

Dear New Grower,

Thank you for your interest in joining our UFG family!

Please find attached the following forms:

- **New Grower Information Sheet**
- **UFG's commission rates (*Auction and Consignment only*)**
- **Equipment Hire information**
- **Equipment Terms of Hire**
- **Two copies of the Terms of Trade Agreement**

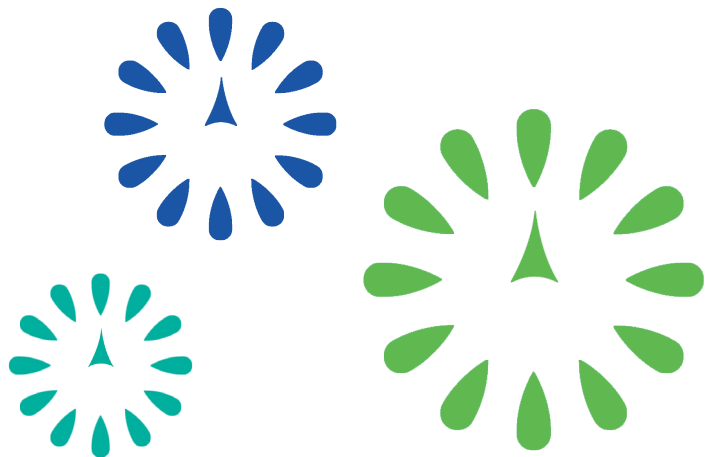
Please fill out the **New Grower Information** form in full and sign the hire equipment information pages along with both copies of the Terms of Trade to acknowledge your acceptance.

Sign and return the information form, hire equipment Terms of Hire, and **one copy of the Terms of Trade** (the other is for your records) by mail, email, fax, or in person.

Please feel free to contact me if you have any questions or concerns when applying to become a new UFG Grower.

Yours sincerely,

Sena Salavea
Administration Manager



New Grower Information Sheet

TRADING NAME:	<input type="text"/>		
LOCATION:	<input type="text"/>		
POSTAL ADDRESS:	<input type="text"/>		
TELEPHONE:	<input type="text"/>	FAX:	<input type="text"/>
MOBILE:	<input type="text"/>	EMAIL:	<input type="text"/>
GST NUMBER:	<input type="text"/>		
BANK ACCOUNT NUMBER:	<input type="text"/>		
NAME OF BANK ACCOUNT:	<input type="text"/>		
CONTACT PERSON:	<input type="text"/>		

Commercial Information

CROPS GROWN:	<input type="text"/>
TOTAL GROWING AREA:	<input type="text"/>
COVERED/UNCOVERED	<input type="text"/>
HOUSE TYPE: GLASS/PLASTIC/BOTH	<input type="text"/>

SIGNED (SUPPLIER): _____

Name: _____

Position: _____ **Date:** ____/____/____

Commission Rates - Auction and Consignment Only

Annual Supply Value	Commission Rate
\$200,000 +	12.5%
\$100,000-\$199,999	12.9%
\$50,000-\$99,999	13.5%
\$15,000-\$49,999	13.9%
\$0-\$14,999	15%
Consignment Only <i>(ie not auction sales)</i>	15% net

Handling fee:

Auckland \$10.00 per auction **Wellington** \$8.00 per auction

Christchurch \$8.00 per auction

Promotion Fee - 1% each and every transaction

Paeony Levy - 1% *(only for Paeony Growers)*

Hire Equipment

UFG runs an extensive container and trolley hire service.

Hire Containers

Suppliers and Buyers can hire bucket containers and bucket container extensions for a 45c fee on each.

- **A hire bucket container is referred to as a HB**
- **A hire extension is referred to as a PE**

Buyers and Suppliers pay a **\$5.00 bond** and **\$0.45 hire fee** per unit (bucket or extender).

The \$5.00 bond is returned when the hire equipment is returned to UFG.

UFG allows a 14 day period for our bucket/extender equipment hire.

For every week after the 14 day period UFG will charge an additional \$0.45/unit (bucket or extender) until equipment is returned to UFG.

Hire Trollies

Trollies can be hired **by suppliers of UFG.**

They can be hired for any period (*minimum 7 days*) and are charged out at \$0.20 per trolley per day.

A bond of \$50 per trolley is required at the start of the contract.



TERMS OF HIRE: UFG Trolleys

This agreement is between United Flower Growers Limited (hereinafter referred to as 'UFG') and _____ hereinafter referred to as 'the Hirer'.

This agreement covers all trolleys that are owned by UFG, numbered or marked accordingly.

This agreement covers all Hirers, including but not limited to, commercial flower growers, retail buyers, cut flower wholesalers, or floral couriers.

The charge for use of a UFG trolley consists of a \$50.00 bond per trolley and a daily hire fee of 20 cents plus GST per day to cover a period of seven days from time of hire. Trolleys not processed through the UFG system by the end of that period will incur "time hire fees" of an additional 20 cents per day until the trolley is returned to UFG.

The hire fee charge will be charged/invoiced each time the hired trolley passes through the UFG Administration system (either via Auction, Trading or Tenants) and will be charged to both buyer and grower.

The bond of \$50.00 will be refunded upon the return of the trolley in the same condition as that when hired.

(For the purposes of this document, a "standard" trolley hire consists of – 1 base; 4 posts and 2 shelves. Any different configuration must be pre-negotiated and advised, as bond refunding will all be otherwise based on the "standard configuration".)

The Hirer agrees that UFG trolleys remain the property of UFG at all times and may not be used for any purpose other than that of transportation and temporary storage of cut flowers destined to be sold by or that have been purchased from UFG, or destined to be traded with UFG.

Trolleys may not be defaced or altered in any manner and must be maintained in good condition.

The Hirer agrees that a maximum term of hireage will be negotiated with UFG at the time of hire (if not agreed to or stated, the maximum term of hire will be seven (7) days). UFG reserves the right to recall all or any trolleys at their discretion and the Hirer will immediately respond to any such recall.

The Hirer agrees to ensure compliance with any record-keeping procedures that are established from time to time to document each transaction (issue or return) of UFG trolleys.

A UFG staff member must monitor all issue and returns, and it will be the responsibility of the Hirer to ensure that the appropriate documentation/processing pertaining to the hire transaction, is actioned correctly.

UFG trolleys may not be traded between anyone other than the Hirer and UFG. Trolleys being transported by others 'on behalf' of the Hirer, will be at the sole responsibility of the Hirer.

Hirer's are advised to ensure couriers' transportation terms and conditions recognize this requirement. The responsibility to return trolleys within the agreed hire period remains that of the original hirer and cannot be transferred.

UFG reserves the right to charge a hirer for any damage to or for any lost trolleys. This charge will be based on the replacement value of the trolley in question.

UFG also reserves the right to restrict hire, to any individual or organization, at their discretion.

With the approval of the Hirer, UFG reserves the right to enter the Hirer's property to inspect and audit trolley hire and the Hirer hereby approves and authorizes this right of entry.

Evidence of any UFG trolleys being held or used by Hirers (or others) without the knowledge of UFG, or of any unrecorded trolleys being used, or of trolleys that have had their identification altered, will incur a penalty fee in value of up to \$250.00 per trolley.

UFG reserves the right to alter these terms from time to time and may do so by notice to the Hirer.

Trolley hire will only be offered to Hirers who have current credit facilities with UFG.

Trolley hire will only be approved to Hirers who have acknowledged and accepted these Terms of Hire by authorized signature below.

UFG reserves the right to terminate this agreement with the Hirer by giving five (5) working days notice.

This agreement does not affect nor replace the UFG general Terms of Trade which is to be read in conjunction to this agreement.

Signed

Date

Print Name

Company



Terms of Hire : UFG Buckets & Extenders

This agreement is between United Flower Growers Limited (hereinafter referred to as 'UFG') and _____ (hereinafter referred to as 'the Hirer').

This agreement covers all hire buckets or extenders branded with the UFG logo, or other buckets supplied through our system.

This agreement covers all Hirers including, but not limited to, commercial flower growers, retail buyers, cut flower wholesalers or floral couriers.

The current charge for use of a UFG hire container amounts to \$5.45 for each unit (bucket or extender) – based on a refundable deposit of \$5.00, and a usage fee of 45 cents.

This usage fee will be charged/invoiced when the hire container passes through the UFG Administration system (either via Auction, Trading or Sub-Tenants) and will be charged to both buyer and grower.

The deposit of \$5.00 will be refunded weekly upon the return of the bucket through our administrative system.

Buckets/extendors not returned within the 14 day hire period will incur a fee of 45 cents per unit per week, rising to 95 cents per unit after 28 days, until returned. This "Time Hire" fee will be debited directly to Hirer's UFG account

NOTE: Deposits will only be refunded to the maximum of the number of buckets/extendors actually hired and returned, as in accordance with our records. The Hirer's container hire ledger will never record a negative amount and therefore go into credit.

The Hirer agrees that UFG hire buckets and extendors remain the property of UFG at all times.

Hired buckets/extendors may not be used for any purpose other than that of the carrying of product for trading purposes, to and from our premises at the NZ Flower Trade Center in Auckland, or our branch locations throughout the country.

They may not be defaced or altered in any manner and must be maintained in a usable condition.

The Hirer agrees that the maximum term of hireage is **14 days** or earlier if so requested by UFG.

The Hirer agrees to ensure compliance with the record-keeping procedures that are established from time to time to document each transaction (issue or return) of UFG hire buckets/extendors.

A UFG staff member must record and manage all issues and returns, and it will be the responsibility of the Hirer to ensure that the appropriate documentation pertaining to the hire transaction, is actioned correctly.

UFG will maintain an accurate ledger of all hire transactions and reserves the right to request the immediate return of hire buckets/extendors that are held longer than the 14 day hire period or sooner if requested by UFG.

UFG also reserves the right to restrict hire, to any individual or organization, at their discretion.

UFG hire buckets/extendors may not be traded between growers or buyers.

The responsibility to return hire buckets/extendors within the 14 day hire period remains that of the original Hirer and cannot be transferred.

Buckets/extendors can only be hired by a customer who holds a current trading account or credit facility with UFG.

UFG reserves the right to charge a Hirer for lost buckets/extendors. This charge is currently \$7.00 per item but may be increased from time to time.

The use of our UFG's Bucket and Extender Hire System is deemed to be acceptance and agreement to all the aforementioned terms and conditions, (**irrespective of Users having signed this Agreement or not**).

UFG reserves the right to alter these terms from time to time and may do so by notice to the Hirer.

UFG reserves the right to terminate this agreement with the Hirer by giving five (5) working days' notice.

This agreement does not affect nor replace the UFG general Terms of Trade which is to be read in conjunction to this agreement.

Signed

Date

Print Name

Company

<p style="text-align: center;">UNITED FLOWER GROWERS LIMITED Terms of Trade for Perishable Goods Sold on Behalf of the Supplier</p>

1. Terms of Contract

These terms of contract between UNITED FLOWER GROWERS LIMITED (the "Company") and the Supplier of the Goods or Supplier of the Goods signing this agreement (the "Supplier") shall apply to all orders for flowers, plants, vegetables and other perishable horticulture products ("Goods") accepted by the Company from the Supplier. In the case of any interpretation, conflict, or dispute these terms and conditions shall prevail and take precedent over any document or oral message or communication from the Supplier. Where the Company fails to enforce any term of condition under this contract the Company will not be deemed to have waived these rights with respect to any term or condition or right and any single or partial exercise of those rights will not prevent any further exercise of any such rights.

2. Acceptance of Orders by Company

- 2.1** The supply of Goods by the Supplier to the Company premises for sale by the Company to buyers on behalf of the Supplier, shall constitute an order.
- 2.2** The description of the Goods given by the Supplier in any written or published or verbal form shall be a description by grade as Grade One, Grade Two or Ungraded Goods and the Supplier shall warrant that the description by grade by any sample or batch sampling or other acceptance procedure required by the Company shall be representative of the Goods as to merchandisable quality.
- 2.3** The Company has the right to alter the description of the Goods by grade if it reasonably finds that the acceptance procedure is not representative of the Goods and the Supplier shall accept that the Company is acting in the best interests of the Supplier in satisfying the buyer of the Goods and completing a sale.
- 2.4** The Supplier agrees that the Company shall only warrant Goods graded as Grade One to the buyer on behalf of the Supplier and the Supplier shall further agree that unsold Goods graded as Grade Two or Ungraded may at the discretion of the Company be destroyed if these Goods are not sold or are damaged or deteriorate or for plant deaths unless the Supplier uplifts the Goods within 24 hours of notification by the Company.
- 2.5** The Supplier agrees that any Goods supplied to the Company for sale or auction on behalf of the Supplier that have not been graded may be classified as Ungraded Goods by the Company. Further the Supplier agrees that the Goods have been supplied to a specific branch / premises of the Company for sale or auction from those premises / branch. Notwithstanding this, the Supplier hereby agrees that the Company may transfer the Goods to another of the Company's premises / branches for sale at that other location if in the Company's reasonable opinion a better net result (after costs of transfer) is able to be achieved for the Supplier (including being able to achieve a sale which would not have been able to be made at the branch / premises to which the goods were delivered).
- 2.6** The Company at its discretion will accept Goods from the Supplier for sale to buyers on behalf of the Supplier and such method of sale may be under the Company's price list, which may also be the brokered price or at auction meaning at average auction price on the day less any adjustment to the auctioned price to allow for damaged Goods or by variation of these methods of sale relating to the Goods and the Supplier shall agree to be bound by the sales method of the Company decided for each order.
- 2.7** Where the Supplier agrees to sell the Goods to the Company at a fixed price no order accepted by the Company shall be cancelled without the consent of the Company and in such cases the Supplier will be liable to pay the Company for all costs and expenses incurred by the Company in fulfilling such sales committed to buyers to the date of cancellation.

3. Price

- 3.1** The Company shall publish a price list ruling at the time of sale to the buyer or the price shall be the price accepted by the Buyer / Supplier at auction in which case the price and minimum order quantity decisions of the auctioneer shall be final and binding on the Supplier. The price shall exclude Goods and Services Tax and the cost of delivery and insurance and any other fees or industry levies.

4. Payment

- 4.1** Payment by the Company for the Goods shall be within (21) twenty-one days of the sale of the Goods on behalf of the Supplier or other terms as may be agreed by the Company and payment is to be in full less commissions, handling and administration fees, and any industry fees or levies according to the terms set out in the invoice and less any adjustment to the auction price that may be required to allow for damaged goods.

4.2 The Company at its discretion may assist the Supplier by advancing monies due to the Supplier from buyers and the Supplier shall at all times recognise and agree that such monetary advances are the property of the Company until the buyer pays the Company in full on behalf of the Supplier. If at any time the buyer defaults on payment the Supplier shall return any monies advanced by the Company back to the Company within three (3) days of written request, or at the Company's election the Supplier shall allow the Company to deduct any advances from future / other amounts due to the Supplier.

5. Delivery and Risk

5.1 The Supplier shall make the Goods available at the Company's premises and the uplifting of the Goods by the buyer from those premises, or other Company premises if the Goods have been transferred in accordance with clause 2.5, shall constitute delivery to the buyer from the Supplier. Proof of delivery will be the buyer created tax invoice arranged by the Company. If the buyer fails to take delivery of the Goods within the same day that the Goods have been purchased by the buyer the Company has the right to charge the buyer for costs of storage or transport to the buyers premises or both and if the Goods have perished or deteriorated between the time of purchase and the time of delivery to charge the buyer for the full cost of the Goods and remit the price of the Goods less commission or brokerage, handling and administration fees to the Supplier.

5.2 Risk in the Goods shall always remain with the Supplier and regardless that the Goods may still be at the premises of the Company and before the buyer purchases the Goods, and the Company will not be liable for any loss or damage or deterioration to the Goods or for missing Goods.

5.3 Risk in the Goods shall pass from the Supplier to the buyer upon purchase of the Goods by the buyer and regardless that the Goods may still be at the premises of the Company and before the buyer uplifts the Goods, and the buyer will be responsible for any loss or damage or deterioration to the Goods or for any part of the Goods that may be missing arising in any way from delays in delivery by the buyer uplifting the Goods. The Company will, using its reasonable discretion, enforce these conditions on behalf of the Supplier.

6. Supplier Warranty and Guarantees

6.1 The Supplier warrants that it will supply the Goods as the description defined in the grading method and the Supplier agrees that the Supplier will be solely responsible for the fitness of the Goods and for merchandisable quality for the purposes intended by the Supplier and the Supplier further agrees that it will not hold the Company liable in any manner for any mistake or negligence by the Supplier in this regard.

6.2 The Supplier will replace Goods that are damaged or defective that are graded as Grade One Goods provided that:

- (a) the Company notifies the Supplier within 24 hours of selling the Goods to a buyer on behalf of the Supplier that the Goods are damaged or defective: and
- (b) the Company investigates the claim on behalf of the Supplier.

6.3 The Supplier will allow the Company to make any adjustment to the auction price of the Goods where the Supplier short-supplies a declared quantity of Goods or includes damaged Goods in the declared quantity. The price adjustment shall be in proportion of the short-delivered or damaged Goods to the declared quantity of the Goods.

6.4 The Supplier agrees that Goods sold by the Company on behalf of the Supplier as Grade Two or Ungraded Goods are sold without warranty and on a non-refundable basis and the Company may dispose of damaged or defective or deteriorated Goods on behalf of the Supplier and that the Supplier shall not receive payment for such Goods. At the Company's discretion the Company may charge the Supplier for the cost of disposal of the Goods.

6.5 The Supplier may at its discretion uplift any unsold Goods, or damaged or defective or deteriorated Goods from the premises of the Company within 24 hours of notification by the Company as an alternative to the Company disposing of the Goods on behalf of the Supplier, provided that at all times the Supplier fulfils all orders for Goods that have been committed for sale.

6.6 The Company shall not be liable to the Supplier and the Supplier will not hold the Company liable for any loss of profits or any consequential, indirect or special loss, damage or injury of any kind whatsoever suffered by the Supplier or any other person arising directly or indirectly from any breach of any of the Company's obligations arising under or in connection with the contract including delays in the sale or delivery of Goods on behalf of the Supplier or from any cancellation or suspension of the contract or from negligence, misrepresentation or other act or omission on the part of the Company, its servants, agents or contracts.

6.7 The Company shall not be liable to the Supplier and the Supplier will not hold the Company liable for any breach or failure to perform any of the obligations of the Company under this contract where such breach or failure is caused by war, bad weather, adverse environmental conditions, civil commotion, hostilities, strike or lock, act of God, fire, governmental regulations or directions, or reasons force majeure caused beyond the Company's reasonable control. The occurrence of such an event shall not give the Supplier a right of cancellation of any contract.

7. Grounds for Termination by the Parties

7.1 This Contract may be terminated by either party immediately on written notice to the other party, if an Event of Default occurs, or if default of payments due to one party by the other party occurs. Event of Default shall also mean if a party:

- (a) Fails to comply with the warranty conditions relating to the Goods.
- (b) Shall commit any act of bankruptcy, or enter into any composition or arrangement with creditors.
- (c) Where a party, which is a company, does any act which would render it liable to be liquidated or if a resolution is passed or proceedings commenced for the liquidation of the company or if a Receiver or Administrator is appointed in respect of all or any assets of the company.

No release from obligations. Termination or suspension of this agreement shall not relieve either party of its obligations to pay all money owed by it to the other party on any account whatsoever, which money shall be payable immediately if an Event of Default occurs notwithstanding that the date for payment of the money may not have arrived. Termination or suspension of this agreement shall not relieve any party from liability arising from any antecedent breach of the terms of this agreement.

Immediate Steps Upon Termination. Except as specifically provided for in this clause 7.1 above, upon the termination of this agreement for any reason, all rights of either party granted by this Contract shall terminate.

8. Consumer Guarantees Act 1993

8.1 Nothing in these terms is intended to have the affect of contracting out of the provisions of the Consumer Guarantees Act 1993 except to the extent permitted by that Act where one party acquires the Goods from the other party in a business to business situation and all provisions of these terms shall be read as modified to the extent necessary to give effect to that intention.

8.2 The Supplier shall not give or make any undertaking, assertion or representation in relation to the Goods including the grading of the Goods to any other person or company without the prior approval in writing of the Company, meaning that the Company shall represent the Supplier to a buyer of the Goods and the Supplier shall indemnify the Company against any liability or cost incurred by the Company as a result of any breach by the Supplier of this provision. This indemnity, notwithstanding other provisions in this contract, shall survive termination of this contract.

9. Applicable Law Dispute and Arbitration

In the event of any dispute between the Company and the Supplier arising out of this Contract, the substantive laws of New Zealand shall apply and such dispute shall be referred to an arbitrator who has experience in the perishable goods market to be agreed between the parties and upon failure to reach agreement arbitration be conducted in accordance with the New Zealand Arbitration Act 1996 and any amendments thereof.

10. Guarantor

Where the Supplier is a company, the person(s) referred to as guarantor(s) in this Contract shall personally guarantee the obligations of the Supplier as if they were the principal Supplier.

FOR COMPANY:

UNITED FLOWER GROWERS LIMITED

FOR SUPPLIER:

AS GUARANTOR FOR SUPPLIER:
(Director / proprietor/ principal)

DATE:



<p style="text-align: center;">UNITED FLOWER GROWERS LIMITED Terms of Trade for Perishable Goods Sold on Behalf of the Supplier</p>

1. Terms of Contract

These terms of contract between UNITED FLOWER GROWERS LIMITED (the "Company") and the Supplier of the Goods or Supplier of the Goods signing this agreement (the "Supplier") shall apply to all orders for flowers, plants, vegetables and other perishable horticulture products ("Goods") accepted by the Company from the Supplier. In the case of any interpretation, conflict, or dispute these terms and conditions shall prevail and take precedent over any document or oral message or communication from the Supplier. Where the Company fails to enforce any term of condition under this contract the Company will not be deemed to have waived these rights with respect to any term or condition or right and any single or partial exercise of those rights will not prevent any further exercise of any such rights.

2. Acceptance of Orders by Company

- 2.1** The supply of Goods by the Supplier to the Company premises for sale by the Company to buyers on behalf of the Supplier, shall constitute an order.
- 2.2** The description of the Goods given by the Supplier in any written or published or verbal form shall be a description by grade as Grade One, Grade Two or Ungraded Goods and the Supplier shall warrant that the description by grade by any sample or batch sampling or other acceptance procedure required by the Company shall be representative of the Goods as to merchandisable quality.
- 2.3** The Company has the right to alter the description of the Goods by grade if it reasonably finds that the acceptance procedure is not representative of the Goods and the Supplier shall accept that the Company is acting in the best interests of the Supplier in satisfying the buyer of the Goods and completing a sale.
- 2.4** The Supplier agrees that the Company shall only warrant Goods graded as Grade One to the buyer on behalf of the Supplier and the Supplier shall further agree that unsold Goods graded as Grade Two or Ungraded may at the discretion of the Company be destroyed if these Goods are not sold or are damaged or deteriorate or for plant deaths unless the Supplier uplifts the Goods within 24 hours of notification by the Company.
- 2.5** The Supplier agrees that any Goods supplied to the Company for sale or auction on behalf of the Supplier that have not been graded may be classified as Ungraded Goods by the Company. Further the Supplier agrees that the Goods have been supplied to a specific branch / premises of the Company for sale or auction from those premises / branch. Notwithstanding this, the Supplier hereby agrees that the Company may transfer the Goods to another of the Company's premises / branches for sale at that other location if in the Company's reasonable opinion a better net result (after costs of transfer) is able to be achieved for the Supplier (including being able to achieve a sale which would not have been able to be made at the branch / premises to which the goods were delivered).
- 2.6** The Company at its discretion will accept Goods from the Supplier for sale to buyers on behalf of the Supplier and such method of sale may be under the Company's price list, which may also be the brokered price or at auction meaning at average auction price on the day less any adjustment to the auctioned price to allow for damaged Goods or by variation of these methods of sale relating to the Goods and the Supplier shall agree to be bound by the sales method of the Company decided for each order.
- 2.7** Where the Supplier agrees to sell the Goods to the Company at a fixed price no order accepted by the Company shall be cancelled without the consent of the Company and in such cases the Supplier will be liable to pay the Company for all costs and expenses incurred by the Company in fulfilling such sales committed to buyers to the date of cancellation.

3. Price

- 3.1** The Company shall publish a price list ruling at the time of sale to the buyer or the price shall be the price accepted by the Buyer / Supplier at auction in which case the price and minimum order quantity decisions of the auctioneer shall be final and binding on the Supplier. The price shall exclude Goods and Services Tax and the cost of delivery and insurance and any other fees or industry levies.

4. Payment

- 4.1** Payment by the Company for the Goods shall be within (21) twenty-one days of the sale of the Goods on behalf of the Supplier or other terms as may be agreed by the Company and payment is to be in full less commissions, handling and administration fees, and any industry fees or levies according to the terms set out in the invoice and less any adjustment to the auction price that may be required to allow for damaged goods.

- 4.2** The Company at its discretion may assist the Supplier by advancing monies due to the Supplier from buyers and the Supplier shall at all times recognise and agree that such monetary advances are the property of the Company until the buyer pays the Company in full on behalf of the Supplier. If at any time the buyer defaults on payment the Supplier shall return any monies advanced by the Company back to the Company within three (3) days of written request, or at the Company's election the Supplier shall allow the Company to deduct any advances from future / other amounts due to the Supplier.

5. Delivery and Risk

- 5.1** The Supplier shall make the Goods available at the Company's premises and the uplifting of the Goods by the buyer from those premises, or other Company premises if the Goods have been transferred in accordance with clause 2.5, shall constitute delivery to the buyer from the Supplier. Proof of delivery will be the buyer created tax invoice arranged by the Company. If the buyer fails to take delivery of the Goods within the same day that the Goods have been purchased by the buyer the Company has the right to charge the buyer for costs of storage or transport to the buyers premises or both and if the Goods have perished or deteriorated between the time of purchase and the time of delivery to charge the buyer for the full cost of the Goods and remit the price of the Goods less commission or brokerage, handling and administration fees to the Supplier.
- 5.2** Risk in the Goods shall always remain with the Supplier and regardless that the Goods may still be at the premises of the Company and before the buyer purchases the Goods, and the Company will not be liable for any loss or damage or deterioration to the Goods or for missing Goods.
- 5.3** Risk in the Goods shall pass from the Supplier to the buyer upon purchase of the Goods by the buyer and regardless that the Goods may still be at the premises of the Company and before the buyer uplifts the Goods, and the buyer will be responsible for any loss or damage or deterioration to the Goods or for any part of the Goods that may be missing arising in any way from delays in delivery by the buyer uplifting the Goods. The Company will, using its reasonable discretion, enforce these conditions on behalf of the Supplier.

6. Supplier Warranty and Guarantees

- 6.1** The Supplier warrants that it will supply the Goods as the description defined in the grading method and the Supplier agrees that the Supplier will be solely responsible for the fitness of the Goods and for merchandisable quality for the purposes intended by the Supplier and the Supplier further agrees that it will not hold the Company liable in any manner for any mistake or negligence by the Supplier in this regard.
- 6.2** The Supplier will replace Goods that are damaged or defective that are graded as Grade One Goods provided that:
- (a) the Company notifies the Supplier within 24 hours of selling the Goods to a buyer on behalf of the Supplier that the Goods are damaged or defective: and
 - (b) the Company investigates the claim on behalf of the Supplier.
- 6.3** The Supplier will allow the Company to make any adjustment to the auction price of the Goods where the Supplier short-supplies a declared quantity of Goods or includes damaged Goods in the declared quantity. The price adjustment shall be in proportion of the short-delivered or damaged Goods to the declared quantity of the Goods.
- 6.4** The Supplier agrees that Goods sold by the Company on behalf of the Supplier as Grade Two or Ungraded Goods are sold without warranty and on a non-refundable basis and the Company may dispose of damaged or defective or deteriorated Goods on behalf of the Supplier and that the Supplier shall not receive payment for such Goods. At the Company's discretion the Company may charge the Supplier for the cost of disposal of the Goods.
- 6.5** The Supplier may at its discretion uplift any unsold Goods, or damaged or defective or deteriorated Goods from the premises of the Company within 24 hours of notification by the Company as an alternative to the Company disposing of the Goods on behalf of the Supplier, provided that at all times the Supplier fulfils all orders for Goods that have been committed for sale.
- 6.6** The Company shall not be liable to the Supplier and the Supplier will not hold the Company liable for any loss of profits or any consequential, indirect or special loss, damage or injury of any kind whatsoever suffered by the Supplier or any other person arising directly or indirectly from any breach of any of the Company's obligations arising under or in connection with the contract including delays in the sale or delivery of Goods on behalf of the Supplier or from any cancellation or suspension of the contract or from negligence, misrepresentation or other act or omission on the part of the Company, its servants, agents or contracts.

- 6.7** The Company shall not be liable to the Supplier and the Supplier will not hold the Company liable for any breach or failure to perform any of the obligations of the Company under this contract where such breach or failure is caused by war, bad weather, adverse environmental conditions, civil commotion, hostilities, strike or lock, act of God, fire, governmental regulations or directions, or reasons force majeure caused beyond the Company's reasonable control. The occurrence of such an event shall not give the Supplier a right of cancellation of any contract.

7. Grounds for Termination by the Parties

- 7.1** This Contract may be terminated by either party immediately on written notice to the other party, if an Event of Default occurs, or if default of payments due to one party by the other party occurs. Event of Default shall also mean if a party:

- (a) Fails to comply with the warranty conditions relating to the Goods.
- (b) Shall commit any act of bankruptcy, or enter into any composition or arrangement with creditors.
- (c) Where a party, which is a company, does any act which would render it liable to be liquidated or if a resolution is passed or proceedings commenced for the liquidation of the company or if a Receiver or Administrator is appointed in respect of all or any assets of the company.

No release from obligations. Termination or suspension of this agreement shall not relieve either party of its obligations to pay all money owed by it to the other party on any account whatsoever, which money shall be payable immediately if an Event of Default occurs notwithstanding that the date for payment of the money may not have arrived. Termination or suspension of this agreement shall not relieve any party from liability arising from any antecedent breach of the terms of this agreement.

Immediate Steps Upon Termination. Except as specifically provided for in this clause 7.1 above, upon the termination of this agreement for any reason, all rights of either party granted by this Contract shall terminate.

8. Consumer Guarantees Act 1993

- 8.1** Nothing in these terms is intended to have the affect of contracting out of the provisions of the Consumer Guarantees Act 1993 except to the extent permitted by that Act where one party acquires the Goods from the other party in a business to business situation and all provisions of these terms shall be read as modified to the extent necessary to give effect to that intention.

- 8.2** The Supplier shall not give or make any undertaking, assertion or representation in relation to the Goods including the grading of the Goods to any other person or company without the prior approval in writing of the Company, meaning that the Company shall represent the Supplier to a buyer of the Goods and the Supplier shall indemnify the Company against any liability or cost incurred by the Company as a result of any breach by the Supplier of this provision. This indemnity, notwithstanding other provisions in this contract, shall survive termination of this contract.

9. Applicable Law Dispute and Arbitration

In the event of any dispute between the Company and the Supplier arising out of this Contract, the substantive laws of New Zealand shall apply and such dispute shall be referred to an arbitrator who has experience in the perishable goods market to be agreed between the parties and upon failure to reach agreement arbitration be conducted in accordance with the New Zealand Arbitration Act 1996 and any amendments thereof.

10. Guarantor

Where the Supplier is a company, the person(s) referred to as guarantor(s) in this Contract shall personally guarantee the obligations of the Supplier as if they were the principal Supplier.

FOR COMPANY:

UNITED FLOWER GROWERS LIMITED

FOR SUPPLIER:

AS GUARANTOR FOR SUPPLIER:
(Director / proprietor/ principal)

DATE:

