insofar as required;
 - a business permit, insofar as required;
 - the payroll;
 - recent certificates confirming that all obligations have been met, as issued by the Tax Collector (Dutch Tax and Customs Administration);
 - b. to provide the following on demand to Royal FloraHolland:
 - a complete list of names and address of all employees engaged by Supplier for the performance of the work and/or other persons engaged for the performance of the agreement; weekly reports according to a model to be determined by Royal FloraHolland;
 - c. to ensure that employees or other persons engaged in the performance of the work are in possession of a valid residence and work permit and can identify themselves properly, whenever required to do so.
 - d. to comply punctually with its obligations to remit payment of premiums, social security contributions and payroll tax, to observe the applicable collective agreement and to fully indemnify Royal FloraHolland against third-party claims arising from a failure to comply with these obligations.
2. If personnel are hired from outside, Supplier shall open a 'G account' (guarantee account) – i.e. an account as referred to in Articles 34 (3) and 35 (5) of the Dutch Collection of State Taxes Act – which it must hold at a credit institution, as referred to in the aforementioned articles. The balance of this account is exclusively intended for paying the payroll tax and VAT due by Supplier and a pledge is established over that balance in favour of the Tax Collector, as referred to in Article 2 (1) (i) of the Dutch Collection of State Taxes Act. In accordance with Article 14 (2) of these terms and conditions, Royal FloraHolland shall pay into a 'G account' or directly to the Tax Collector (Dutch Tax and Customs Administration).
3. If Supplier works as a freelance/independent professional, he/she must be and remain in possession of a valid Declaration of Independent Contractor Status (VAR). Supplier must furnish this declaration to Royal FloraHolland before or at the time the agreement is concluded. Supplier is obliged to inform Royal FloraHolland immediately regarding changes in the facts and/or circumstances which formed the basis for the issue of the declaration. (The Declaration of Independent Contractor Status is valid for a maximum of 12 months after issue).
4. A failure to comply with the obligations as referred to in sub-articles 1 and 2 will entitle Royal FloraHolland to terminate the agreement in accordance with Article 27 (1). Supplier shall indemnify Royal FloraHolland against claims in this regard.

Article 19 Confidentiality and Prohibition on Disclosure

1. Supplier, its personnel and third parties it engages are obliged to maintain as strictly confidential all information relating to Royal FloraHolland and/or its clients to which they become privy under the agreement. This duty of confidentiality applies unless Royal FloraHolland has given written consent in that regard, the information in question was already disclosed through another channel or otherwise became publicly accessible. Supplier must return any provided documents to Royal FloraHolland within 14 days of handover or delivery, but in each case before the expiry date for the last instalment payment.
2. In the event of breach of the provisions of the previous sub-article, Royal FloraHolland may, notwithstanding its right to compensation, impose a penalty of €5,000 for each instance of breach on Supplier.

Article 20 Royal FloraHolland's Resources

1. Materials, drawings, calculations, models, moulds, instructions, specifications and other resources made available by Royal FloraHolland or specially purchased or manufactured by Supplier for the purpose of delivery to Royal FloraHolland will remain the property of Royal FloraHolland and/or become the property of Royal FloraHolland at the time of purchase or manufacture.
2. Supplier is obliged to mark the resources referred to in the previous sub-article as recognisable property of Royal FloraHolland, to keep these in good condition and insure them at its expense against all risks as long as it acts as the holder thereof. The use of resources is completely at Supplier's risk.
3. The resources will be made available to Royal FloraHolland on demand or at the same time as the last delivery of the goods to which the resources relate.
4. Alterations to or deviations from the resources made available or approved by Royal FloraHolland will only be permitted after Royal FloraHolland gives its prior, written consent.
5. Supplier may not use the resources for or in connection with any purpose other than the delivery to Royal FloraHolland, unless Royal FloraHolland has given its prior written consent for this purpose.

Article 21 Supplier's Personnel, Resources and Materials

1. Personnel engaged by Supplier for the performance of the agreement must comply with the special requirements laid down by Royal FloraHolland and, in the absence thereof, with the generally applicable requirements of professional skills and expertise. Supplier or the personnel engaged by Supplier are furthermore obliged to wear recognisable working clothes by way of identification when they enter the auction complex. Administrative personnel need only wear a badge.
2. If Royal FloraHolland is of the opinion that some personnel are insufficiently qualified, it will be entitled to order the removal of such personnel and Supplier will be obliged to immediately replace them, subject to the provisions of sub-article 1 of this article.
3. If a member of Supplier's staff is or will be unable to perform the work for which he/she has been engaged for longer than two weeks due to illness, Supplier shall replace this member of staff at Royal FloraHolland's request as soon as possible, but not later than within five working days.
4. Induction training costs for replacement personnel will not be charged, unless agreed otherwise by joint consultation in a specific case.
5. Upon entering the auction complex, Supplier's personnel are subject to the provisions of Royal FloraHolland's Auction Regulations, as published on the Royal FloraHolland website. With the exception of the workplace, Supplier's personnel enter the auction complex at their own risk, unless there are 'defective' structures as referred to in Article 174 of Book 6 of the Dutch Civil Code.
6. Supplier shall arrange for all the materials and equipment, including tools, to be used in the performance of the agreement. These materials and equipment must comply with all government and semi-government rules, as well as the requirements of the safety and quality standards that apply within the industry.
7. Royal FloraHolland is entitled to inspect and test all materials and resources to be used by Supplier in the performance of the agreement and to identify/check whether people have the necessary work and residence permits. Approved materials and resources may only be changed after consultation with Royal FloraHolland.
8. If Royal FloraHolland completely or partially rejects the materials and equipment to be used by Supplier in the performance of the agreement during inspection or testing, as referred to in the previous sub-article, Supplier shall be obliged to immediately replace the rejected materials and equipment.

Article 22 Delay Reporting

The personnel deployed by Supplier shall report to Royal FloraHolland, at times to be decided on by Royal FloraHolland, on the progress and status of the services they must perform. If there is a threat that the progress of the agreed services for projects that are performed under Supplier's responsibility will be delayed or if there has been a delay, Supplier shall notify Royal FloraHolland hereof in writing as soon as possible, indicating the cause of the delay, the consequences thereof and the measures it proposes to prevent or reverse the effects of the impending or actual delay.

Article 23 Royal FloraHolland's Grounds and Buildings

1. Before commencing with the performance of the agreement, Supplier must familiarise itself with conditions within Royal FloraHolland's grounds and buildings where the work is to be carried out and which may influence the performance of the agreement.
2. Costs arising from a delay in the performance of the agreement caused by circumstances such as those referred to above, will be for Supplier's expense and risk.
3. Supplier must ensure that its presence and that of its personnel within Royal FloraHolland's grounds and buildings do not disrupt the progress of the work of Royal FloraHolland or third parties.
4. The Royal FloraHolland Auction Regulations apply to everyone entering the auction complex. The Royal FloraHolland Auction Regulations may be requested free of charge and are also published on the Royal FloraHolland website.

Article 24 Environment and Safety

1. Supplier warrants that the goods and services it supplies comply with the environment and safety regulations of the government and semi-government as known at the time of delivery and expected in the near future.
2. Supplier is aware of the fact that the work is performed on a contract basis, within an area that is in use, and shall take adequate measures to demarcate the location where the work will actually be performed so as to guarantee people's safety.
3. Before the agreement is concluded, Supplier must confirm in writing whether the offered goods that are to be delivered contain any substances that are harmful to the environment, which may be released during normal use, as well as during malfunctions, repairs, maintenance or disasters and the removal, storage, dumping, moving, transporting away or destruction of the goods concerned at the end of their useful life. If the aforementioned applies, Supplier must at the time of delivery provide a set of clear instructions and preventative measures on how to avoid the release of the harmful substance. Supplier must furthermore list the measures that must be taken to protect people against these substances if they are released.

4. In the case of maintenance, repairs or dismantling by Supplier, waste products must be transported away separately and verifiably dumped, stored or destroyed with due observance of the government's statutory requirements. Supplier is obliged to report to Royal FloraHolland in writing at least once per quarter on how these rules will be/have been implemented. Supplier shall in all cases indemnify Royal FloraHolland against any claims in this regard.
5. Supplier and its personnel, as well as the third parties it engages, are bound by government and semi-government regulations, including those relating to health, safety and the environment. Royal FloraHolland's company regulations relating to health, safety, working conditions and the environment must also be observed.
6. If safety information sheets exist with regard to a product and/or packaging, Supplier must always supply these at the time of delivery.
7. Supplier must actively strive to reduce the burdening of the environment by its products, packaging, raw materials and ancillary materials.
8. As part of environmental care, Supplier must continue during the term of the agreement to draw Royal FloraHolland's attention to developments and options relating to products and/or technologies that are less burdensome on the environment.

Article 25 Breach

1. In the event of an attributable breach, Supplier will be in default without any further notice. This will be the case unless the breach can be simply remedied by Supplier within a period that is reasonable to Royal FloraHolland. In the latter situation, Supplier will be given notice before being in default.
2. Notwithstanding the right to compensation, termination or specific performance at Royal FloraHolland's discretion, Royal FloraHolland will be entitled to collect an immediately due and payable penalty of 0.25% per day from the date of default, subject to a maximum of 15% of the amount to be paid by Royal FloraHolland for the delivery. The amount of the penalty will be deducted from the total compensation to be paid.

Article 26 Termination

1. 1. Supplier will be deemed to be in breach by operation of law in the following cases and Royal FloraHolland will then be entitled to regard the agreement as completely or partially terminated, without the need for any notice of default or recourse to the courts, notwithstanding its further right to claim compensation:
 - a. if Supplier does not comply, does not comply on time or does not comply properly with one or more of its contractual obligations and is in breach and/or it can be reasonably accepted the Supplier will not comply properly and/or on time;
 - b. if a petition is made or granted for bankruptcy/liquidation, a moratorium on the payment of debts or debt rescheduling;
 - c. if Supplier completely or partially transfers, liquidates or closes down its business or part thereof;
 - d. if prejudgment attachment or attachment in execution is levied on the assets or part of the assets of Supplier;
 - e. if Supplier acts towards Royal FloraHolland contrary to the law or any government-imposed provision;
 - f. if the personnel deployed by Supplier do not comply with Royal FloraHolland's pre-established requirements;
 - g. merger and/or takeover of or by Royal FloraHolland and/or Supplier;
 - h. a gift or promise made by Supplier to a member of Royal FloraHolland's staff in order to induce him/her to encourage the conclusion of an agreement with Royal FloraHolland;
 - i. the breach of performance by Supplier of other agreements it has concluded with Royal FloraHolland, whereby
 - j. Royal FloraHolland's trust in Supplier is seriously betrayed. alteration of circumstances and/or perceptions at/of Royal FloraHolland, to such an extent that Royal FloraHolland would not have placed the order or entered into the agreement had it been aware of these conditions and/or had these perceptions. The costs that Supplier reasonably incurs will be reimbursed once Royal FloraHolland has approved a specified statement that Supplier has drawn up for this purpose.
2. If Royal FloraHolland terminates the agreement, it shall be entitled to continue to use the results of the services provided by Supplier. Royal FloraHolland will further be entitled to claim the transfer of the software and accompanying source code(s) developed by Supplier in relation to this service as well as all other data relevant for use and/or completion.
3. Obligations, which by their nature are intended to continue even after termination, will remain applicable after termination of the agreement.

Article 27 Liability and Compensation

1. Supplier shall indemnify Royal FloraHolland, insofar as it does not comply with its contractual or statutory obligations and this results in Royal FloraHolland and/or Royal FloraHolland's agents and employees being held liable by third parties.

2. Supplier shall be liable for all damage, including trading losses and actual external and other costs, which Royal FloraHolland and third parties may suffer as a result of its attributable breach or unlawful actions.
3. Supplier is fully liable for the acts and omissions of its employees and agents, insofar as that act or omission is related to or partly made possible by the performance or non-performance of the agreement by or on behalf of Supplier. None of this has any effect on any direct liability of those involved towards Royal FloraHolland.
4. Supplier is not entitled to terminate the agreement, unless express provision is made for this.
5. Royal FloraHolland does not accept any liability for damage or injury to people and/or property that takes place in its buildings and/or on its grounds, if these people and/or property are there in connection with Supplier's performance of the agreement. Royal FloraHolland is only liable for direct damage that is the immediate result of its intentional acts/omissions or gross negligence, unless a situation qualifies as statutory liability that cannot be excluded.

Article 28 Force Majeure

1. A party may rely on force majeure if the breach is not due to its own fault and it is not accountable for it by law, a legal act or generally accepted standards. If a party relies on force majeure, it must notify its contracting partner immediately and in writing, stating the reasons that led to the force majeure situation.
2. Supplier must immediately notify Royal FloraHolland in the case of impending force majeure. If a party relies on force majeure, it must notify its contracting partner thereof in writing, stating the reasons that led to the force majeure situation, from which time the obligations will be suspended.
3. Force majeure does not include a third party's failure to comply or failure to comply on time with its obligations towards Supplier, unless this third party can rely on force majeure and Supplier cannot be reasonably expected to find a substitute.
4. In the event of force majeure, the necessary supporting documents must be furnished and the contracting partner will be entitled to cancel the agreement at no cost. The contracting partner will not be entitled to compensation.

Article 29 Insurance

Suppliers shall ensure adequate insurance of its professional and other liability, as may arise from accepting the order and/or entering into the agreement. Supplier must furthermore ensure that goods that are in its possession by virtue of the agreement with Royal FloraHolland are insured at its own expense against damage, of any nature, that may arise as long as the goods are in its possession. Supplier shall have no redress and/or right of recourse against Royal FloraHolland in this regard. If requested, Supplier shall allow Royal FloraHolland to inspect all policies.

Article 30 Amendment of the Agreement

1. If an alteration in the volume and/or quality of the goods to be delivered will affect the agreed fixed price and/or time of delivery, Supplier shall be obliged, before giving effect to the alteration, to inform Royal FloraHolland thereof in writing as soon as possible, but no later than within eight working days of notice of the required alteration. If Royal FloraHolland is of the opinion that the effect on the price and/or time of delivery is unreasonable, the parties shall consult in this regard. If the parties cannot reach consensus on this effect within a period of 15 working days, Royal FloraHolland reserves the right to terminate the agreement by means of a written notice to Supplier, unless this would be unreasonable under the circumstances. Termination of the agreement on the basis of this sub-article shall not entitle either of the parties to compensation of any damage.
2. Royal FloraHolland may request Supplier to adapt the quantities, delivery dates and/or other specifications specified in the order/agreement at all times. Supplier may only refuse such a request if and insofar as it cannot reasonably be expected to satisfy this request. Alterations on the basis of this article must be agreed in writing.
3. Royal FloraHolland is entitled to request that transfer of ownership of the products takes place before delivery, whether or not in conjunction with a request for a later delivery on the basis of sub-article 1. In that case, the contracting partner shall make the products identifiable as the property of Royal FloraHolland and separate, insure and take appropriate measures to counteract any loss of quality for Royal FloraHolland's benefit.
4. Any cost variations for Supplier as a result of the application of sub-articles 2 and 3 will qualify for set off.

Article 31 Disputes

1. Disputes between the parties, including those which are only regarded as a dispute by one of the parties, will be resolved as far as possible by agreement.
2. If the parties cannot reach a solution, disputes will be settled by the competent court in the judicial district of Amsterdam.

Article 32 Applicable Law

Dutch law applies exclusively to the agreement, of which these purchasing terms and conditions form part. The Vienna Sales Convention (CISG) is not applicable.

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